

在外研究員研究報告書

2018年2月22日 受付

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研究課題名	Industry Concentration, Fully Endogenous Growth, and Economic Development			
研究期間	2016年 7月 9日 ~ 2017年 3月 31日			
滞在期間 ・滞在地 研究調査先	滞在期間	滞 在 地	研究・調査先	
	266日	Paris, France	Paris-Sud University	
研 究 費	2,668,400円	研究成果の概要	別記 4,000字程度	
発 表	題 目 名	発表学術誌名Vol. No.	発行年月日	
	Corporate Tax Policy and Industry Location with Fully Endogenous Productivity Growth	Economic Inquiry	Forthcoming	
	Competing Incremental and Breakthrough Innovation in a Model of Product Evolution	Journal of Economics	Forthcoming	
	著 書 名	発 行 所 名	発行年月日	
	演 題	講 演 学 会 名	講演年月日	
Innovation and Manufacturing Offshoring with Fully Endogenous Productivity Growth	European Trade Study Group, Aalto University Vatt Institute, Finland, 2016 RITM Lunch Seminar, University Paris-Sud, France, 2016	September 10, 2016 September 19, 2016		

Report on Research Year Abroad

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This report provides a simple outline of the research activities and research results that I completed during my research year abroad over the 2016 academic year. As planned, I arrived in Paris on July 8, 2016 to begin work on research as a visiting researcher of the Economics Department at University Paris-Sud in Sceaux, France.

University Paris-Sud is a large university located in the suburbs south of Paris with an enrollment of approximately 30,000 students. I was located in the Reseaux Innovation Territoires Mondialisation (RITM) research center. This research center focuses on topics associated with networks, innovation, space, and globalization, and has approximately 80 members including faculty-level researchers, post-doc researchers, and Ph.D. students. Adopting an interdisciplinary approach, the research center includes researchers specializing in various fields of business and economics, allowing for collaboration in research projects that adopt a cross-disciplinary approach.

Due to serious space constraints at the university, researchers share office space with a minimum of two researchers per office, but at times up to six researchers sharing a single office. I was provided with a desk in an office shared with two post-doc researchers. While the shared office space was quite a contrast from the individual office space provided to faculty members at Doshisha University, I found that one rather positive aspect of the shared office space is a greater sense of collegiality with more regular communication and interaction between RITM members. For example, large groups of RITM members took lunch and coffee breaks together on an almost daily basis. The high level of collegiality created many opportunities for me to exchange ideas about various research topics with other RITM members.

During my stay at University Paris-Sud, I had the opportunity to participate as a regular member in three research seminar series. The first seminar series was the RITM lunchtime workshop that met every Monday during the academic semester. Each week a

different researcher presented the results of an ongoing research project and received feedback from other RITM researchers. In order to ensure a large level of participation in the lunchtime seminar, attendees were provided with a lunchbox paid for and provided by the university. As a result, the lunchtime seminar was regularly attended by at least 30 researchers from the center, and became a key point of contact, with a free and fruitful exchange of ideas on a broad range of research topics.

In fact, my introduction to RITM began with a one-hour presentation in the RITM lunchtime seminar on September 19, 2016. I presented joint work with Ken-ichi Hashimoto of the Graduate School of Economics at Kobe University. The research project, entitled “Innovation and manufacturing offshoring with endogenous productivity growth,” is a theoretical analysis that examines how firms decide where to locate innovation and production activities geographically, and the consequences of that decision for the aggregate rate of productivity growth. Accordingly, the theme of the presentation seemed to match quite well with the research interests of seminar attendees, and as a result I was able to receive quite a number of insightful and valuable comments, which lead to revisions that greatly improved the quality of the paper. I also had the opportunity to present this paper at the annual European Trade Study Group hosted by Aalto University and the VATT Institute in Helsinki, Finland on September 10, 2016. The paper is now under review for publication in a refereed academic journal.

The second seminar series that I became of regular member of during my research year abroad was the Urban Economics Seminar hosted by the Paris School of Economics. The goal of this workshop was to give researchers interested in the field of regional and urban economics an opportunity to attend presentations and exchange ideas related to regional and urban economics. The workshop met once a semester for a series of three presentations from researchers in Paris, the larger European area, and from abroad. The quality of presentations was extremely high, and included presentations by Stuart Rosenthal, Diego Puga, and Pierre-Phillip Combes, all of who are top-level researchers that I have been following for many years. Interestingly, the Urban Economics Seminar begins with a ninety-minute lunch that includes a lunchbox provided for all seminar attendees and paid for by the Paris School of Economics. The seminar had a large number of attendees with ample time for discussion and exchange of ideas on related

research topics.

The third research seminar series that I became a regular member of was the Paris Trade Seminar cohosted by the Paris School of Economics, Sciences Po, and the University Paris 1. The seminar met every second Tuesday afternoon during the academic semester and presented recent works by French and foreign scholars about international trade and its frontiers with other fields. With a world-class reputation, this seminar attracts top-level international researchers in the field of international trade. For instance, the seminars included presentations made by Pol Antras, Thomas Chaney, Arnaud Costinot, Phillippe Martin, and Gianmarco Ottaviano, all superstar researchers whose work I have been following for a long time. After the scheduled presentation, the Paris Trade Seminar allocated time for casual discussion and the exchange of ideas between seminar attendees.

In addition to attending the above seminar series, I was able to complete a large amount of work on four ongoing research papers. The first research paper is entitled “Innovation and manufacturing offshoring with endogenous productivity growth,” and has already been introduced above. The second research paper, entitled “Competing incremental and breakthrough innovation in a model of product evolution,” is the result of joint work with Yasunobu Tomoda of the Kobe City University of Foreign Studies. This paper develops a theoretical growth model in which product cycles arise endogenously from competing investments in incremental and breakthrough innovation. We show that the product cycles generated within the model are capable of producing the within industry pricing patterns that arise as new products displace old products and are then manufactured using production technologies that are continuously refined. After being reviewed and revised, this paper has now been accepted and is awaiting publication in the *Journal of Economics*.

The third research paper is entitled “Corporate tax policy and industry location with fully endogenous productivity growth.” This theoretical paper is the result of joint work with Ken-ichi Hashimoto of the Graduate School of Economics at Kobe University, and considers how national corporate tax policy affects aggregate productivity growth through adjustments in the geographic pattern of industry location. We also investigate

the relationships between corporate tax differentials, the level of market entry, and national welfare levels. After being reviewed and revised, this paper has now been accepted and is awaiting publication in the *Economic Inquiry*.

The fourth research paper is entitled “How do business startup modes affect economic growth?” This theoretical paper is joint work with Laixun Zhao of the Research Institute for Economics and Business at Kobe University and studies how an entrepreneur’s choice between different types of financing for innovation activity affects aggregate economic growth and national welfare when the financial sector exhibits market imperfections. We revised and resubmitted this paper to a referred academic journal and are now waiting for an editorial decision on whether it will be accepted for publication.

While completing work on the ongoing research projects introduce above, I was also able to start two additional new research projects. The first new research project is entitled “Industry concentration and import competition in a small-country model of productivity growth,” and is a collaboration with Ken-ichi Hashimoto of the Graduate School of Economics at Kobe University. The aim of this research project is to consider how a small open economy develops through improvements in its production technologies when it is faced with import competition from international firms that employ superior production technologies. Over the duration of my research year abroad, I was able to design and complete a theoretical framework for investigating this research question. The analytical stage of the research project is now complete and we are in the process of composing a research paper that can be presented at academic conferences in order to obtain feedback and refine the research results. We are hoping that the research paper will be polished and ready for submission to a refereed academic journal within the next few months.

The second new research project involves an empirical analysis of the how the geographic pattern of industry location affects aggregate productivity growth. A key aspect of this analysis is a consideration of how scale affects the rate of growth at the urban level. While the existing literature has shown that larger countries do not necessarily grow faster, there is still no consensus on whether larger cities grow faster or slower. After many discussions with empirical researchers at University Paris-Sud, I

was able to design a research project that may be able to address these empirical questions. In addition, I have searched for and purchased a large data set from Toyo Keizai that includes data over a period of 14 years for approximately 780 cities in Japan. I am now in the process of preparing this data for use in a regression analysis and hope to be able to complete the analysis within the next few months. Once the regression results have been obtained, I will include them in a research paper for submission to a refereed academic journal.

As originally planned, I completed my research year abroad and returned to Japan on April 1, 2017. I would like to express that the opportunity to spend a year in a top-level research environment with the time and freedom to work on research has enabled me to both complete a number of ongoing research projects while updating my research skills by learning a number of new research methodologies. This has had a very positive impact on both the direction and quality of my research work. I am extremely grateful to both Doshisha University and my fellow colleagues at the Institute for the Liberal for supporting my application for a research year abroad and for providing me with the opportunity to focus on various research projects over the 2016 academic year.



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February 21, 2018