

Call for papers for a special issue of *Journal of Economic Policy Reform*Innovation and services of general interest: from the lab to enterprises and citizens.

Guest Editors: Massimo Florio and Stefano Clò, University of Milan

## Call for papers:

The quality, accessibility and affordability of services of general interest (SGI) represent a priority in the policy agenda (Florio 2013). SGI are critically influenced by sustained innovation, as both the firms' productivity and the consumers' welfare depend upon new knowledge embodied in the services. Advanced health technologies (e.g. Battistoni et al. 2016), digital devices for telecoms and transport sustainability (Picot et al. 2016) or smart infrastructures for energy efficiency and decarbonisation represent some relevant examples of innovation in the SGI that allows for an improvement in the quality of life and social well-being. Many of these innovations would not be possible without basic research, discoveries in laboratories, and then R&D within firms and research institutes. Governments and other public institutions, such as development agencies, basic research infrastructures, state-owned enterprises and universities can play a critical role in supporting basic research and innovation, as basic knowledge embeds the feature of a global public good and market players might be reluctant to invest in a very uncertain activity, with the risk of discovering something with unknown use or with limited appropriability (Florio and Sirtori 2016). Market failures hinder the process of knowledge creation, because of long-term and uncertain returns, particularly after market liberalization and privatization (Jamasb and Pollitt 2008, 2011; Sterlacchini 2012; Xie 2012), under firms' institutional or family ownership (Aghion et al. 2013; Munari et al. 2010). Governments may play an active role by direct support to research infrastructures and R&D, or through development banks and public enterprises with ambitious missions (Bernier 2014; Belloc 2016; Tonurist and Karo 2016; Da Teng and Yi 2014), or indirectly with their SGI, regional and innovation policies (Muscio et al. 2015). What are the best practices in this area, beyond the evidence provided by Mazzucato (2011)? How should governments address their policies to supporting the flow of new knowledge from research laboratories to enterprises and citizens?

The special issues will publish high-quality articles on innovation in the SGI and the role played

by governments or public institutions, with a blend of theoretical insights, empirics and policy implications. A non-exhaustive list of topics includes:

- Corporate ownership and firms' innovation
- Development banks as innovation brokers
- R&D support by regional and national development agencies
- Public enterprises, R&D, risk and long term investment
- Socio-economic impact of publicly-funded research infrastructures
- Entrepreneurship and government in the provision of SGI
- Energy policy and radical tecnological innovation
- Transport policy and decarbonisation of transport services
- Public investment and change in the digital economy
- Regulation, R&D and innovation
- Government and technological innovation in health services
- Patent legislation versus promotion of open access.

Submitted articles should clearly show their policy relevance, and should be based on a solid conceptual framework and convincing empirical evidence.

## **Relevant literature**

- Aghion Philippe, John Van Reenen, and Luigi Zingales, (2013) Innovation and Institutional Ownership, *American Economic Review*, 103(1): 277–304
- Battistoni Giuseppe, Mario Genco, Marta Marsilio, Chiara Pancotti, Sandro Rossi, Silvia Vignetti (2016), Cost-benefit analysis of applied research infrastructure. Evidence from health care, *Technological Forecasting and Social Change*, 112: 79–91
- Belloc Filippo (2016), Innovation in State-owned Enterprises: Reconsidering the Conventional Wisdom, *Journal of Economic Issues* 48(3)
- Bernier Luc (2014), Public enterprises as policy instruments: the importance of public entrepreneurship, *Journal of Economic policy reform*,17(3)
- Florio Massimo and Emanuela Sirtori, (2016) Social benefits and costs of large scale research infrastructures, *Technological forecasting and social change*, 112: 65-78
- Florio Massimo (2013) *Network industries and social welfare. The experiment that reshuffled the European utilities.* Oxford University Press
- Da Teng, Jingtao Yi (2014), Ownership, R&D intensity and performance: evidence from transitional China, *British Academy of Management Conference Proceedings*
- Jamasb Tooraj, Michael Pollitt (2008), Liberalisation and R&D in network industries: The case of the electricity industry, *Research Policy* 37: 995–1008
- Jamasb Tooraj, Michael Pollitt (2011), Electricity sector liberalisation and innovation: An analysis of the UK's patenting activities, *Research Policy* 40: 309–324
- Mazzucato, M. (2011), The Entrepreneurial State, London, Demos.
- Munari F.; Oriani R.; Sobrero M., (2010) The effects of owner identity and external governance systems on R&D investments: A study of Western European firms, *Research Policy* 39(8): 1093–1104
- Muscio Alessandro, Alasdair Reid, Lorena Rivera Leon, (2015), An empirical test of the regional innovation paradox: can smart specialisation overcome the paradox in Central and Eastern Europe?, *Journal of Economic Policy Reform*, 18: 153-171
- Picot Arnold, Massimo Florio, Nico Grove and Johann Kranz (eds) (2016) *The Economics of Infrastructure Provisionin. The Changing Role of the State.* The MIT Press

Sterlacchini A. (2012) Energy R&D in private and state-owned utilities: an analysis of the major world electric companies, *Energy Policy*, 41: 494–506

Tonurist Piret, Erkki Karo (2016), State Owned Enterprises as Instruments of Innovation Policy, Annals of Public and Cooperative Economics 87(4)

Xie Chuanyin (2012), How Does Privatization Affect Innovation? An Integrative Model, *Journal of Strategic Innovation and Sustainability* vol. 8(2)

## List scholars and names (abstracts if possible) of expected papers:

Some of the papers will be presented at the XVI Milan European Economy Workshop, June 22-24 2017.

## Timeline:

Abstract submission: June 30, 2017

First feedback: two weeks after the abstract is received,

Full paper submission to the Guest Editor: November 30, 2017

Final publication: December 2017

Abstract proposals and full papers will be submitted to: <a href="mailto:stefano.clo@unimi.it">stefano.clo@unimi.it</a>