

Event Notes

Mapping competitiveness with European data

Talk at Bruegel, Monday 6 March 2015

Participants:

Daive Castellani	Professor of Applied Economics at the University of Perugia, research fellow of CIRCLE (Sweden) and LdA (Italy)
Andreas Koch	Research Fellow, Institute for Applied Economic Research (IAW)
Isabel Grilo	Head of Unit B2 "Structural reforms, competitiveness and innovation", European Commission, DG ECFIN
Ani Todorova	Head of Unit, Unit C2 "National and Regional Accounts Production. Balance of Payments", Eurostat
Guntram Wolff	Director, Bruegel

Notes:

This talk marked the launch of Bruegel's blueprint publication 'Mapping competitiveness with European data'. This has been produced as part of MAPCOMPETE, a project which aims to map the availability and accessibility of the data needed to compute various indicators of competitiveness.

Competitiveness for the purpose of this project is defined as the ability of a firm in a given country to mobilize and efficiently employ the productive resources to provide goods and services. The authors focused on the indicators (measures which signal whether firms differ with respect to their performance) rather than on drivers (factors that affect firms' performances) of competitiveness. They looked both at aggregate (macro) indicators of competitiveness and bottom-up measures, and collected information on the availability and accessibility of the data needed to compute both macro and bottom-up measures of competitiveness. As they expected, data to compute macro indicators are in general widely available and accessible.

However, data which have already been aggregated are often insufficient to produce a full picture of competitiveness. This motivated the project leaders to identify the availability and accessibility of the micro-level data necessary to compute new bottom-up indicators: indicators which are aggregated up from micro-level data according to the needs of the researcher. The sources of this micro-level data on competitiveness included National Statistical Institutes (NSIs) and National Central Banks (NCBs). The results of the project provide a guide to researchers on the availability of data, where to find them, and under which conditions (if any) the data can be accessed and matched with other sources.

For a range of bottom-up indicators, the researchers were able to determine the accessibility and computability (the quality, availability and matchability) of the data needed to aggregate the indicator. In terms of computability, the current situation in Europe is generally not bad. The data exists, is of sufficient quality and can technically be matched to obtain the required indicators. What is currently problematic for any researcher outside of a NSI or NCB is the access to the micro-data needed to compute bottom-up indicators and the restrictions on the uses of these data. Matching firm-level data from multiple sources would allow researchers to address more complex research questions and obtain a better overall picture of a given phenomenon by computing robust bottom-up aggregate indicators of competitiveness. However, there are various barriers (including technical and legal restrictions) that undermine the possibility of matching firm-level data from multiple sources.

Through its investigations, the MAPCOMPETE project has created an inventory of matched and matchable data within and between countries, rated for its quality and accessibility. These findings can be seen via the MAPCOMPETE web-tool, which was presented at the event (and which will be available at mapcompete.eu). This web-tool will allow researchers to find information about competitiveness indicators, and the availability and accessibility of the existing data, as well as links to the data or to the institution(s) that should be contacted to obtain them.

Their findings led the researchers to offer some proposals to improve the conditions around the availability, accessibility and matchability of firm-level data, such as:

- (i) A first-best solution involving changes in the EU laws involving data availability, access and matching;
- (ii) Workarounds to improving research techniques within current restrictions;
- (iii) Improving the architectures of data matching (by means of independent matching institutions) and data access for researchers (for instance by improving data anonymization techniques);
- (iv) Supporting and coordinating new multi-scope cross-country firm-level surveys, and linking these surveys to other data (e.g. administrative data).