

Enterprise Knowledge Capital

Blandine Laperche

London 2017: Wiley, 239 pp.

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Blandine Laperche is a professor for innovation economics at the Université du Littoral Côte d'Opale (ULCO, France), a researcher at Clersé (UMR CNRS 8019) as well as the vice president of the "Research Network on Innovation". This economic orientation of Laperche almost naturally gives the book economic credibility. Similarly, the opinions and propositions in this book, presented by the economist Laperche, should be evaluated carefully, also from an economic viewpoint.

"Twenty years ago, a few spectators were persuaded that knowledge would become the crucial competitive asset for companies. Today, only a few will dispute it" (X). With these words, Daniele Archibugi introduces to the subject book. Recent trends in digitalization (Bast 2018) and in Artificial Intelligence (Burgess 2018) emphasize such forms of assessment. This book focuses on "knowledge capital", or the "enterprise knowledge capital" of companies. Knowledge capital represents a central concept in the development and further development of our understanding of economics and management. Here, Laperche argues for a stronger socialization of the knowledge capital of companies. In support of such socialization processes of knowledge capital, it is being required that an enterprise also engages consequently in multiple forms of cooperation. "A chief observation that emerges from this book is that there is a greater socialization of the general production of knowledge capital, particularly within companies. Sources of knowledge are distributed more globally than they were a few decades ago" (p. 173). However, this does not (automatically) replace the traditional forms of knowledge acquisition by companies. Large companies, in the global innovation networks, are equally tempted to acquire a

dominant position and to successfully defend this position. This still has consequences for the social potential of progress in its different scientific and technical expressions; consequences, which may not be always so positive.

The major *Global Challenges* of the twenty-first century (such as climate change, aging population, inequality and poverty) require more attention, but also more cooperation. Through innovative (innovation) policies, the public institutions try to specifically support and promote these multiple forms of cooperation (*cooperation for further cooperation*). However, the competition and rivalry strategies of the large (and larger) companies are partly in a diametrical opposition to these attempts of cooperation efforts. Companies are coming increasingly under pressure to produce and to present already positive economic results in a short-term perspective. As Laperche is emphasizing: "These are of a short-term nature, for example, the saturation of markets in Western countries, repeated crises and so on, but are explained by more structural elements. The financial globalization and the liberalization of markets of all kinds (goods and services, finance, labor) since the 1980s have significantly increased the weight of finance in the definition of any corporate strategy or public policy" (p. 173). The complexity of the topics as well as the complexity of modern science and technology motivate the companies, on the one hand, to enter into cooperation (also with academic institutions, such as universities); on the other hand, companies follow a clear acquisition of knowledge via intellectual property rights, which then enter directly into the knowledge capital of the company, which increases the value of the company. Therefore, Laperche

argues that intellectual property rights are representing crucial aspects and components for carrying on developing further the establishment of networks: “This new context has revealed new roles for intellectual property rights, more acceptable than income-seeking and the creation of barriers to entry. By an extraordinary tour de force, intellectual property specialists and economists specializing in this field demonstrate that these ‘property rights’ (words have meaning) are today essential to the smooth operation of multi-partner relations: they are the tools of coordination and they pacify relations between actors by defining clear rules both upstream and downstream of the partnership” (p. 174).

This causes or at least favors the creation of asymmetric relationships within networks (a “creation of a hierarchy in the networks”, p. 174), which often offers advantages for the larger companies, but also the wealthier countries. Scientific and technologic cooperation with companies is often under the specification to minimize economic risk and to maximize economic profit (“They translate into an emphasis on scientific and technical developments that are the most profitable in the short term and the least economically risky”, p. 174). In another place, Blandine Laperche additionally uses the concept of the “*Network Company*”, which she has developed together with Dimitri Uzunidis (on the Network Company, see more specifically Laperche/Uzunidis 2019). Here, Laperche refers to the situation that as far as companies are concerned, the cooperation with universities and other academic institutions is referring to the usability interests of companies and is therefore intended to *result in results* that companies also can use.

For higher-education-researchers, but also for decision-makers within higher education, this book should be of a particular interest, as this book addresses crucial themes, which are of relevance for higher education institutions, when they are considering to engage (further) in networks with companies. Some of the challenges for universities and institutions of higher education then are: (1) These higher education institutions should be clear about what their *knowledge capital* is that offers them a special and particular position in innovation networks. (2) Intellectual property and ownership rights increase in importance, therefore higher education institutions ought to develop further their respective expertise and competences (also within a global frame and framework). (3) Cooperation with companies still represents a very sensitive area for institutions of higher education. They always should retain a sense of reality concerning the fact that companies are interested especially in an economic result (their profit): universities (higher education institutions) ought not to be “too cheap” in offering their knowledge capital, but must be equally capable in developing and providing a strategy on how to use and to apply their knowledge. All of this plays into

the *future of education and labor* (Bast et al. 2019), where the mutual relationship of firms and higher education institutions is one of the decisive factors in forming and shaping further knowledge economy, knowledge society and knowledge democracy (Campbell 2019).

References

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