

THE IMPACT OF TERRITORIAL RESOURCES ON THE FIRM PRODUCTIVITY: TOWARD A FIRM-BASED OR A REGIONAL-BASED DEVELOPMENT?

S18 – ENTREPRENEURSHIP AND LOCAL DEVELOPMENT

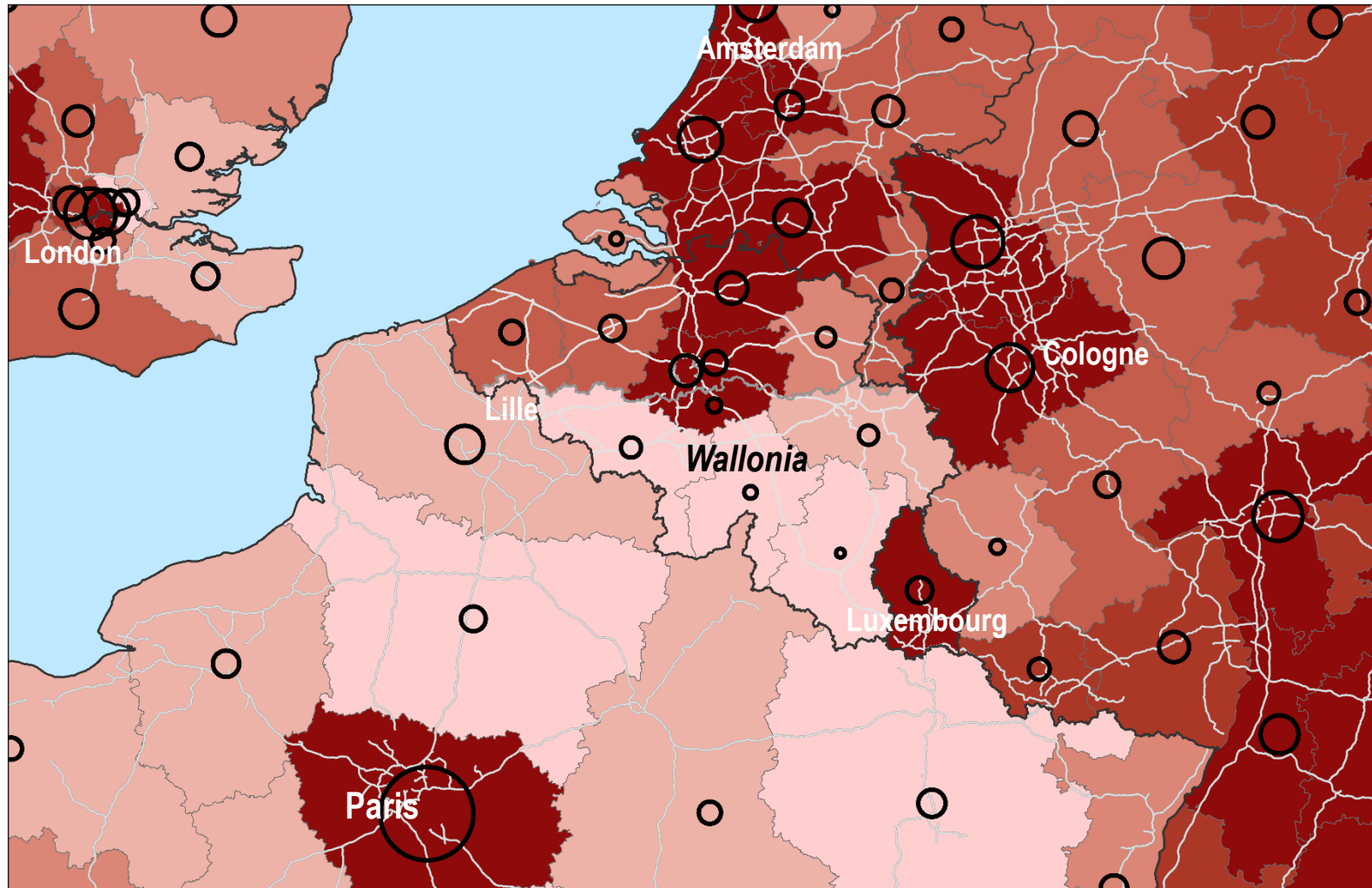
59TH ERSA CONFERENCE, LYON – AUGUST 29TH, 2019



**PIERRE-FRANÇOIS WILMOTTE¹, MARCUS DEJARDIN², DIDIER VAN
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(1) ECOGEO & Lepur – University of Liège (Belgium) ; (2) University of Namur & UCLouvain (Belgium) ; (3) HEC Liège (Belgium) ; (4) Walloon Institute of Evaluation, Foresight and Statistics, Namur (Belgium)

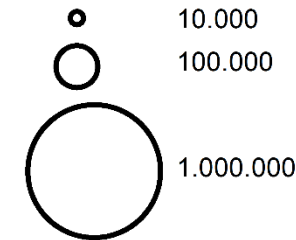
WALLOON REGION IN THE EUROPEAN CONTEXT



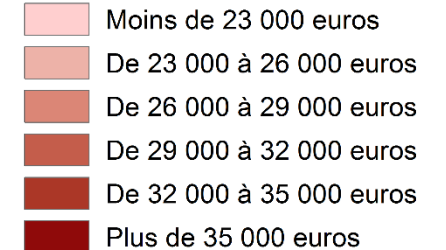
Wallonia ?

- Southern and French-speaking part of Belgium
- Industrial decline
- Spatial disparities between ...
 - Belgian regions
 - Brussels metropolitan area and the rest of the country

GDP x 1000000 € (2014)

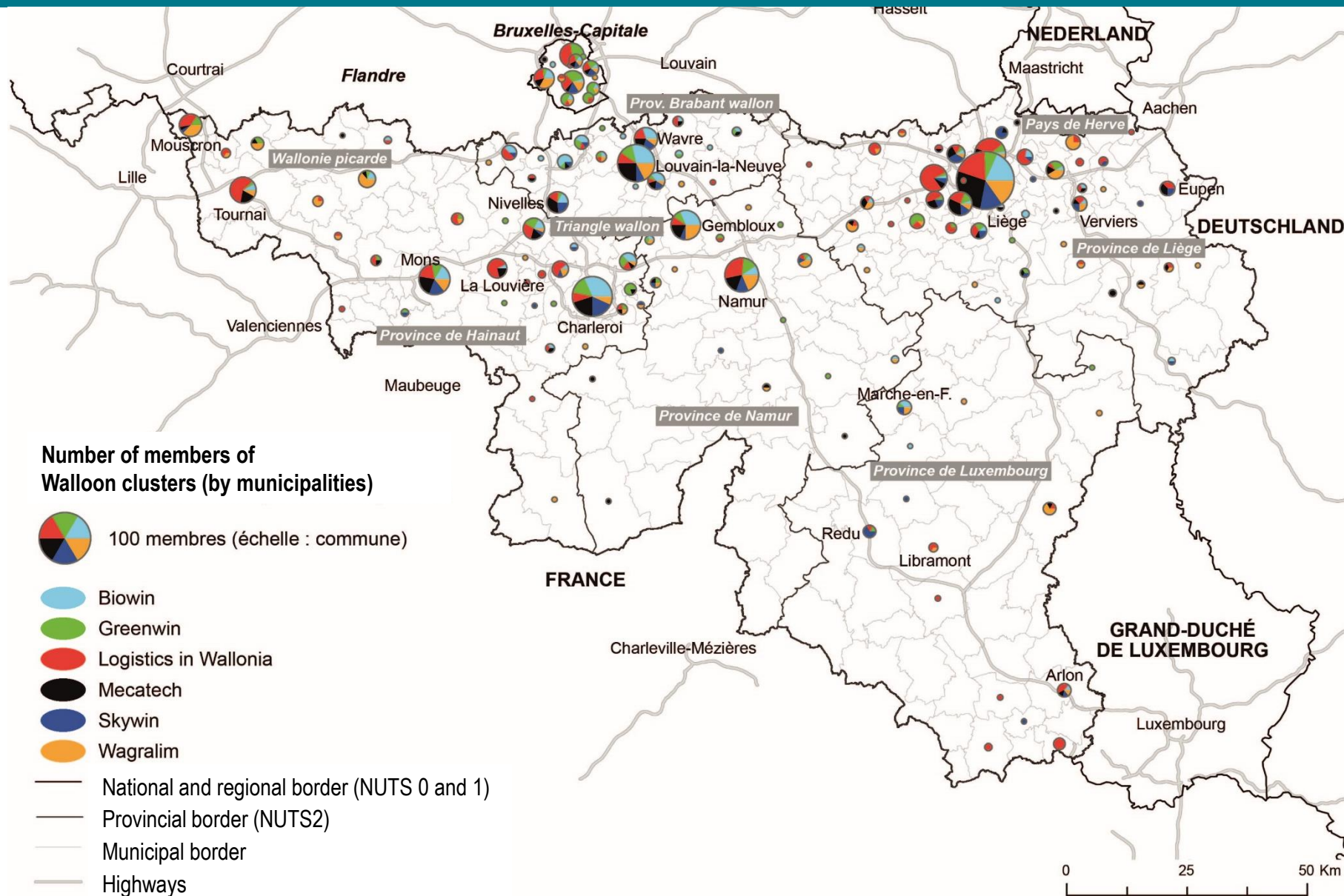


GDP per inhabitant (PPP) (2014)

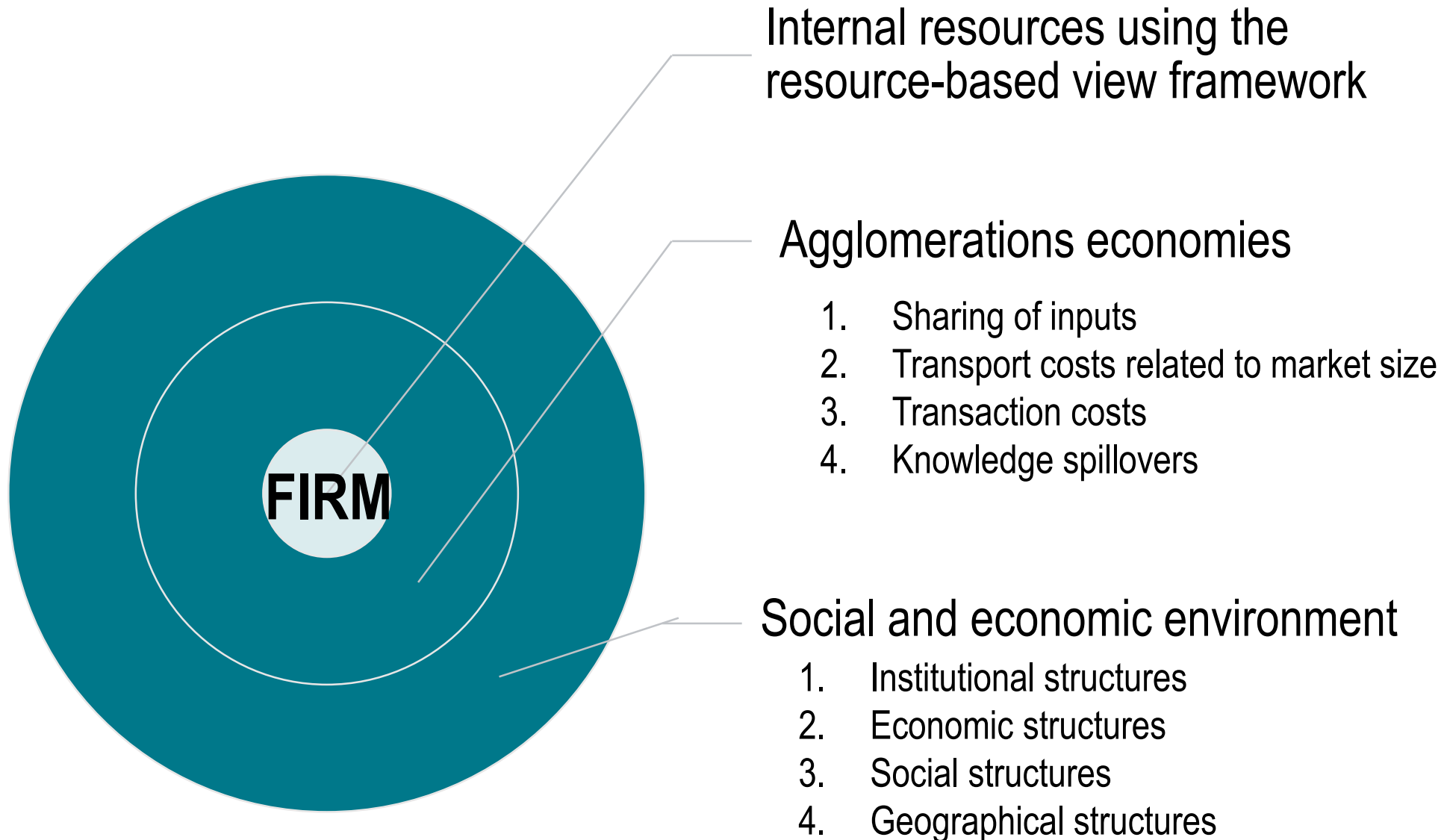


Author: H. Maldague (2019)
Sources: Eurostat (2014)

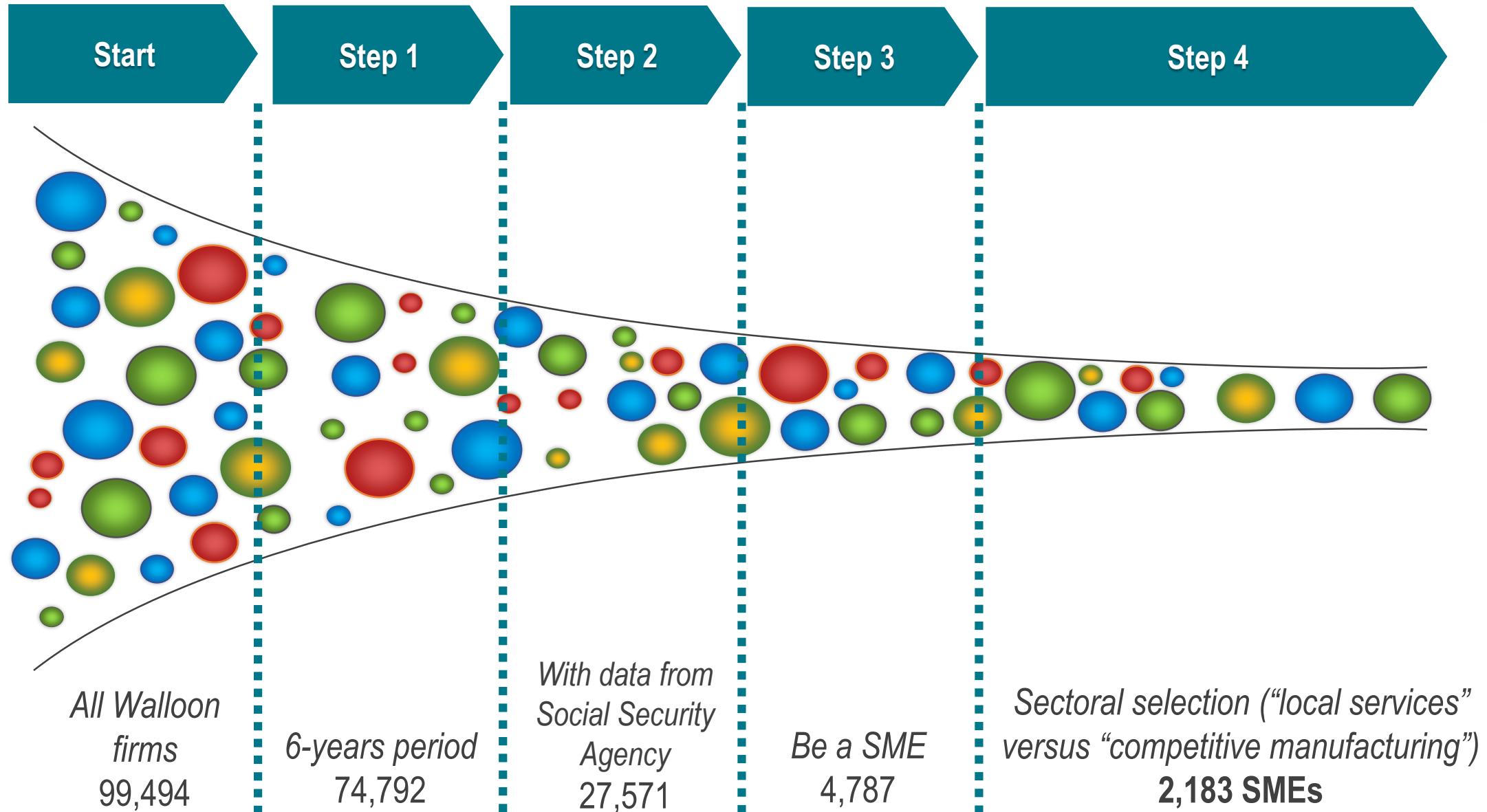
CURRENT SPATIAL ECONOMIC STRUCTURE OF THE REGION



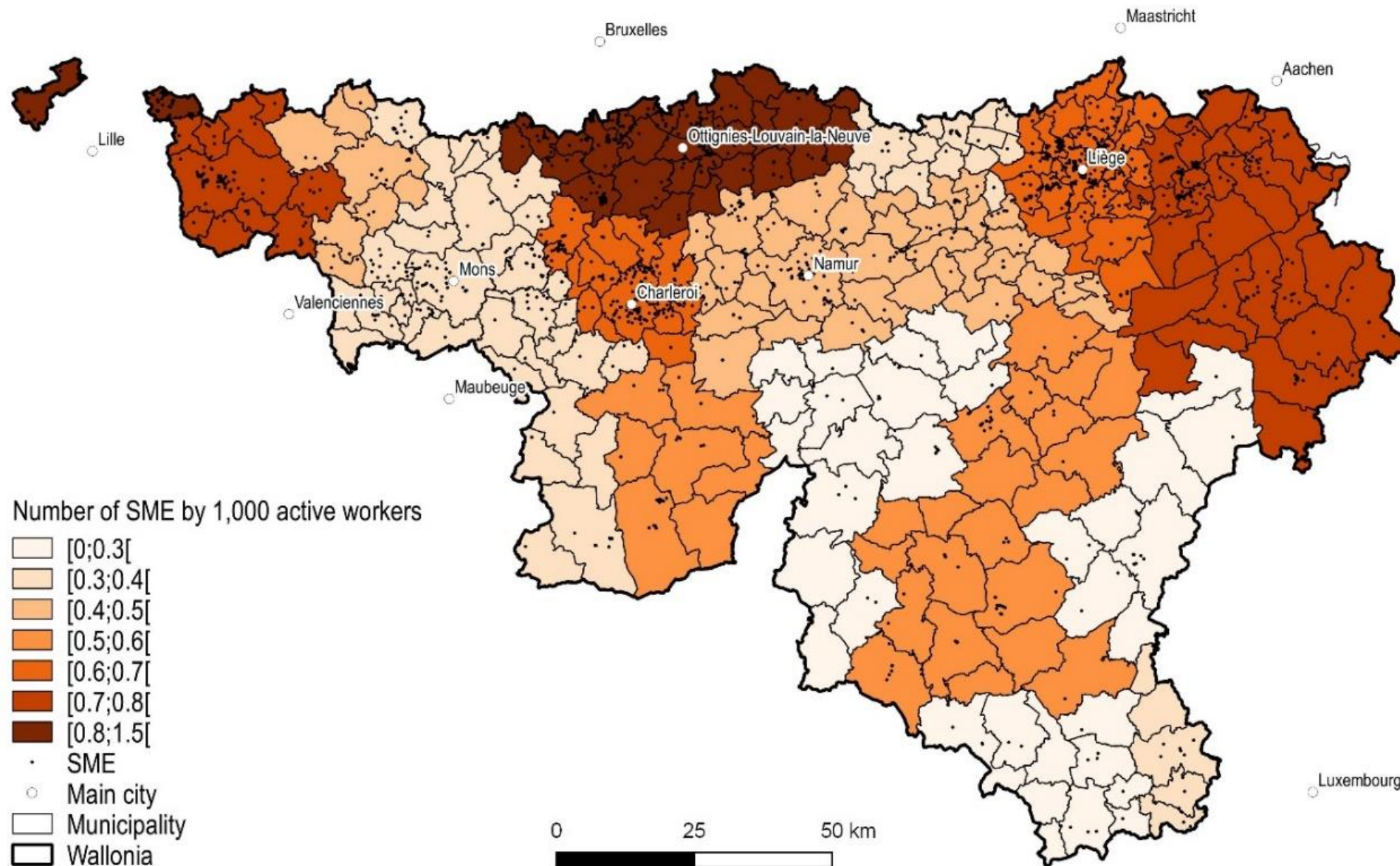
TERRITORIAL RESOURCES?



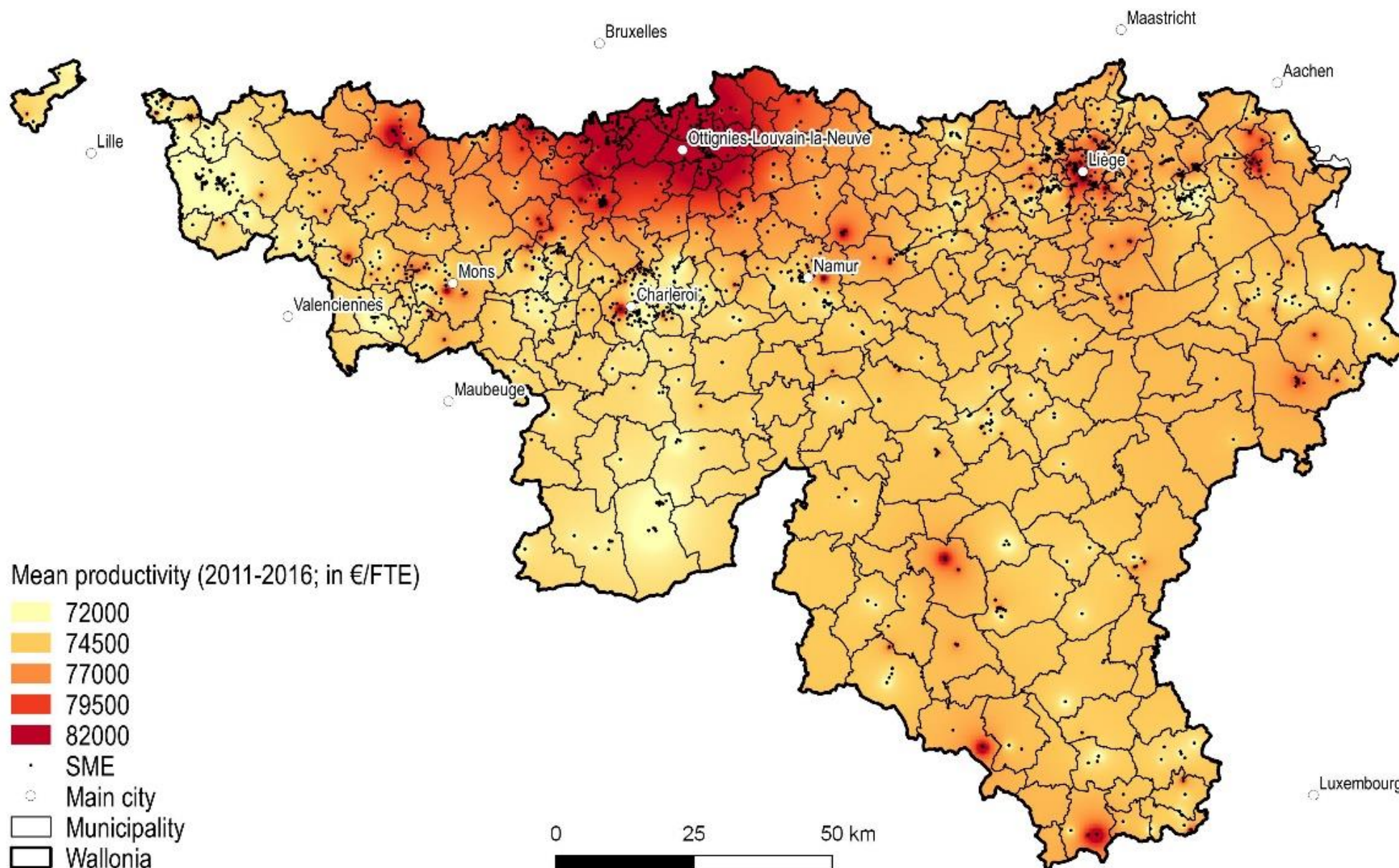
TOWARDS A SAMPLE OF SME



LOCATION OF THE SMES SAMPLE



THE SPATIAL DIMENSION OF FIRM PRODUCTIVITY - DEPENDANT VARIABLE



TOWARD A MODEL INCLUDING INTERNAL VARIABLES:

LOG(PRODUCTIVITY) ~	Coefficient	Std	P-value
Constant	2,57690	0,00828207	<0,0001 ***
Log(Capital)	0,0237717	0,00164243	<0,0001 ***
Log(Wages)	0,0943276	0,00509301	<0,0001 ***
Economic sector (20)	Dummy variables		
Observation year (6)			
Creation period: age between 0 and 3	0,0028	0,002	0,1760
Emergence period : age between 4 and 7	0,0032	0,002	0,0822 *
Growth period: age between 8 and 20	0,0018	0,001	0,0375 **

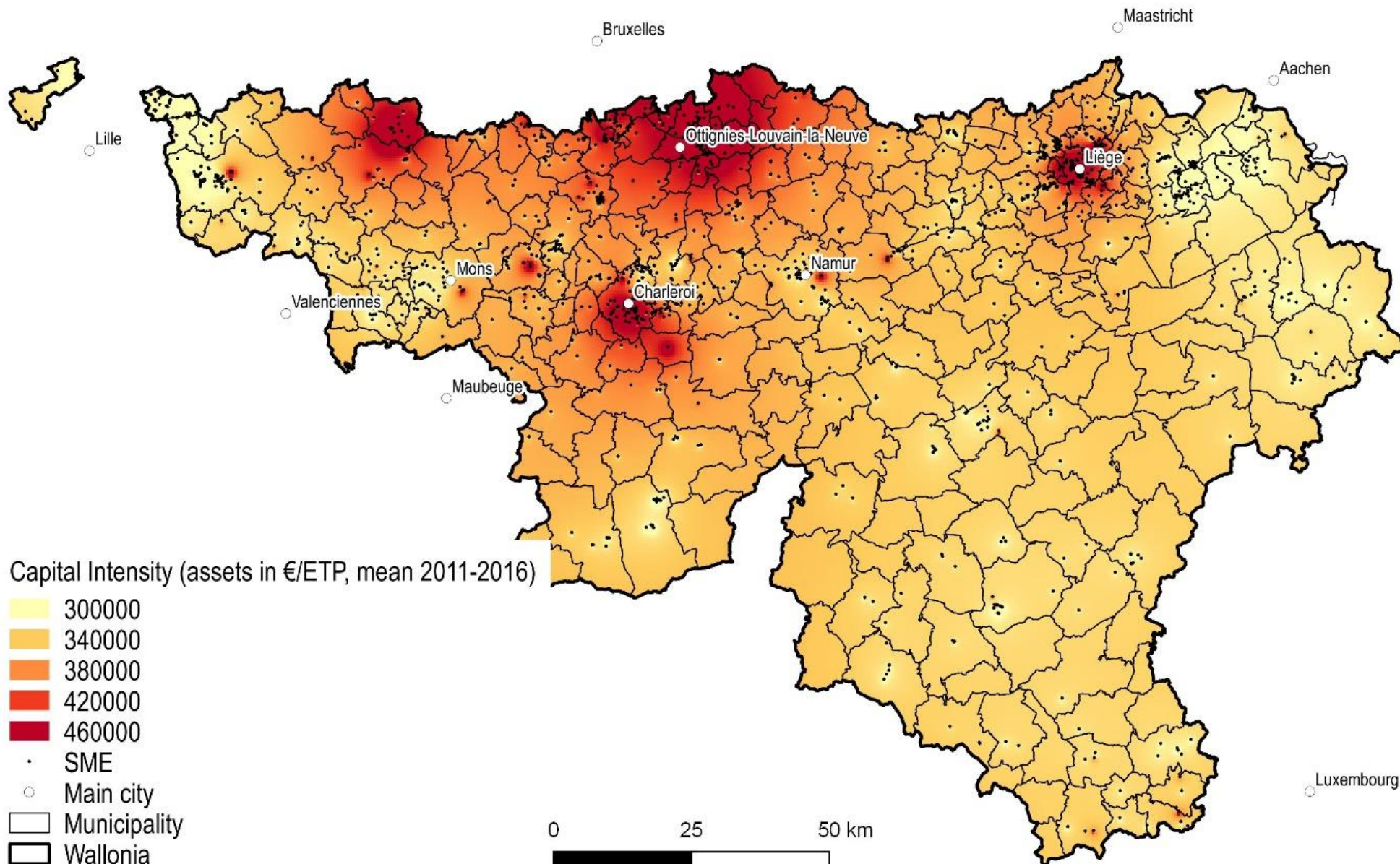
OLS Model

N = 2,183 x 6
HAC Std robust
R² adj = 0,498

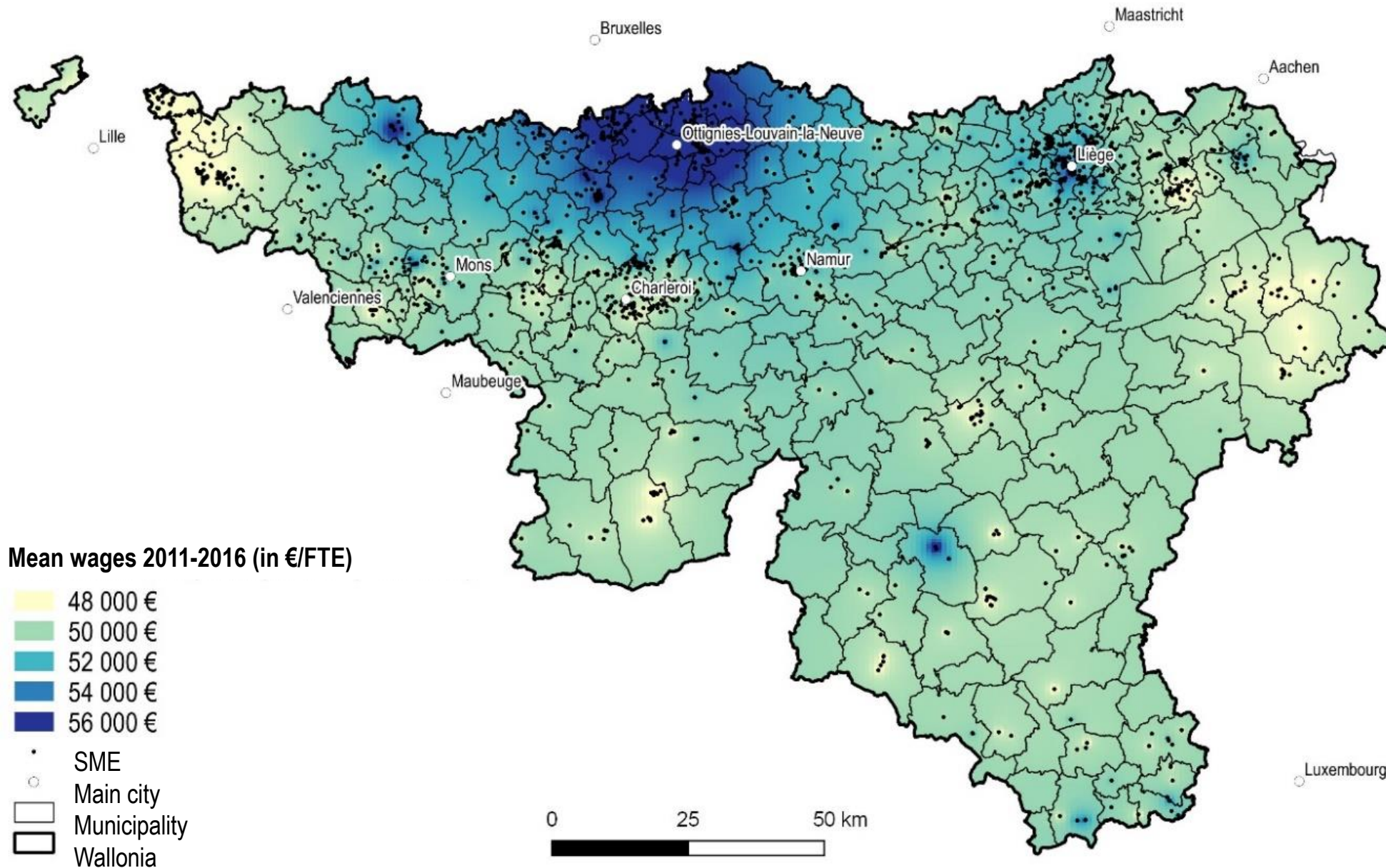
References:

- Economic sector with n max
- Observation year 2016
- Age period > 20 (maturity)

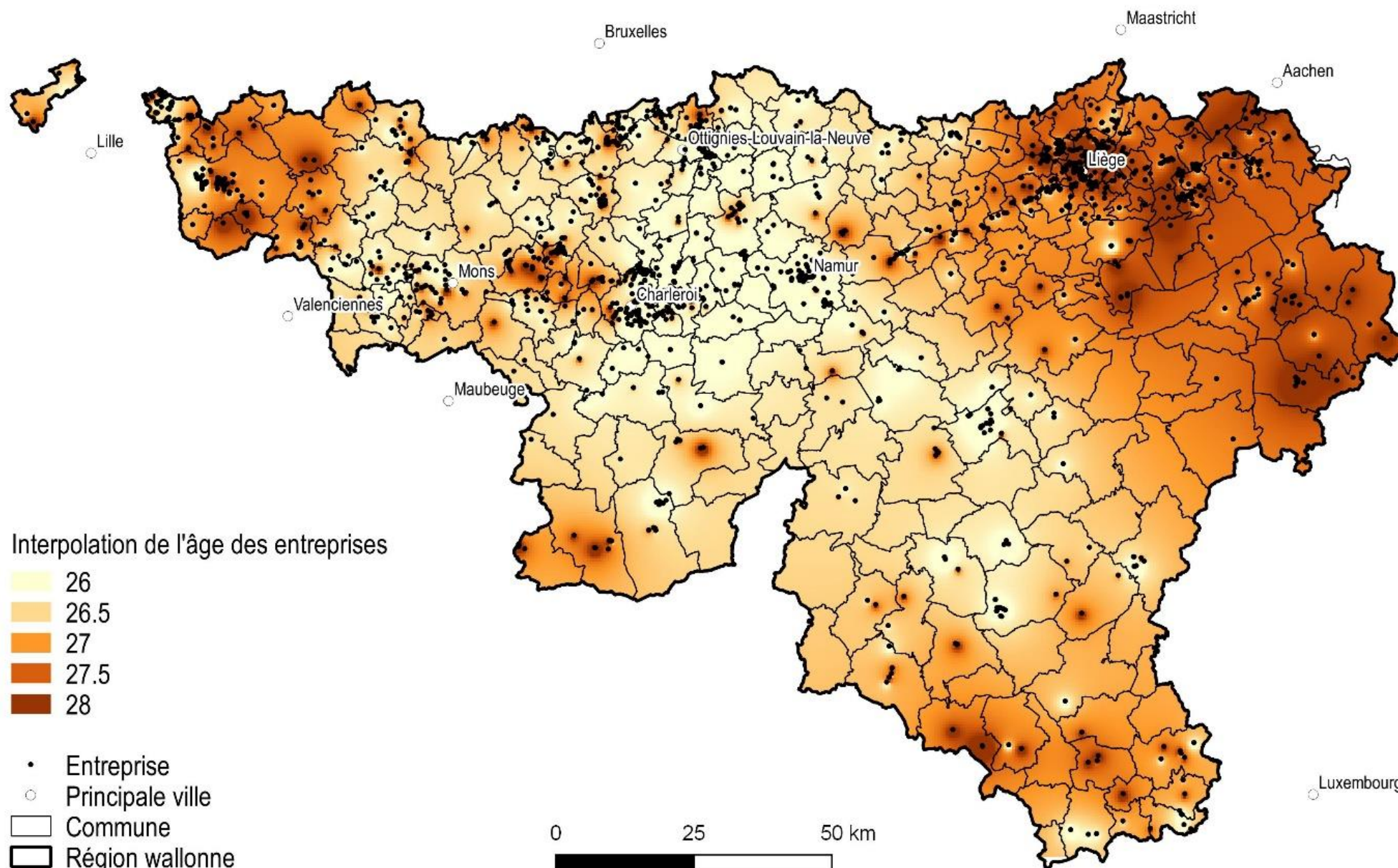
THE SPATIAL DISTRIBUTION OF INDEPENDENT VARIABLES



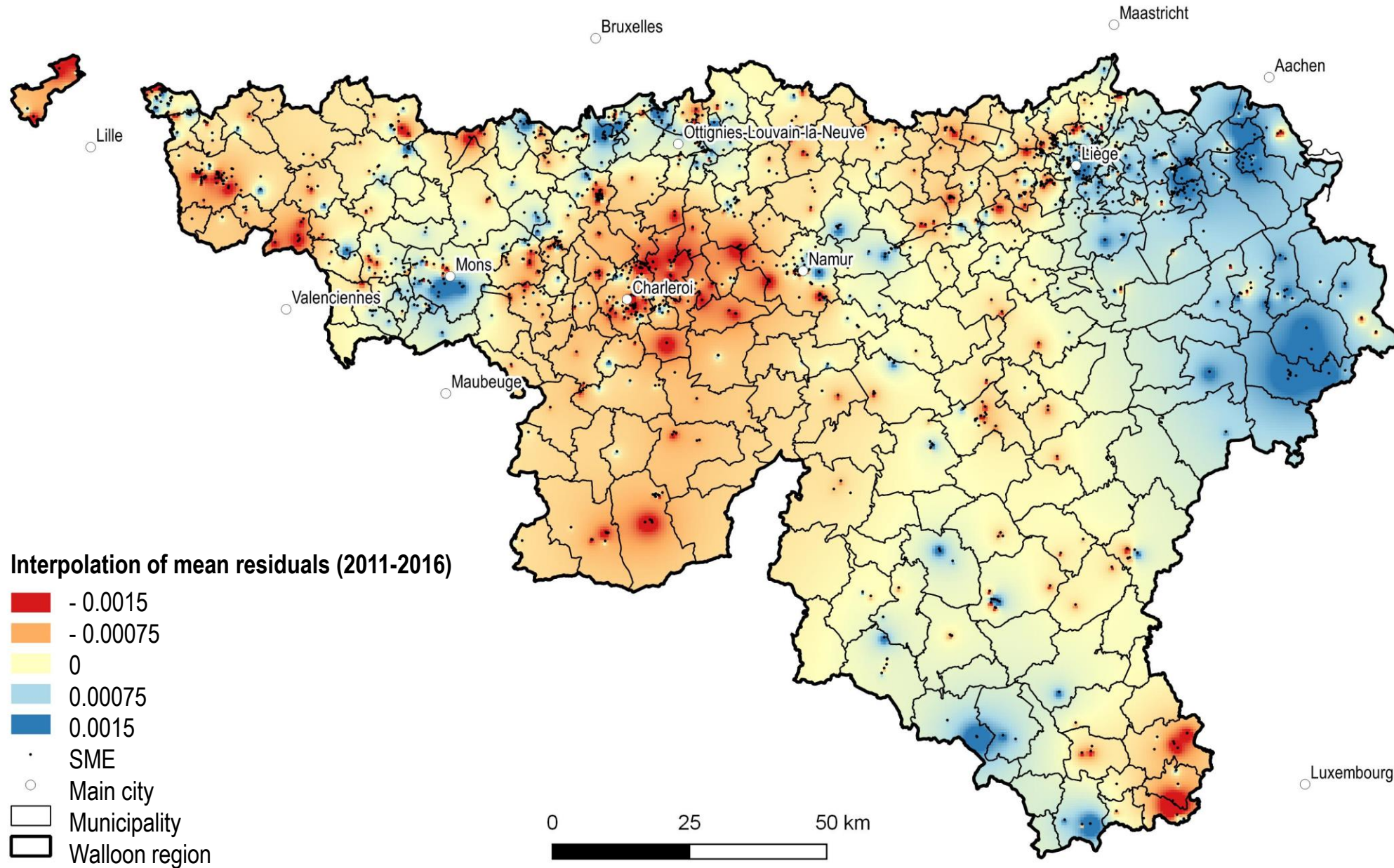
THE SPATIAL DISTRIBUTION OF INDEPENDENT VARIABLES



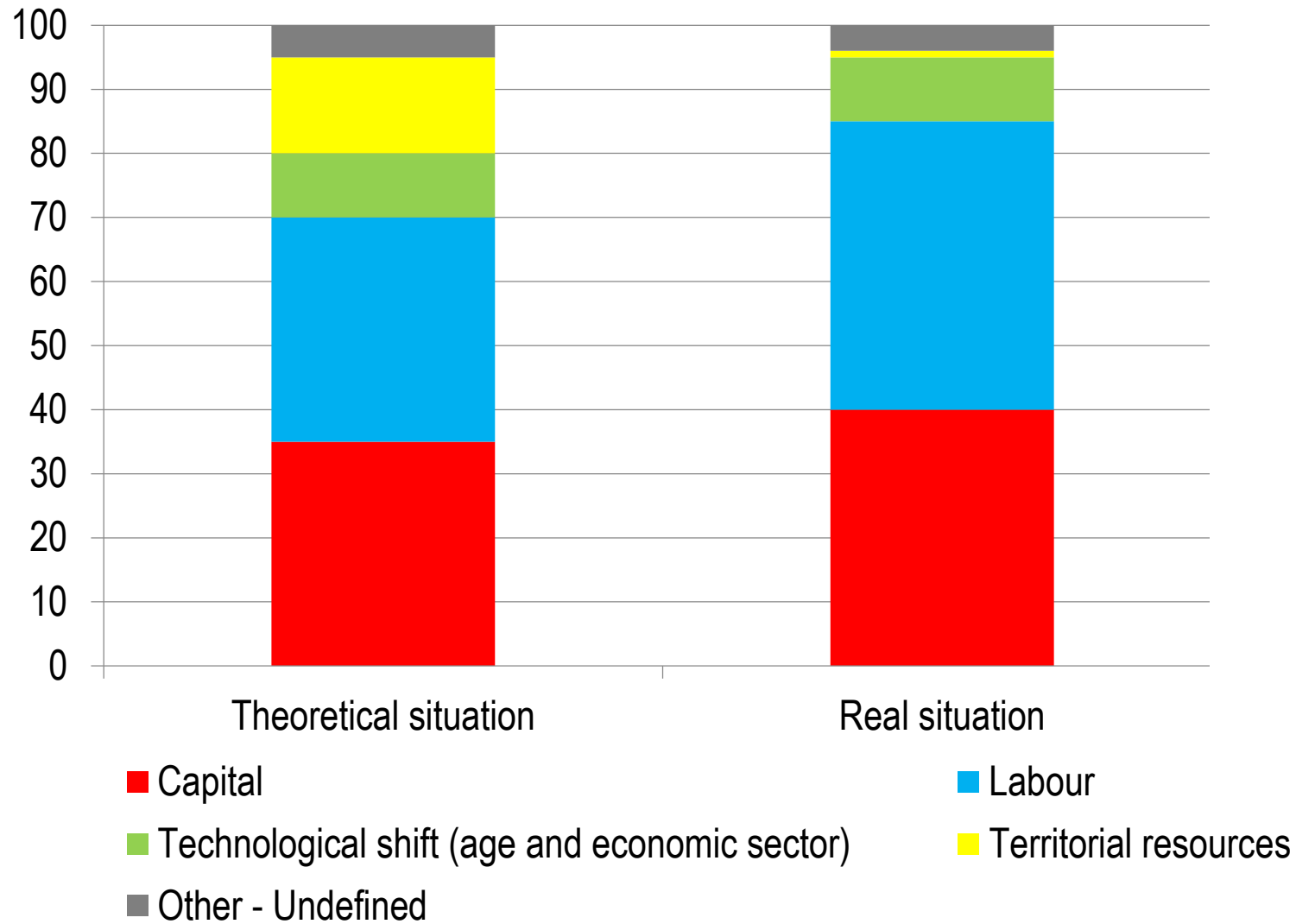
THE SPATIAL DISTRIBUTION OF INDEPENDENT VARIABLES



... AND THE SPATIAL DIMENSION OF RESIDUALS WITH INTERNAL VARIABLES



TOWARD A METHODOLOGICAL PROBLEM



WHICH OPTIONS?



Wages as a territorial resource?

Verifying residuals as a proxy of capacity of investment of firms

Testing also the territorial resources?

Toward sectoral models: industry, logistics and services

TOWARD SOME CONCLUSIONS

Methodological viewpoint

- Methodological challenge to detect the impact of location from the production factors
- Unexpected effect of wages on the territorial resources

But a real significance for economic geography

- The low impact of local and global accessibility ... at Walloon scale
- In contrast with the key role of labour market!

Depending on the viewpoint

- Entrepreneur goal: maximising gross operating profit to develop business
- Public authorities goal: maximising wages and added value (tax)
- ... not the same locational strategy

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