

Contents

| | |
|--|------|
| List of tables..... | iv |
| List of figures | vi |
| List of abbreviations and acronyms | vii |
| Acknowledgements—Danksagung | viii |
| Co-authorship and statement of contribution | x |
| German Summary | xi |
| 1 Introduction | 1 |
| 1.1 Economic growth and regions | 1 |
| 1.2 Agglomeration economies and regional growth..... | 5 |
| 1.3 The fuzzy definition of entrepreneurship..... | 7 |
| 1.4 The local context of entrepreneurship | 10 |
| 1.5 Entrepreneurship, competition and growth | 11 |
| 1.6 Open questions on the effects of new business formation and agglomeration economies | 14 |
| 1.7 Structure of this Ph.D. thesis | 16 |
| 2 New Business Formation and Incumbents' Perception of Pressure from Competition: Evidence from Germany | 20 |
| 2.1 Introductory remarks..... | 20 |
| 2.2 Evidence of previous studies | 21 |
| 2.3 What determines the perceived pressure of competition? | 23 |
| 2.4 Methodology | 27 |
| 2.4.1 Data and spatial | 27 |
| 2.4.2 Variables and model specification..... | 29 |
| 2.5 Results..... | 35 |

| | | |
|-------|--|----|
| 2.6 | Discussion | 42 |
| 3 | New Business Formation and the Productivity of Manufacturing Incumbents: Effects and Mechanisms | 44 |
| 3.1 | The effects of new business formation on incumbent firms | 44 |
| 3.2 | New business formation and the productivity of incumbents | 46 |
| 3.3 | Methodology | 50 |
| 3.3.1 | Spatial framework and data | 50 |
| 3.3.2 | Variables | 52 |
| 3.3.3 | Estimation of the effects of entry on incumbent productivity | 57 |
| 3.4 | Results..... | 58 |
| 3.5 | Extensions and robustness checks | 67 |
| 3.6 | Discussion and conclusions on new business formation and the productivity of manufacturing incumbents | 68 |
| 4 | Agglomeration Economies and Establishment Productivity and Innovation Output: Evidence from Germany | 71 |
| 4.1 | Introductory remarks on agglomeration economies | 71 |
| 4.2 | Agglomeration economies and firm performance | 73 |
| 4.3 | Methodology | 77 |
| 4.3.1 | Spatial framework and data | 77 |
| 4.3.2 | Variables | 78 |
| 4.3.3 | Estimation of the relationship between agglomeration economies, establishment productivity, and innovation output..... | 83 |
| 4.4 | Results..... | 84 |
| 4.4.1 | Descriptive results..... | 84 |
| 4.4.2 | The relationship between agglomeration economies and establishment productivity | 90 |

| | |
|--|-----|
| 4.4.3 The relationship between agglomeration economies and establishment innovation output..... | 92 |
| 4.4.4 The moderating effect of establishment size and human capital on the investigated relationships | 96 |
| 4.5 Robustness checks | 100 |
| 4.6 Discussion and conclusions on agglomeration economies and establishment productivity and innovation output | 101 |
| 5 Summary and final conclusions..... | 105 |
| 5.1 Summary of the empirical findings..... | 105 |
| 5.2 Final conclusions | 109 |
| 5.3 Policy implications | 112 |
| 5.4 Avenues for future research | 114 |
| References | 116 |
| Appendix..... | 127 |
| Statutory Declaration— Eidesstattliche Erklärung | 141 |
| Curriculum Vitae | 142 |