Tommy Clausen is currently doing his PhD at the Centre for Technology, Innovation and Culture at the University of Oslo. His Ph.D. is linked to a research/book project about the Norwegian National Innovation System run by Jan Fagerberg and Bart Verspagen (also his supervisors). In this book/research project, he will write 2 chapters about R&D subsidies, one about innovation in small and large firms, and one about “technological regimes & industrial dynamics” in Norwegian industries (with Bart Verspagen). He mainly uses a combination of R&D, innovation surveys and annual accounts data at the firm level in his thesis. He will soon be 29 years old and living together with his girlfriend (also during his two-and-one half month stay in Jena).

October 17th, 4:00 pm
Max Planck Institute of Economics
Entrepreneurship, Growth and Public Policy Group
Seminar Room V03

Do subsidies have positive impacts upon R&D activities at the firm level?

The main aim in this paper is to analyze whether “further from the market subsidies” and “closer to the market subsidies” have positive impacts upon the quantity, quality and type of R&D done at the firm level in Norway. In addition to subsidizing private R&D, it is currently a major policy goal to change firms’ technology strategies and profit opportunities in favor of R&D intensive product development. Hence, we will also analyze whether “further from” and “closer to” the market subsidies have a positive impact upon firms R&D investment plans. Using a novel database which builds upon a combined R&D and innovation survey, together with firms annual accounts, we analyze whether these two kinds of subsidies have positive impacts upon R&D activities at the firm level. The results show that only “further from the market” subsidies stimulates the quantity, quality and type of R&D spending at the firm level, in addition to increasing firms’ future commitment to R&D.