

COMMUNICATIONS & STRATEGIES

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Vertical integration facing separation

Edited by Cristiano ANTONELLI & Edmond BARANES

- Contracting Across Separated Networks in Telecommunications
Lessons from Theory and Practice
 - Costs and Benefits of Vertical Divestiture
- A Note on Successive Oligopolies and Vertical Mergers
 - Network Neutrality: History Will Repeat Itself
 - Innovation in the New ICT Ecosystem

Interview with

Stephen HOWARD,
Co-Head of the Global Telecoms Media
and Technology Research team, HSBC



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deal of food for thought, the only regret being a too external view due to a lack of specific consideration for the economic and industrial factors at work in the present-day media.

■ **Christian DIPPON & Aniruddha BANERJEE**

Mobile Virtual Network Operators: Blessing or Curse?

An Economic Evaluation of the MVNO Relationship with Mobile Network Operators

Nera Economic Consulting, 2006, 87 pages

by **Laurent BENZONI**

This slim volume on MVNOs offers a thorough overview of the issues created by the emergence of these new market players. After an introduction (Chapter 1) that lays down the concepts specific to this market segment, the book is built around six chapters: MVNO regulation (Chapter 2), strategic positioning (Chapter 3) and marketing (Chapter 4), business model and business plan construction (Chapter 5) and outlook (Chapter 6). This narrative structure allows the reader to form an understanding of all of the useful and practical issues concerning the MVNO phenomenon in a logical order.

The book examines the phenomenon with respect to market environment and regulation in the United States and Europe (the EU-15 more than the EU-27). The qualities of the work are obvious: clarity of the views expressed by experts in the field who make their knowledge and experience accessible to a broad readership; the rigour of the analyses thanks to a substrata of economic and financial grounding; vast knowledge of the subject and its complexity – of which the authors remind us constantly – never losing sight of the limitations of conclusions based on schematic and all-encompassing analyses.

As a result, the overall immensely skilful exercise reveals minor flaws to readers well-versed in the subject. Can we really refer to Virgin as an MVNO given that it was created as a joint venture between the MVNO and its host operator? What to make of "brand licences" (e.g. M6 mobile and Universal Mobile in France)? Does the future for MVNOs not lie in reselling to host operators (e.g. Telmore in Denmark, the tremendously efficient low-cost model that the authors fail to address)? And, in the area of regulation, when it comes to competition between several infrastructure operators, as is the case in the mobile market, does imposing an obligation to provide access to third parties ("call originating" regulation) make sense, even if these operators enjoy a position of collective dominance? Aside from these few

quibbles, we highly recommend this book whose chief accomplishment is to debunk certain mythical views of MVNOs as the next "mobile gold rush" – as perfectly underscored by its subtitle, "Blessing or Curse?".

■ **Wilfred DOLFSMA & Luc SOETE (Eds)**

Understanding the Dynamics of a Knowledge Economy

Studies in Evolutionary Political Economy, Edward Elgar Publishing, 2006, 263 pages.

by **Jean-Gustave PADIOLEAU**

Understanding the Dynamics of a Knowledge Economy is the first volume of a new series sponsored by the dynamic European Association for Evolutionary Political Economy.

Edited by Wilfred DOLFSMA & Luc SOETE this book offers original contributions. The opening historical chapter by Joel MOKYR, "The great synergy: the European Enlightenment as a factor in modern economic growth" summarizes and develops some of his previous works such as the wonderful *The Gifts of Athena* (2002). Loet LEYDESDORFF (chapter 2), "The knowledge-based economy and the triple helix model" offers challenging discussions of overused concepts: knowledge, information. The Paul MULLER's paper (chapter 3, "Reputation, leadership and communities of practice: the case of open source software development") is a first rate piece of work. Many readers will discover the subtleties and efficiency of the Flamish Governance (chapter 6, "Governance forces shaping economic development in a regional information society: a framework and application to Flanders").

A useful book, very readable and promoting new ideas.

■ **Bart NOOTEBOOM (Ed.)**

Knowledge and Learning in the Firm

Critical Studies in Economic Institutions series, Edward Elgar Publishing, Series no. 9, two volumes set, 2006, 968 pages

by **Jean-Gustave PADIOLEAU**

These two volumes provide a wide survey of previously published papers on cognition, knowledge and learning within organizations. Two substantive introductions by the editor provide guidelines to put in context the "classic" articles. The choice of "fundamental" papers (KOLD, LAKOFF, VYGOTSKY, WEICK, *al.*) is wise and very useful. Nevertheless this safe editorial strategy puts aside controversial and promising works such as those of N. LUHMANN, J. SEARLE, I. HACKING