



## Intellectual Capital for Communities in the Knowledge Economy Nations, Regions and Cities

### Le Capital Immatériel des Communautés dans l'Economie de la Connaissance Nations, Régions et Villes

**The First World Conference on Intellectual Capital for Communities**  
Organised by PRISM-OEP Group of the University of Marne-La-Vallée  
in cooperation with The World Bank  
June 20, 2005  
World Bank Office,  
66, Avenue d'Iena 75016 Paris



## Objectives and Context

Intangibles (intellectual capital) resources are now largely recognized as the most important sources of organizations' competitive advantage, both by scholars and practitioners. At the corporate level, intangible investments (R&D, innovation, knowledge creation and fertilization, marketing and advertising expenditures) are now unanimously considered as the most important determinants of performance. Over the last eight years, several models and approaches have been proposed, and designed towards managing and reporting on intangibles.

However, in spite of these developments, we still lack an integrated approach to measuring the role of intangibles. The knowledge economy is basically characterized by the non linear nature of generating outputs, the "combinatory nature" of the resources used and the deep uncertainty regarding their "value". The two latest characteristics are important to consider, when the question comes to assessing the value of activities and companies from a financial point of view: how can we attribute a value – in terms of Euros, dollars or whatever, for activities for which the dynamics and paths can be deeply challenged from one day to another. From this perspective, we can imagine the anxiety of financial analysts when it comes to calculate future cash flows for listed companies and their business lines.

At the macroeconomic level, new growth theories have already demonstrated the importance of knowledge in the performance of nations, therefore highlighting the content of the so-called residual factor. Networking is among those factors identified as of high importance for growth. In other words, the more connections, relationships and interactions in a networked society, the higher the potential value added. This is very evident in the case of development of software and knowledge assets. Furthermore, the value of such software grows the more it is used, in contrast to more tangible hardware.

Adding value in the knowledge economy is inextricably linked to radical change in both societal assumptions and business models. Capitalism may not, in the end, create value if it focuses exclusively on competition, without taking collaboration into account. Social values must be re-considered in the light of their value generation potential. Allocating resources to education, health and social services and our community infrastructure should not be based on cost but on the potential for value creation through knowledge. If employment in private industry represents only 25 per cent of the total potential 'brain value' of society, leveraging the rest of it more effectively depends on IC and society entrepreneurship.

A new *political leadership* agenda is evolving around intellectual capital of nations and other communities, with the focus on:

- How to visualize the knowledge capital of nations;
- How to develop intelligence flows within and between knowledge capital clusters;
- How to cultivate efficiency and renewal of the knowledge capital of regions;
- How to capitalize on knowledge capital, by new innovative social systems, in terms of the collective wealth of nations;
- How to make cities “intelligent”.

These are among the main issues to be debated within the conference. This is the first worldwide event specifically dedicated to addressing concepts and ideas for intellectual capital of “natural communities”. The main objective of the conference is to raise awareness of these important topics. It has to be considered as an important initiative designed towards starting a dynamic spiral for thinking and prototyping IC for communities.

## **Agenda**

### **8.00-8.45: Registration**

### **8.45-9.00: Introduction, Welcome**

Michèle Bailly, Vice Presidency Europe, The World Bank  
Ahmed Bounfour, University of Marne-La-Vallée

### **Session 1: Intellectual Capital (IC) And the Knowledge Economy**

9.00 - 10.45

Chairman: Leif Edvinsson, University of Lund

- Knowledge Economies: A Global Perspective - Jean-Eric Aubert, World Bank Institute, 9.00-9.15
- Investment in Knowledge across OECD Countries - Mosahid Khan, OECD, 9.15-9.30
- IPRs and the Knowledge Economy: A European Perspective - Dominique Guellec, European Patent Office, 9.30-9.45
- The European Investment Approach to Intangibles - Jean-Jacques Mertens, Jacques Van der Meer, European Investment Bank, 9.45-10.00
- Intellectual Capital and the Knowledge Economy: The iEurope 2010 - Oluf Nielsen, European Commission, 10.00-10.15

### **10.15- 10.45: Discussion**

### **10.45- 11.00: Coffee break**

### **Session 2: IC for Nations**

11.00 - 13.00

Chairman: Graham Vickery, OECD

- Investing in Intangibles: Is a Trillion Dollars Missing from GDP? - Leonard Nakamura, Federal Reserve Bank of Philadelphia, 11.00-11.15
- IC for Japan -T. Sumita, METI, S. Morishita, Actcell, Japan, 11.15-11.30
- European Performance: An Intellectual Capital Indexes Perspective - Ahmed Bounfour, University of Marne-La-Vallée, 11.30-11.45
- IC for France - Grégoire-Postel-Vinay, Ministry of Economy, Finance & Industry, 11.45-12.00.
- IC for Portugal : In Search of a New Path - José Pinto Duarte, professor, Member of the Portuguese Mission Unit for the Technologic Plan, Portugal, 12.00-12.15
- IC for Finland: Beyond the Nokia Success - Pirjo Ståhle, Professor, Lappeenranta University of Technology, 12.15-12.30
- IC for Chinese Taipei - Se-Hwa WU, Professor & Dean, National Chengchi University, Chinese Taipei, 12.30-12.45

**12.45 - 13.15: Discussion**

**13.15 – 14.30: Lunch break**

### **Session 3: IC for Regions**

14:30 – 16:00

Chairman: Anne Pezet, University of Marne-La-Vallée

- Value Creation Efficiency at National and Regional Level: Case Study Croatia and the EU - Ante Pulic, 14.30-14.45
- Intellectual Capital Creation in Regions: A Knowledge System Approach - Anssi Smedlund, Helsinki University, and Aino Pöyhönen, Lappeenranta University of Technology, Finland 14.45- 15.00
- Ragusa or How to Measure Ignorance: The Ignorance Meter - Klaus North and Stefanie Kares, University of Applied Sciences, Wiesbaden, Germany, 15.00-15.15
- RICBS: A Methodology and a Framework for Regions' Intellectual Capital Strategic Management. A Practical Application in the Maresme region - José María Viedma Marti, Polytechnic University of Catalonia, 15.15-15.30

**15.30 - 16.00: Discussion**

**16.00 - 16.30: Coffee Break**

### **Session 4: Looking at the future, Research and Policy Agenda**

Panel Discussion: 16.30 - 18.00

Moderator: Jean-Eric Aubert, The World Bank

- Ahmed Bounfour, University of Marne-La-Vallée (introduction)
- Graham Vickery, OECD
- Oluf Nielsen, European Commission
- Dominique Guellec, European Patent Office
- Leif Edvinsson, University of Lund
- Guenter Koch, Execupery, Vienna, Austria.

**18.00 - 18.05: Conclusion - Ahmed Bounfour**

#### **Contact and Scientific Direction for the Conference:**

Ahmed Bounfour, Associate Professor, University of Marne-La-Vallée

Email: [bounfour@univ-mlv.fr](mailto:bounfour@univ-mlv.fr)

**Registration:** Please send the enclosed form to Ms. Michelle Lemaire, World Bank, by **1<sup>st</sup> June, 2005:**

Email: [MLEmaire@Worldbank.org](mailto:MLEmaire@Worldbank.org)

Please note that the number of participants is limited, and only earlier registrations will be retained.  
The working language of the conference will be English; no simultaneous interpretation will be provided.