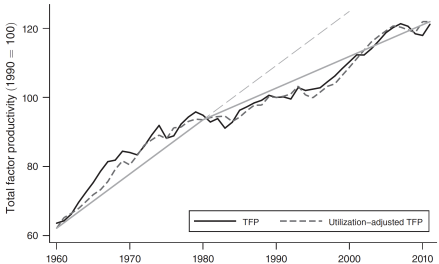
Competing for Inventors: Market Concentration and the Misallocation of Innovative Talent

Andrea Manera

October 5, 2021

Motivation

- TFP growth has slowed down
  Fernald et al. (2014), Gordon (2016), Akcigit and Ates (2021)



Source: Akcigit and Ates (2021)

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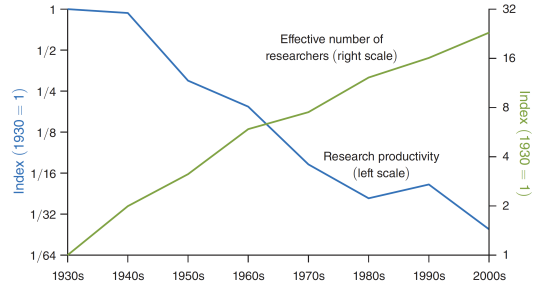

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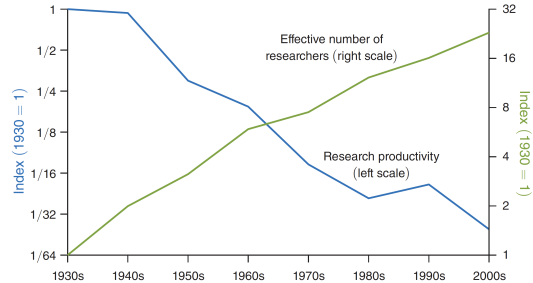

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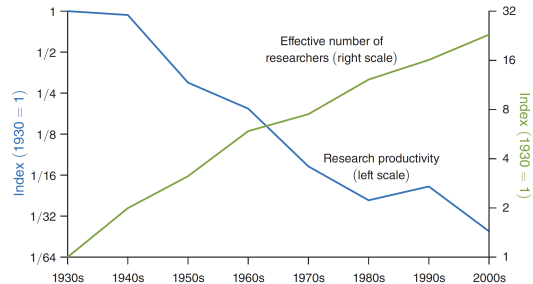

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Are inventors misallocated?

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- Misallocation can explain 27% of fall in annual growth (-.78pp)