

Short Summaries of the FINN Autumn Workshop Presentations 2014

Green Capitalists in the System of Financing Technologies - the Case of the Photovoltaic Industry (Stephanie Steden)

“Green Capitalism” is a currently wide discussed topic. Based on the system of financing technologies within the photovoltaic industry the background of actors, financial conditions and their relations was described by focusing on the progress of technologies and innovations. Green capitalists were identified through qualitative case studies of photovoltaic companies and financial institutes. Several actors of this industry can be labeled as green capitalists, e.g. eco activists as company founders or investors from the old economy. The paper focuses on different motives for the commitment of the latter and on their influences on the (structural) development of this relatively young industry. It has been found that depending on the specific interest ecological improvements and sustainability outweigh primarily financial market driven motivations like short-term yields. Furthermore new norms, competitive systems and ideas of profitability seem to come up.

Innovations in times of financialization – the limited freedom of innovation activities in German industry sectors (Katrin Hahn)

Analyses of processes of global financialization identify far-reaching influences of financial investors on companies. However, the analysis of statistical data about the German manufacturing industry shows no direct influence of financial market actors on innovations, since most companies finance innovation out of their internal cash flow. The question therefore is whether financialization holds for innovation strategies at all? Based on qualitative interviews with banks, consultancies and companies no direct influence on companies' innovation strategies or projects was identified. Rather, large, research intensive listed companies implement research departments which bring forward future innovation. Those departments are uncoupled from the daily financial and time pressure in development departments. But even within these more liberal organized research departments the financial logic shapes future innovation, e.g. through a strong innovation controlling. (Hahn 2014)

About the impact of the financial crisis on innovative firms (Giebel/Kraft)

The German Research Foundation (DFG) supports since 2014 the research project „Finanzmarkt und Innovationsstrategien von Unternehmen“, which investigates the impact of the financial crisis on innovative firms. Firms are defined as being innovative if they have introduced a new product to the market. The empirical test is based on data of the IAB Establishment Panel which covers ten years (2002 – 2011). Probit estimations show that innovative firms are more likely to suffer from the financial crisis. During the financial crisis innovative firms are more likely to reduce their investment expenditures in general. To some extent these reductions are due to problems in acquisition of external capital. In addition we use difference-in-differences methods. Here it turns out that innovative firms realize less growth in sales and investments.

The influence of financial market actors on innovation activities in the German manufacturing industry – first results from the FINN-Survey (Tatjana Mansouri)