Productivity - Innovation Subsidies

	Subsidies	No Subsidies	Subsidies Product	No Subsidies Product	Subsidies Process	No Subsidies Process	Subsidies Mixed	No Subsidies Mixed
Product KS - 2 L	0.139*	0.021	0.082	0.017				
	(0.075)	(0.062)	(0.068)	(0.049)				
Process Use KS - 2 L	-0.008	0.182*			0.093	0.115		
	(0.126)	(0.100)			(0.098)	(0.084)		
Mixed KS - 2 L	0.024	-0.090*					0.070	-0.001
	(0.078)	(0.048)					(0.068)	(0.037)
Product SO - 2 L	-0.499*	-0.096	-0.020	0.034				
	(0.272)	(0.112)	(0.094)	(0.037)				
Process Use SO - 2 L	-0.050	-0.026			0.049	0.009		
	(0.229)	(0.128)			(0.092)	(0.040)		
Mixed SO - 2 L	0.507	0.149					-0.016	0.014
	(0.342)	(0.160)					(0.079)	(0.037)
Year fixed effect	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observations	175	505	175	505	175	505	175	505
Wald chi2	25.392	91.827	11.850	59.831	12.250	62.761	15.736	51.432

Note: The dependent variable (TFP) is estimated according to Ackerberg, Caves, Frazer (2015). Instruments for level equation are lagged differences. Heteroscedasticity-robust standard errors are in brackets. Controls include firm size, academic employees share, technological potential, price competition, foreign ownership and appropriability. The Arellano-Bond test for zero autocorrelation in first-differenced errors does not reject the null hypothesis of no serial correlation at order two. Hence, the moment conditions are valid. The Hansen test of overid restrictions confirms the validity of the instruments in each equation.
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$