

Does Exporting Increase Wage, Labor, and Non-regular Workers?:

A Firm-Level Analysis using Japanese Data

(*Old title is* Exporters and Multinationals pay Higher Wage?: A

Firm-Level Analysis using Japanese Data)

Ayumu Tanaka[†]

August 29, 2011

Abstract

Japan has experienced low or negative annual growth of wage and GDP and rapid growth of non-regular workers under the globalization since 1990s. This study seeks to identify the causal effect of exporting on wage, labor, and workforce composition in Japanese manufacturing and wholesale, using an extensive firm-level data. I employ propensity score matching technique and investigate whether firms that start exporting experience wage and labor growth and changes in workforce composition compared with non-exporters. I find positive effects on labor growth in manufacturing and wage growth in wholesale but no effect on the ratio of non-regular workers in both sectors.

Keywords: exporting; wage; labor; firm heterogeneity

JEL Classification: F16, J31, L81

[†]Research Institute of Economy, Trade and Industry (RIETI).
E-mail: tanaka-ayumu<at>rieti.go.jp