

Productivity for Inclusive Growth

OECD Workshop on Innovation Disparities | 19 June 2019

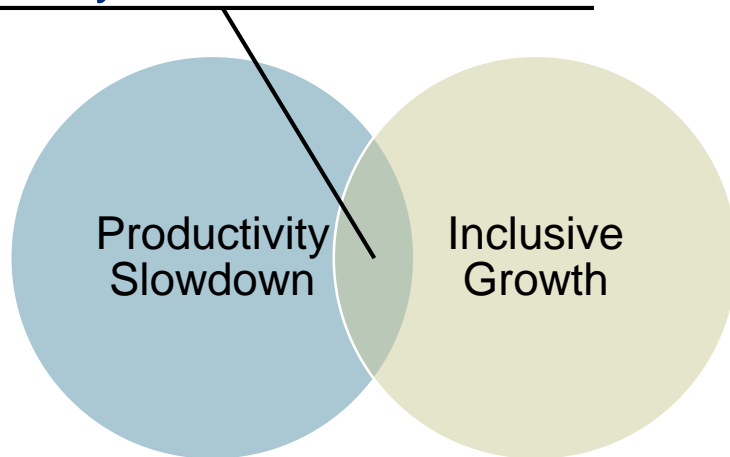
Lukas Nüse | Project Manager

The Bertelsmann Stiftung (Bertelsmann Foundation)

- Think tank based in Gütersloh (Germany)
- Staff of around 380
- 70 projects in various areas (democracy, health, education, culture, economy, society)
- Conduct and commission studies
- Our project:
 - Started in 2018



Our Project: Productivity for Inclusive Growth



- Twin Challenge: Low Productivity Growth \leftrightarrow High Inequalities (People, Firms, Places)
- Our Model:

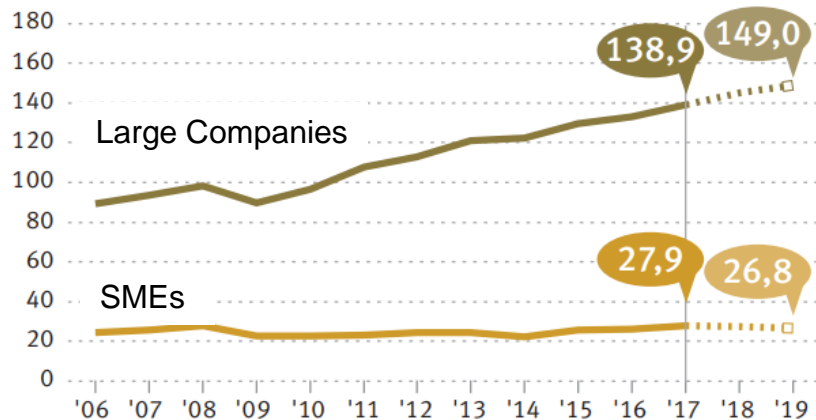


SMEs vs. Large Enterprises

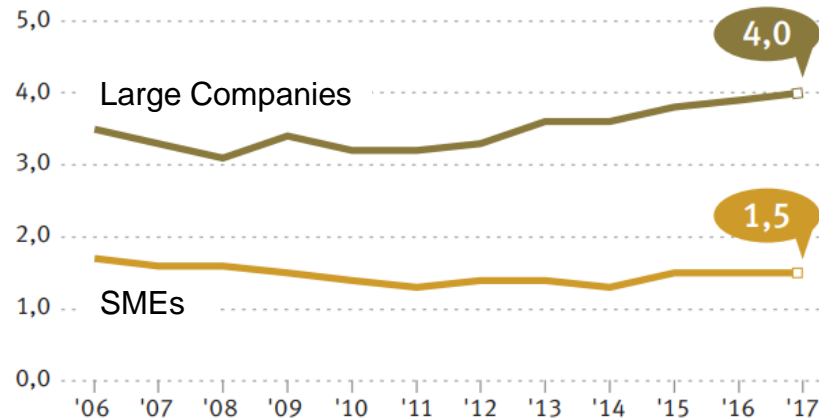
ZEW (2019)

- Spending on innovation is becoming more concentrated.
- Large companies now spend more than twice as much on innovation as SMEs.

Innovation Expenditure, in Billion €



Innovation Expenditure, in % of Revenue

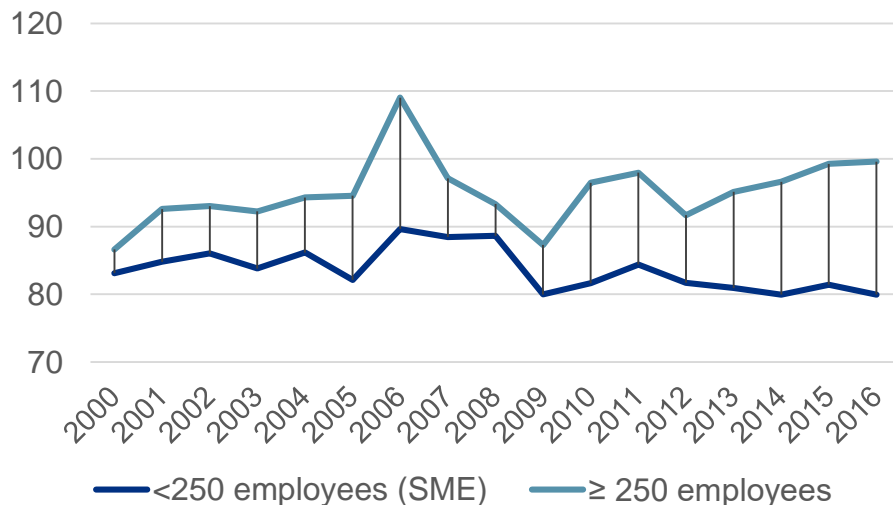


SMEs vs. Large Enterprises

Dienes et al. (2019) - Forthcoming

- Productivity increases with firm size.
- Divergence of productivity (growth) between SMEs and large Enterprises since the crisis

Real Labour Productivity, in '000 €



Real Labour Productivity Growth, 2007=100

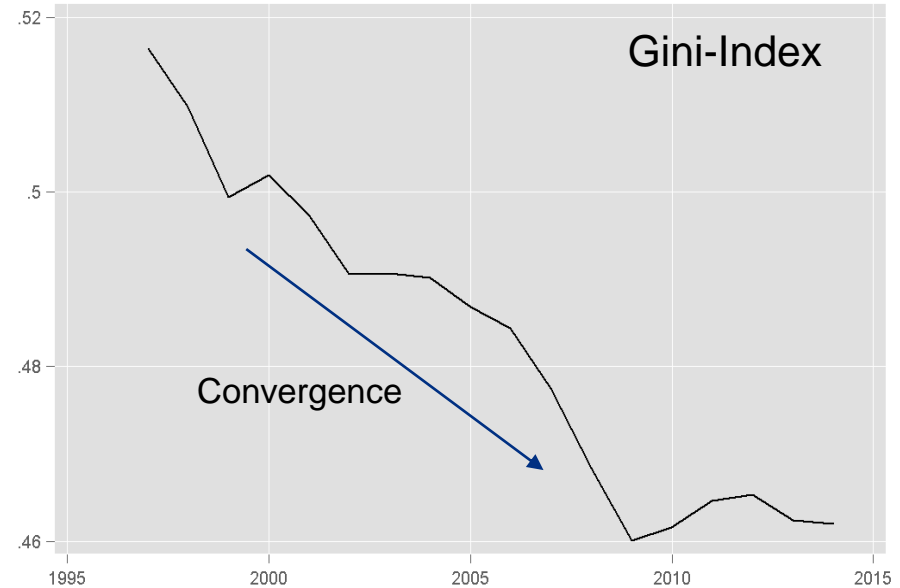
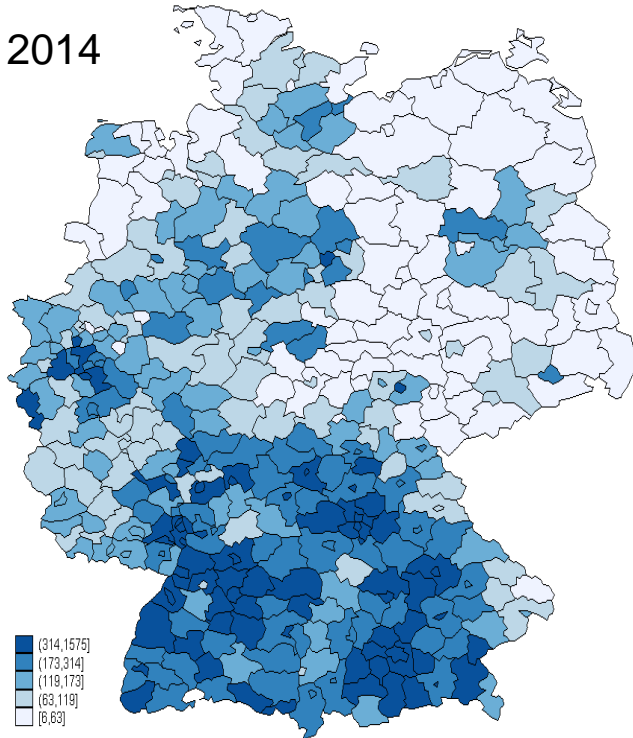


Regional Innovation in Germany

Patent Applications in TL3-Regions

Nüse et al. (2019) - Forthcoming

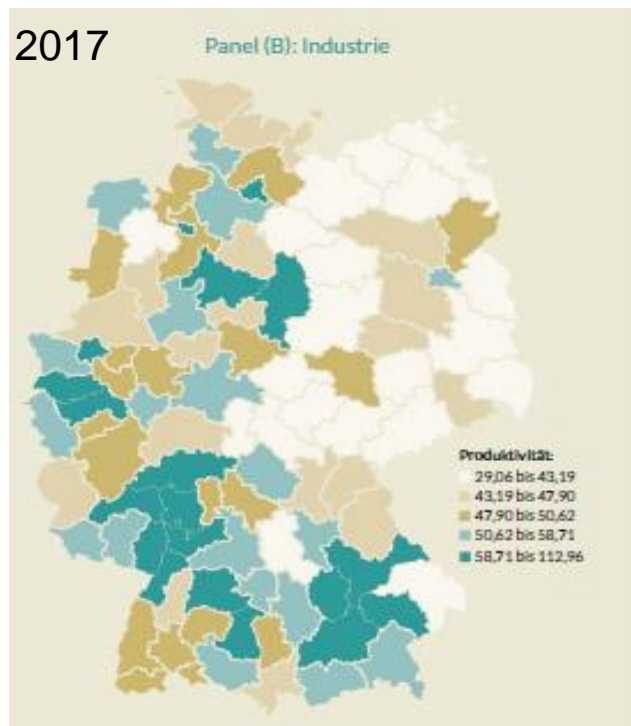
2014



Data: Concentration of Patent Applications per Million Inhabitants in TL3-Regions, 3 Year Average, Germany (1997-2014), OECD Regional Database

Regional Productivity in Germany

Gornig et al. (2019)

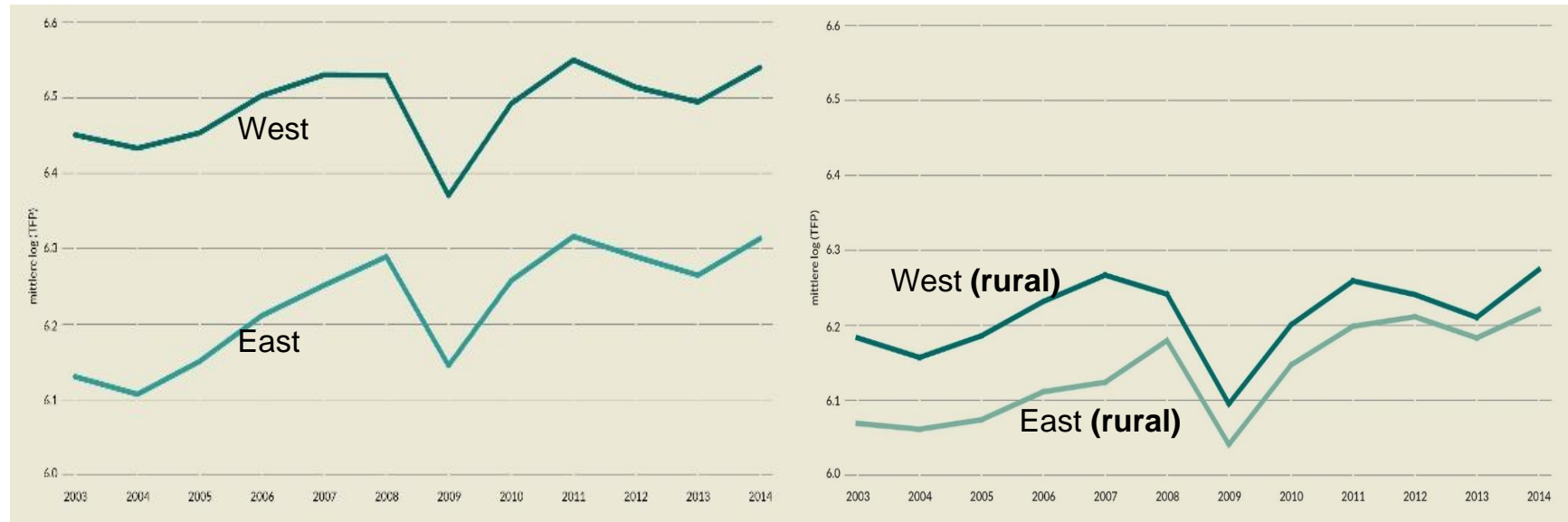


- Productivity levels amongst German regions are homogenous relative to other countries.
- No single “Superstar Region”
- Metropolitan areas are more productive than rural areas.
- East-West gap:
East Germany produces only 80% as efficiently as West Germany

Regional Productivity in Germany

Gornig et al. (2019)

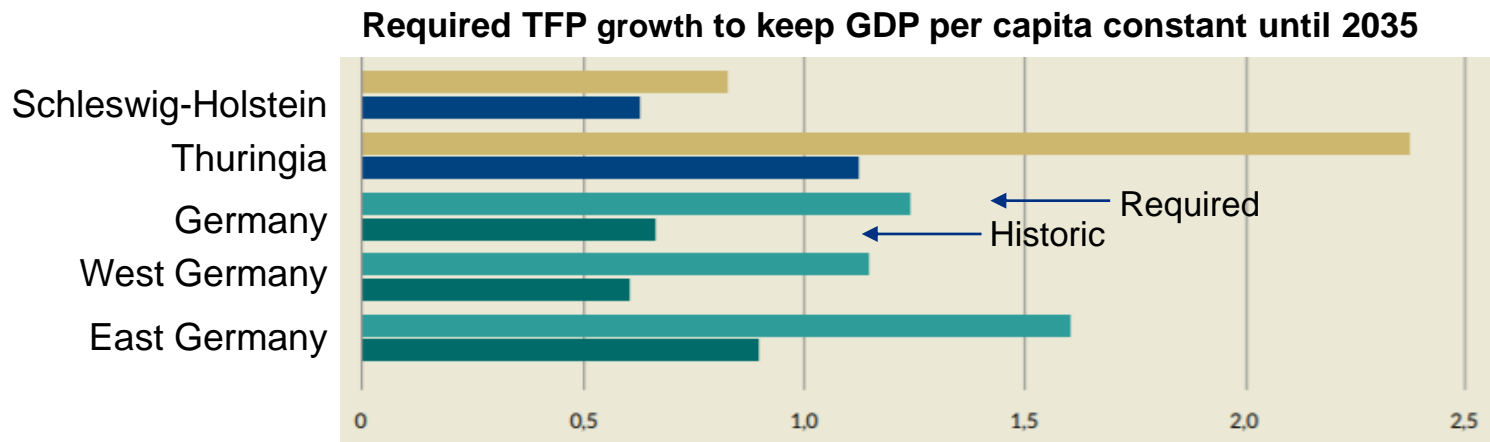
- Population density largely explains East-West German productivity gap.



Productivity and Demographic Change

Gillmann et al. (2019)

- Demographic change is a driver for long-term standard of living.
- Declining labor force → remaining workers must work more productively (*ceteris paribus*)
- Graph: Required increase of average productivity growth to keep GDP/capita constant



Further Projects/Papers

- Clustering firms around different milieus based on their innovation model and output
- Effect of market power on innovation activities on the firm level
- **Digitalisation and geographic concentration of innovation (w/ OECD TIP)**
 - How does the digital transformation affect the regional inclusiveness of innovation?
 - Empirical approach based on regional patent data

Twitter: @LukNse @IncluProdu | Blog: inclusive-productivity.de

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Thank You!

| Bertelsmann**Stiftung**