

# The internationalization of R&D before, during and after the crisis - comments



The paper provides descriptive statistics about changes in:

- the contribution of foreign firms to business expenditure on R&D (BERD) across a group of countries
- The contribution of foreign firms to BERD in Germany across sectors
- Global relationship in the internationalization of R&D

Main findings:

- Internationalization of R&D was hit hard during the crisis
- No major changes in the country mix



The paper touches upon several interesting issues related to the consequences of the crisis on internationalization of R&D, but could benefit from a more elaborated discussion and analysis

- MNEs may have different reactions to crisis – could these be linked to different R&D strategies / reasons to locate R&D activities abroad?
- Short-term vs. long-term consequences of the crisis on internationalization of R&D
- Good or bad thing?



- Quite heterogeneous group of countries, in different stages of development, different economic/industrial structures, differently affected by the crisis – what is the role of this heterogeneity in explaining the observed developments
- Diverging development of services – has outsourcing of R&D increased during the crisis
- Very little governments can do – is it really so?



Some data issues

Somewhat difficult to judge whether internationalization of R&D has indeed been hard hit by the crisis. Would be good to see also:

- Business R&D share of foreign firms, not only its change
- How volatile/stable this foreign contribution has been in the past
- Overall business R&D and its development

Would be good to have sector level data for other countries as well, Germany rather an exception during the crisis and looks like the share of inward BERD has been more or less stable during 2007-2011

Can 2007 be counted as a crisis year? At least in Europe effects on real economy started during the latter half of 2008.