

Equity Financing and Economic Growth: Does Pension Fund Equity Investment Boost Firm Productivity?

This paper examines the impact of domestic pension fund investments on firm productivity using a comprehensive firm ownership dataset merged with Danish registers. Our analysis shows a significant increase in firm productivity, averaging between 3% and 4%, following pension fund investments. This finding persists across various methodological approaches, including accounting for selection and a host of refinements, such as controlling for investment by other investors. The results are particularly pronounced for smaller, unlisted firms, highlighting the importance of financing provided by pension funds in fostering productivity improvements. Our findings suggest that policies that encourage pension fund equity holdings can enhance economic growth.

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SEMINAR LINK

cityu.zoom.us/j/87412187241
Meeting ID: 874 1218 7241

Speaker

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