

Immigration and Innovation: Firm-level Evidence from France*

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Abstract

This paper empirically analyzes the impact of skilled migrants to France on innovation (patenting) activity of firms between 1995 and 2010. We present district-level and firm-level estimates and address endogeneity using a modified version of the Card instrument. Skilled migrants increase the number of patents and their effect is larger than the impact of skilled natives. We provide evidence that one channel through which the effect works is task specialization. The arrival of skilled immigrants pushes French skilled workers towards more language-intensive, managerial tasks while foreign skilled workers specialize in technical and research oriented tasks.

JEL classification: F22, J61. *Keywords:* Immigration, Innovation, Patents.

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