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Physical capital, knowledge capital, and the choice between FDI and outsourcing

Capital physique, capital de connaissance, et le choix entre l'investissement direct à l'étranger et la sous-traitance.

Yongmin Chen, Ignatius J. Horstmann, James R. Markusen

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Abstract

Abstract There exist two approaches in the literature concerning the multinational firm's mode choice for foreign production between an owned subsidiary and a licensing contract. One approach considers environments where the firm transfers primarily knowledge-based assets and assumes that knowledge is non-excludable. A more recent approach takes the property-right view of the firm and assumes that physical capital is fully excludable. This paper combines both forms of capital assets in a single model. There are subtleties, and added structure is needed to establish what ex ante seems a straightforward testable hypothesis: relatively physical-capital-intensive firms choose outsourcing while relatively knowledge-capital-intensive firms choose FDI.

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propriété et assume qu'on peut exclure pleinement les tiers de la propriété du capital physique. Ce mémoire tient compte des deux formes d'actifs dans un même modèle. On doit ajouter des subtilités et une structuration additionnelle pour établir ce qui semble ex ante une hypothèse relativement simple et vérifiable : les firmes à forte intensité relative en capital physique choisissent la sous-traitance pendant que les firmes à forte intensité de capital de connaissance choisissent l'investissement direct à l'étranger.

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