

are swept out of the market due to competition, the least productive product for each multi-product firm should also be dropped.

However, several studies suggest a more heterogeneous picture, where an adjustment in Tm_0 g_0 G_17 70.5 0.5 0.5 is contingent

3. Data Source

Our primary data source is the Vietnam Enterprise Survey (VES) provided by the General Statistics Office of Vietnam. Data have been collected annually since 2000, and the VES is by far the most comprehensive dataset available on Vietnamese firms; it is the main source of firm-level statistics in the formal agriculture, industry, and

Variables

The key variables for our analysis are product codes and product sales. Product sales are deflated by the producer price index (PPI) at the 2-digit sectoral level. Due to sales are D264 662.62 Tm0 g0 G0()JTJETQq0.000008873 0 595.44 841.68 reW* nBT/F5 12 Tf1 0 0 10

edition 2016. ICIO provides annual information on inter-industry and across-country trade transactions for 63 countries including Viet Nam over 595.44 841.68 reW* nBT/F5 12 Tf1 0 0 1

Table 4: Frequency of Product Turnover

where Y denotes output (sales); and i, j, t denote firm, product, and time, respectively.
 C represents the set of continuing products (intensive margin)⁶¹ in product

6. Trade Liberalisation and Product Turnover

The literature on international trade and firm heterogeneity emphasises product churning as an important channel of resource reallocation as a result of free

among others

Table 7: Tariff Reduction and Product Churning

(1) (2) (3) (4)

productive, and are more likely to export. Second, while the share of multi-product firms in Viet Nam is smaller than that found in the US and India, Vietnamese multi-product firms are active in the market. Approximately 60

References

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