

Reviewer Report

MS 2900

Does the high-tech enterprise certification policy promote innovation in China?

Summary

This paper examines whether or not high-tech enterprise (THE) certification policy leads to greater innovation in China? The authors use a dataset of listed companies and their affiliates during the period 2006-2015, while ignoring the sample information in 2009 for the cause of possible R&D manipulation. The authors show that THE certification can promote firm-level innovation, which is captured by the statistics of patents.

Evaluation

While addressing a policy issue of fundamental importance, the present work fails to adequately capture the wealth of analyses into innovation, nor have the high-tech enterprises' investment decisions been duly examined within the vertically-related context of value-chain. Moreover, the findings obtained in the present work have not been able to mark significant contribution, at least, to the extant literature. Hence, it would require a fundamental revisit into the current model setup for in-depth analysis before one can accept it for publication in this journal. I, therefore, have to suggest a **rejection** of this paper to be considered publication in this journal.

Comments

The main concerns are stated, in the order of importance, below.

1. The need for a stronger motivation of this study at both levels of policy and theory. Introduction section of this paper has cited a great number of early contributions across management and economics. This undoubtedly raises the reader's concern over the extent to which the author can well position this work. Moreover, the policy implications of the results obtained in the present paper is far too simple and lack of the analytical richness on the issues at hand.
2. The present paper fails to provide an empirical model with well-thought mechanism on the relationships between certification policy and firm-level innovation. The model description shown in Sections 2-3 essentially reveals that this model does not much more than a textbook exercise on causal relations. The wealth of analyses on innovation (be it the headquarter innovation or the affiliated-entity innovation) is left unexploited.

Conclusion

Based upon the points that have been stated above, I would not recommend the paper for publication at this journal.