

Dear colleagues,

You are kindly invited to the next Joint Firm Analysis Seminar of the NBB, KUL, UA, UCL, UGhent, UHasselt, ULB, ULg and UMons

Given by **Pete Klenow** (Stanford University)

on **A Theory of Falling Growth and Rising Rents**

joint paper with **Philippe Aghion, Antonin Bergeaud, Timo Boppart, Huiyu Li**

**Abstract**

Growth has fallen in the U.S., while firm concentration and profits have risen. Meanwhile, labor's share of national income is down, mostly due to the rising market share of low labor share firms. We propose a theory for these trends in which the driving force is falling firm-level costs of spanning multiple markets, perhaps due to accelerating ICT advances. In response, the most efficient firms spread into new markets, thereby generating a temporary burst of growth. Because their efficiency is difficult to imitate, less efficient firms find their markets more difficult to enter profitably and innovate less. Even the most efficient firms do less innovation eventually because they are more likely to compete with each other if they try to expand further.

The seminar will take place on **Wednesday, May 29** from **16.30 until 18.00** in the Auditorium of the National Bank of Belgium, **Room B, Entrance: Warmoesberg 61**, 1000 Brussels. Please include name and car plate number for access the NBB Parking Warmoesberg 41.

Due to security measures, we emphasize the need for you to register by email to [nbbfirmanalysis.seminar@nbb.be](mailto:nbbfirmanalysis.seminar@nbb.be) before Monday 27 at 4:00 pm if you plan to attend the seminar. Without registration, you will not be allowed in the seminar room.

You will receive a nominative badge at the entrance. We recommend that you arrive at least 10 minutes before the start of the seminar.

Kind regards,

Emmanuel Dhyne (NBB-UMons), Catherine Fuss (NBB), Johannes Van Biesebroeck (KUL), Joep Konings (KUL), Hylke Vandenbussche (KUL), Vincent Vandenberghe (UCL), Gonzague Vannoorenberghe (UCL), Bart Cockx (UGent), Glenn Rayp (UGent), Paola Conconi (ULB), Ilan Tojerow (ULB), Mathieu Parenti (ULB), Alain Finet (UMons), Jan Bouckaert (UA), Mark Vancauteran (UHasselt) and Axel Gautier (ULg)