Regional Innovation Disparity in China (Summary)

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There are large economic disparities between China's four major regions—eastern, central, western, and northeastern—particularly in recent years as growth in the northeastern region has sat below the national average. The Chinese government is now targeting the northeastern region via its new "Northeast Revitalization Strategy". This paper elucidates the disparity in innovation between the four major regions of China using provincial-level and corporate-level data, with special attention given to innovation input and innovation output. First, provincial-level data shows that the proportion of national gross domestic product (GDP) derived from the northeastern region has declined, and the ratios of expenditure on R&D, the number of research developers, the numbers of invention patent applications and registrations were found to be even lower than figure for regional GDP. Next, individual corporate-level analysis verifies that the number of domestic patent applications and international patent applications filed by listed companies in the northeastern region was lower than those made by companies in other regions. This suggests that a lack of innovation capacity may be in part due to slower growth in the northeast compared with other regions in China.

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