

Vous êtes invité à la prochaine réunion du

SEMINAIRE ECONOMIQUE DE LOUVAIN



Diego PUGA (IMDEA, Madrid)

fera un exposé sur

The productivity advantages of large cities : Distinguishing agglomeration from firm selection

Abstract

Firms are more productive on average in larger cities. Two explanations have been offered: agglomeration economies (larger cities promote interactions that increase productivity) and firm selection (larger cities toughen competition allowing only the most productive to survive). To distinguish between them, we nest a generalised version of a seminal firm selection model and a standard model of agglomeration. Stronger selection in larger cities left-truncates the productivity distribution whereas stronger agglomeration right-shifts and dilates the distribution. We assess the relative importance of agglomeration and firm selection using French establishment-level data and a new quantile approach. Spatial productivity differences in France are mostly explained by agglomeration.

(Joint paper with Pierre-Philippe Combes, Gilles Duranton, Laurent Gobillon, and Sebastien Roux)

Ce Séminaire est joint avec le Regional and trade seminar

Le séminaire aura lieu Jeudi 6 novembre 2008 à 16h30,

CORE

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