

The role of Dutch export superstars and their impact on revealed comparative advantage

Topic: Input-Output Analysis: Trade and Global Value Chains policies (7)

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The Netherlands is widely perceived as one of the most open and trade-oriented economies in Europe. However, it remains unclear whether this openness reflects broad-based competitiveness across industries or is primarily driven by a small number of export superstar firms. This paper examines the distribution of revealed comparative advantage (RCA) for gross exports and domestic value added in exports (DVA) at the industry level, across 30 European countries in the period 2021-2023. We assess the Netherlands's competitiveness within the EU context under different parameters: 1) including all firms, 2) with the top five superstars in the Netherlands removed from each industry, and 3) with the top ten superstars in the Netherlands removed from each industry, focusing on both gross exports and the DVA of exports.

The first part of the paper outlines a methodology to measure Dutch exports in terms of both gross exports and DVA, shedding new light on firm heterogeneity and the role of export superstars. The method involves calculating value added and gross export figures at the enterprise-by-industry level. Enterprise-level exports are allocated to industries based on the products they export rather than the enterprise's primary industry classification. For example, metal products at the CPA commodity level are exported by several different industries (many of which sell metal products as a by-product). In another example, a coffee exporter might export, in addition to coffee, sugar and stirrers – products linked to CPA commodities exported by different industries. In these cases, an enterprise not only exports goods and services typical of its own industry, but also exports products across multiple industries.

To allocate the exports of each enterprise across different industries and subsequently calculate value added, we use data from the International Trade in Goods (ITG) at the 8-digit Combined Nomenclature (CN) level and International Trade in Services (ITS), matched to information from the National Accounts. Our data-linking relies on Dutch input-output tables covering 135 industries. The totals in the export columns of these tables are derived from detailed data for about 120 exported CPA commodities (for Dutch-made goods) and EBOPS categories linked to about 76 exported CPA commodities (for services). CPA commodity-level exports, as provided in the National Accounts data, are therefore already matched to one or more of the 135 Dutch industries in the input-output table (supply), as well as to the exports of goods and/or services columns (use). Using benchmarking techniques, we scale the detailed ITG and ITS data to match national accounts totals by industry and commodity. Combining the 135-by-135 industry input-output tables with exports allocated by commodity allows us to compute the domestic value added per euro of exports for each commodity linked to exports. For Dutch-made goods, we then combine the export value of each 8-digit CN product at the exporter level with the average value added by linked commodity code. This yields an estimate of the value added at the exporting enterprise due to its exports per industry.

In the results, we first discuss the concentration of exports among enterprises in Dutch industries, comparing total exports and DVA of exports for the top 10, firms ranked 11-100, and those not in the top 100. The main RCA analysis uses exports and DVA of exports data from FIGARO for 29 European benchmark countries. The total export and DVA data at the sectoral level for the Netherlands, prior to removing any superstars, are taken from the Dutch input-output tables rather than from the Dutch data in FIGARO. After the initial RCA calculations, which include all firms, we

remove Dutch superstars and re-run the analysis. Preliminary results indicate that removing export superstars substantially reduces the revealed comparative advantage of several Dutch service industries, suggesting that competitiveness in these sectors is highly dependent on a small number of firms. This underscores how linking national input–output tables with firm-level data can provide new insights into the sources of international competitiveness and the role of superstar firms.