Index

accounting and accountability, R&D, activity and investments 252-3
agency theory 5
    and boards of directors 20
    and ownership structure 7-9
    and short-termism 5-6
agents, definition 4
applied research 28-31
    accounting and accountability 252
    compared with basic research 30-31
    and competition 33-8
    and corporate governance 245-6,
        249-52
    definition 29
    economic nature of 29-31
    and liberalization 92-119, 167-8
    measuring, patenting activity 96-119
    and privatisation 167-8
    and short-termism 35-6
    telecommunications industry 95-119
basic research 28-31
    accounting and accountability 252
    compared with applied research 30-31
    and competition 33-8
    and corporate governance 245-6,
        249-52
    definition 29
    economic nature of 29-31
    and liberalization 92-119, 167-8
    measuring, bibliometric indicators
        96-119
    and privatization 167-8
    recent trends 94-6
    and short-termism 35-6
    telecommunications industry 95-119
boards of directors 19-26
    demographics 22-4
    imitation 24-6
    inside directors 19-22
    interlocking directorates 24-6
outside directors 19-22
R&D, activity and investments 20-22
capital market efficiency, and short-termism 6-7
competition see market competition
corporate governance 3-27
corporate ownership see ownership and control
corporate value see market value
critical events, privatization 74-5, 81-3
CSM 151-3
Darwinian effects 33-7, 92
diversification, R&D, mergers and acquisitions 57-8, 245-6
economies of scale, R&D, mergers and acquisitions 55-6
economies of scope, R&D, mergers and acquisitions 56-7
Enel's R&D 156-9
equity investors, R&D, activity and investments 219-39
financial control 10-12
    mergers and acquisitions 50-54
    R&D, activity and investments 11-12
financial leverage, mergers and acquisitions 52-4
financing, R&D, activity and investments 217-39, 251-2
firm performance see market value
France Telecom R&D 148–51

government organizations see
governments as principal
governments as principal
goals 17–19, 68–70, 161–3, 203–4
R&D, activity and investments 16–19, 163–7, 245
see also privatization

ICT industries see telecommunications industry
innovation activities see patenting activity; R&D: activity and investments
IPO firms (initial public offering) patenting activity 121–2
R&D, activity and investments 43, 220, 226–9, 234–9
Irsid 153–5
Italy, privatization 142–4, 145–8, 151–3, 156–9

knowledge capital see technological knowledge

liberalization
applied research 167–8
see also technological knowledge
basic research 92–119, 167–8
definition 92
patenting activity 99–119, 169–70
product market competition 92–3, 245–6
R&D
activity and investments 92–119, 141–73, 163–7
employees 146, 147, 155, 163–4
R&D intensity 100–102
technologies in telecommunications industry 93–119
long-term research see basic research
Lucas effect 37–8
managerial myopia 5–6, 9, 246
definition 36
see also short-termism
market competition 31–3, 33–8

see also neck-to-neck competition;
product market competition
market concentration 31–3
mergers and acquisitions 49
market myopia 5–6, 9, 15, 41–3, 53, 217
definition 35–6
see also short-termism
market structure, R&D, activity and investments 28–44
market value
and privatization 200–216
R&D investments 6–7, 177–99, 200–216, 244
measurement of 181–3
technological knowledge 179–81, 201
theoretical background 178–85
mergers and acquisitions 45–64, 120–140
financial control 50–54
financial leverage 52–4
integration of R&D 58–9, 61–2
market concentration 49
ownership and control 5–52, 46–7, 60
patenting activity 120–140
R&D
activity and investments 45–64, 120–140
economies of scale 55–6
economies of scope 56–7
integration 58–9
R&D employees 62
R&D resources 56–7
short-termism 50–51
strategic control 60
technologies in telecommunications industry 120–140
see also takeover threat

nationalized organizations see
governments as principal
neck-to-neck competition 36–8, 246
NMs (new stock markets), R&D, activity and investments 227–39

ownership and control
mergers and acquisitions 46–7, 50–52, 60
R&D, activity and investments 4–12, 35, 38–43
Index

see also financial control; ownership structure; short-termism; strategic control

ownership structure 7–9

patenting activity

liberalization 99–119, 169–70
mergers and acquisitions 120–140
privatization 71–3, 76, 79–83, 87–9, 169–70
telecommunications industry 120–140

principals

definition 4

see also governments as principal

privatization 67–91

and applied research 167–8
and basic research 167–8
critical events 74–5, 81–3
empirical analysis 77–88
descriptive statistics 77–9
pre- and post-privatization 79–81
privatization period effect 81–3
regression models 84–8

France 142–4, 148–51, 153–5, 159–61
goals 68–70, 161–3
Italy 142–4, 145–8, 151–3, 156–9
and market value 200–216
patent quality 76, 81, 83, 88
patenting activity 71–3, 76, 79–83, 87–9, 169–70
privatization period effect 81–3

R&D

activity and investments 67–91, 141–73, 163–7, 165–7, 200–216, 244
employees 146, 147, 155, 163–4
R&D intensity 75, 78, 80, 82, 89
research design 72–7
measures 74–7
sample and data 72–4
strategic control 70–71, 202–3
theoretical background 68–72
product market competition,
liberalization 92–3, 245–6
public organizations see governments as principal

R&D

see also applied research; basic research; patenting activity

activity and investments
accounting and accountability 252–3
and boards of directors 20–22
and corporate governance 5–22, 35, 38–43, 243–53
equity investors 219–39
and financial control 11–12
and financial leverage 52–4
financing of 217–39, 251–2
governments as principal 16–19, 163–7, 245
and liberalization 92–119, 141–73, 163–7
and market competition 33–8
and market structure 28–44
and market value 6–7, 177–99, 200–216, 244
and mergers and acquisitions 45–64, 120–140
and NMIs 227–39
and ownership structure 5–22, 35, 38–43, 243–53
policy making 243–53
and privatization 67–91, 141–73, 163–7, 165–7, 200–216, 244
and shareholders 13–16, 245–6
and short-termism 5–7, 35–6, 38–43, 60, 243–7, 252
and stock markets 217–39
and strategic control 11–12, 60
and takeover threat 6, 8, 42
telecommunications industry 92–119, 120–140
and venture capital 219–39, 244
appropriability 34, 37
composition see applied research; basic research
cycle times 93
diversification, mergers and acquisitions 57–8, 245–6
economic nature of 29–31
economic value 177–239
economies of scale, mergers and acquisitions 55–6
economies of scope, mergers and acquisitions 56–7
employees
liberalization 146, 147, 155, 163–4
mergers and acquisitions 62
privatization 146, 147, 155, 163-4
integration, mergers and acquisitions 58-9
intensity 47-8, 53-4, 57-8, 204-15, 246
defined 100
privatization 75, 78, 80, 82, 89
telecommunications industry 100-102
resources, mergers and acquisitions 56-7
units, organizational change 141-73, 246
valorization 168-70
R&D intensity, liberalization 100-102
R&D scale
economies of scale, mergers and acquisitions 55-6
Renault Research Department 159-61
research see applied research; basic research
Schumpeterian growth models 33-8, 92
shareholders, R&D, activity and investments 13-16, 245-6
short-term research see applied research
short-termism
and applied research 35-6
and basic research 35-6
and capital market efficiency 6-7
mergers and acquisitions 50-51
R&D, activity and investments 5-7, 35-6, 38-43, 60, 243-7, 252
state-owned enterprises see governments as principal
stock markets, R&D, activity and investments 217-39
strategic control 10-12
mergers and acquisitions 60
privatization 70-71, 202-3
R&D, activity and investments 11-12, 60
takeover threat
R&D, activity and investments 6, 8, 42
see also mergers and acquisitions
technological knowledge
market value 179-81, 201
measurement of 181-2
Telecom Italia Lab 145-8
telecommunications industry
applied research 95-119
basic research 95-119
liberalization 93-119
mergers and acquisitions 120-140
patenting activity 120-140
R&D, activity and investments 92-119, 120-140
R&D intensity 100-102
Tobin's q 182, 204-15
valorization
R&D 168-70
venture capital
R&D
activity and investments 219-39, 244