

# Bridging Iranian Exporters with Foreign Markets: Does Diaspora Matter?

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## Abstract

After matching a rich micro-level Iranian customs dataset with a macro-level cross-country database on Iranian diaspora stocks, we establish that diaspora matters for Iranian exporters dynamics. We document the extent to which Iranian emigrants foster exports through both the intensive and extensive margins at the micro-level. We show that destinations with more emigrants from Iran attract more Iranian exporters and allow them to survive longer and grow faster. One plausible explanation is that the diaspora channel reduces the fixed cost of exporting that Iranian exporters incur to enter a destination, are related to creating distribution channels, and are associated with learning about market demand. Our results add a micro-level insight to the burgeoning literature on the channels through which emigration could impact economic integration by bridging exporters at home with foreign markets.

Keywords: economic integration; diaspora; exporters dynamics; trade

JEL codes: F10; F20; F22; F23; L14; L25

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