

Produktdiversifizierung: Konvergenz zwischen ost- und westdeutschen Unternehmen

Eine Dekomposition mit Mikrodaten der amtlichen Statistik

Product Diversification: Have East-German Enterprises Caught-Up with the West?

A Comparative Analysis Using Register-Based Micro Data

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Product diversification, decomposition, nonparametric regression.

Summary

In the aftermath of Germany's reunification, redesigning their product range was a major challenge for East-German enterprises. At the same time, there were growing signs that Western enterprises reacted to globalization and European integration by increasingly pursuing strategies of specialization. Using representative micro data from Germany's system of register based, official firm surveys, this paper studies how manufacturing enterprises from both parts of the country reshaped their product policies in recent years.

Our analysis reveals a common trend towards greater specialization during the period from 1995 to 2001. This process of focusing on their core competencies and reducing their range of products was more pronounced in the East – most likely as a result of the increased integration of Eastern firms into international markets.

We apply a nonparametric decomposition that yields estimates of the structural and regional components of the West-East gap. We find that in 2001 no significant gap remains among Eastern and Western enterprises of a similar, comparable type. However, there still exist pronounced structural differences. In particular, in 2001 East Germany is still lacking the large firms in many industries that push up the level of West German product diversification and economic performance.