

Architecting Country

Strategy:

Highlights Only

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Partha Ghosh's Experience in designing national strategies

Interactions with Heads of States on Socio-economic Strategy & Policy Issues

Asia Pacific

Malaysia 1985 – Country Strategy
Australia 1988: *Beyond Trade, its role in AP*
Japan 1989 – *Asia Pacific Policy*
UNIDO/China 1988 – *Small & Medium Enterprise Development*
Thailand 1991 – *Science & Technology Policy*
Korea 2002 – *Towards Knowledge Economy*

Europe/Middle East

Turkey 1991~92: Country Strategy
Germany 2000: Bavaria's strategic Possibilities
Kingdom of Saudi Arabia 1999: Beyond Oil
Bahrain: Knowledge Based Society

India

Country Strategy 1 in 1986 (CII)
Country Strategy 2 in 1991
(Commerce Ministry & Planning Commission)
West Bengal Strategy 1996 (CM)

North America

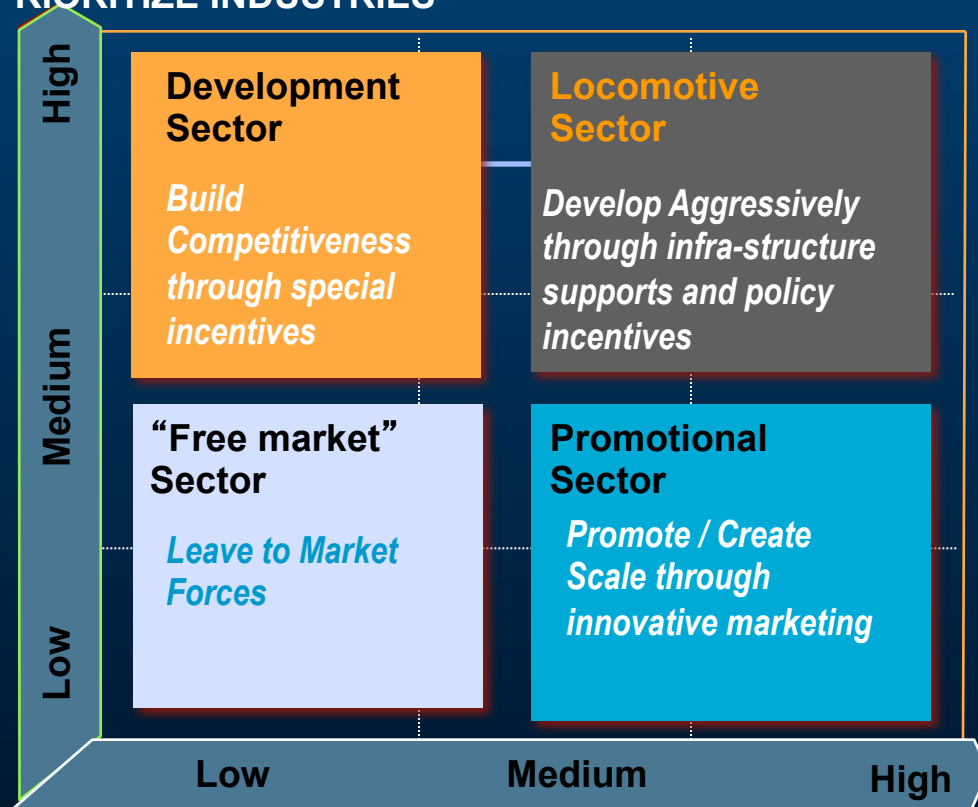
Multiple Interactions with Federal Govt. on Twin deficits 1993~ 94
Massachusetts toward 21 st Century

The Strategic Grid to develop Nation's Portfolio of Winning Industries

STRATEGIC GRID TO SCREEN & PRIORITIZE INDUSTRIES

Socio-Economic Impact

- Employment and capital generation ability
- Impact on Social development
- Impact on Industrial/Economic Environment
- Impact on the State's Global Power

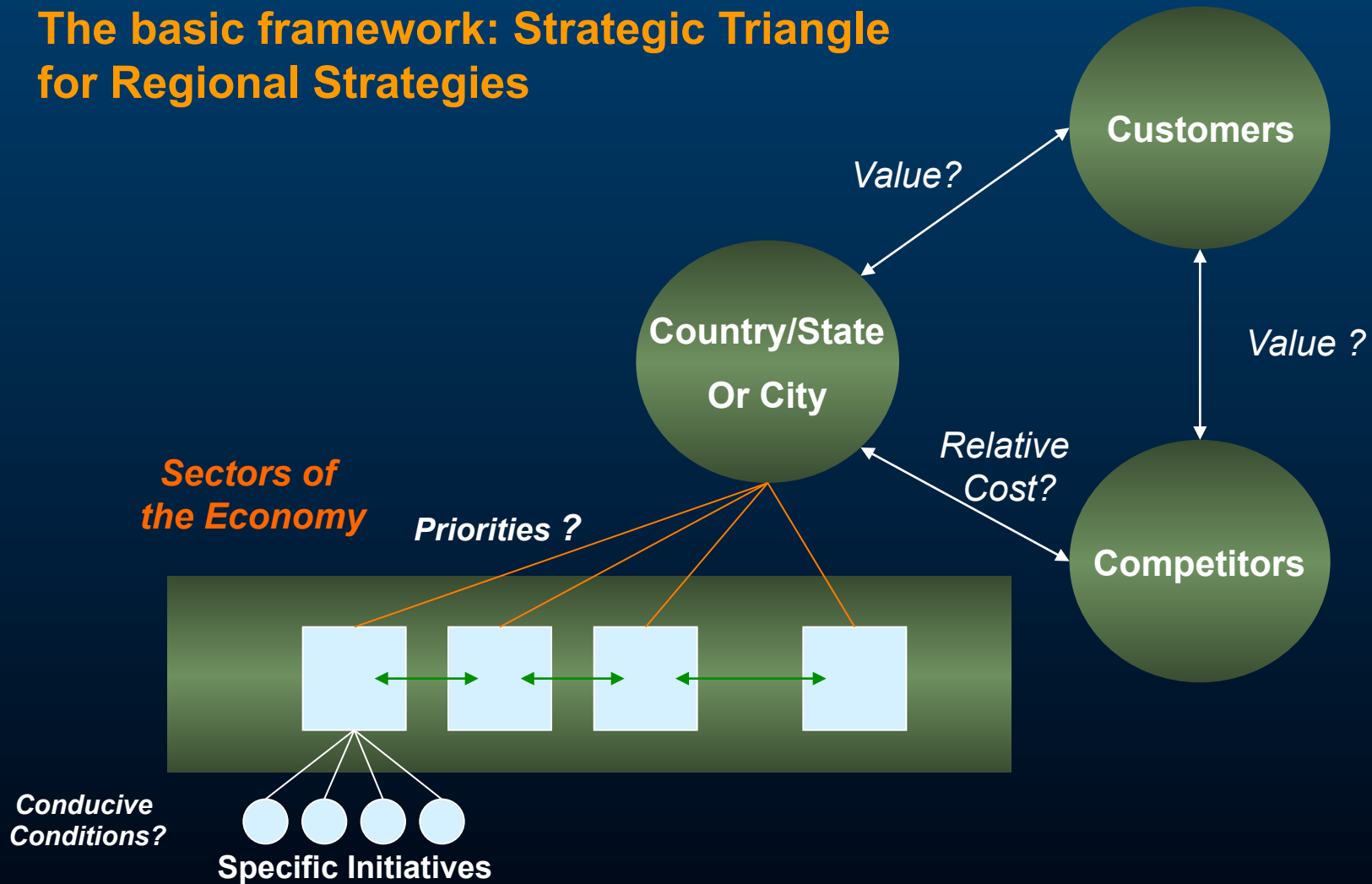


Competitive Advantage

- Global Links
- Stage of development and uniqueness
- Domestic Environment
- Competitiveness of input factors

A Framework for defining the economic value propositions

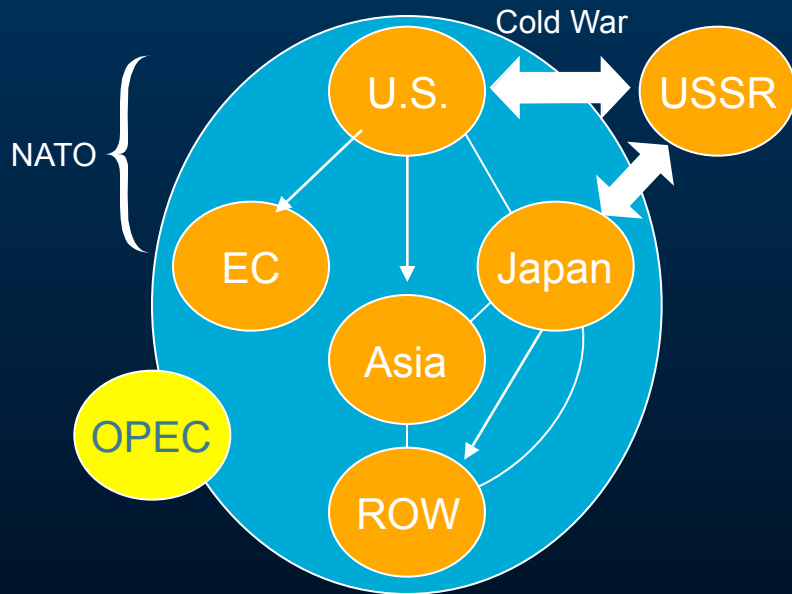
The basic framework: Strategic Triangle for Regional Strategies



Strategy must be evolved in the context of how Geo-Political Alliances transition

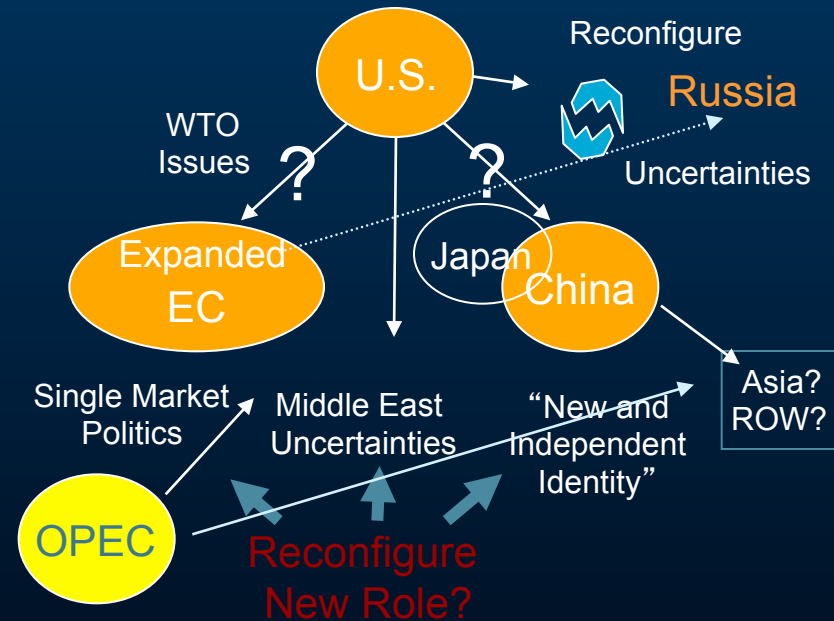
Paradigm Shift

Past



Bond by Cold War Forces of Alliances

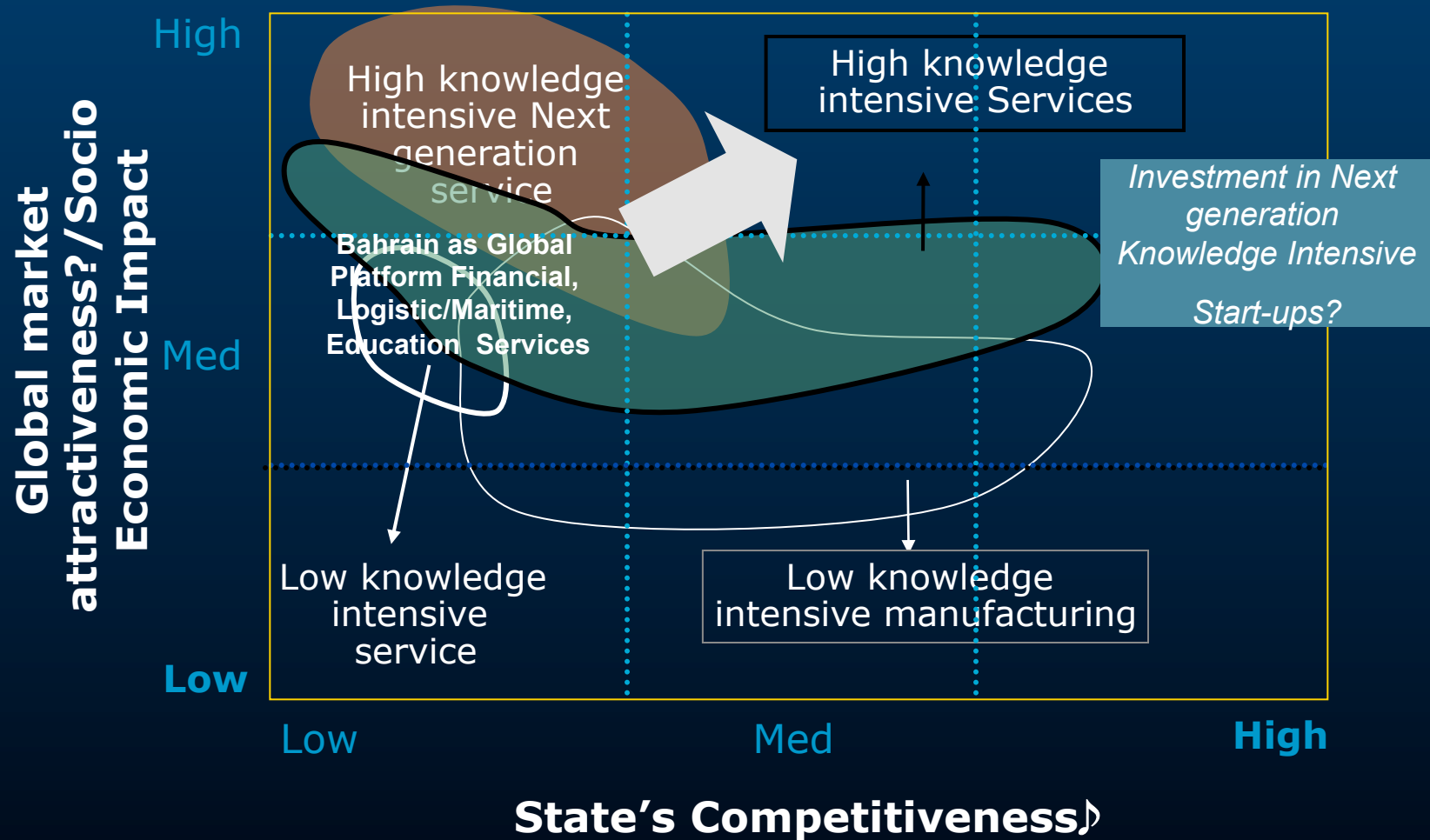
Future



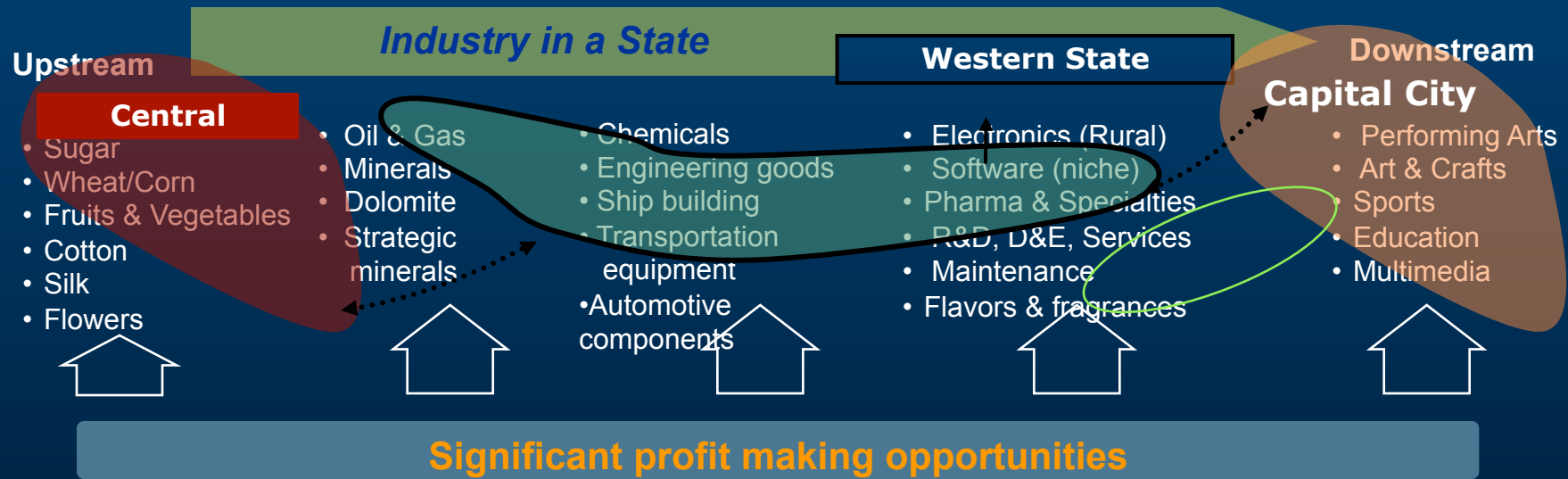
Deconstruction of Past Geopolitical Architecture

The Two Essential Vectors: *The Strategic Grid*

Two Critical Vectors



As the priority industries are defined, infrastructure strategy must be evolved with a holistic view- promoted through market mechanisms



Infrastructure

World scale projects through innovative market mechanisms

- Networks of Commercial and Cultural centers
- Energy & Power Strategy
- Roadways modernization
- Airports and Airstrips
- Dockyards to match Shanghai, Yokohama and Korean Ports
- Railways modernization and Waterways development
- Water management
- Sanitation & Recycling Strategy

Accordingly the New Paradigm must Embrace both *Outside-in Thinking* & *Inside out Initiatives*?



Right from the outset it will be important to ensure *that new principles & new standards of measurement are adhered to*

New Paradigm

Forward Looking State

New
operating
principles

Select and
concentrate
on winning
"industry
niches"

Adopt
collaborative
approach
between
stake
holders

Develop
cross-
sectoral
action plans

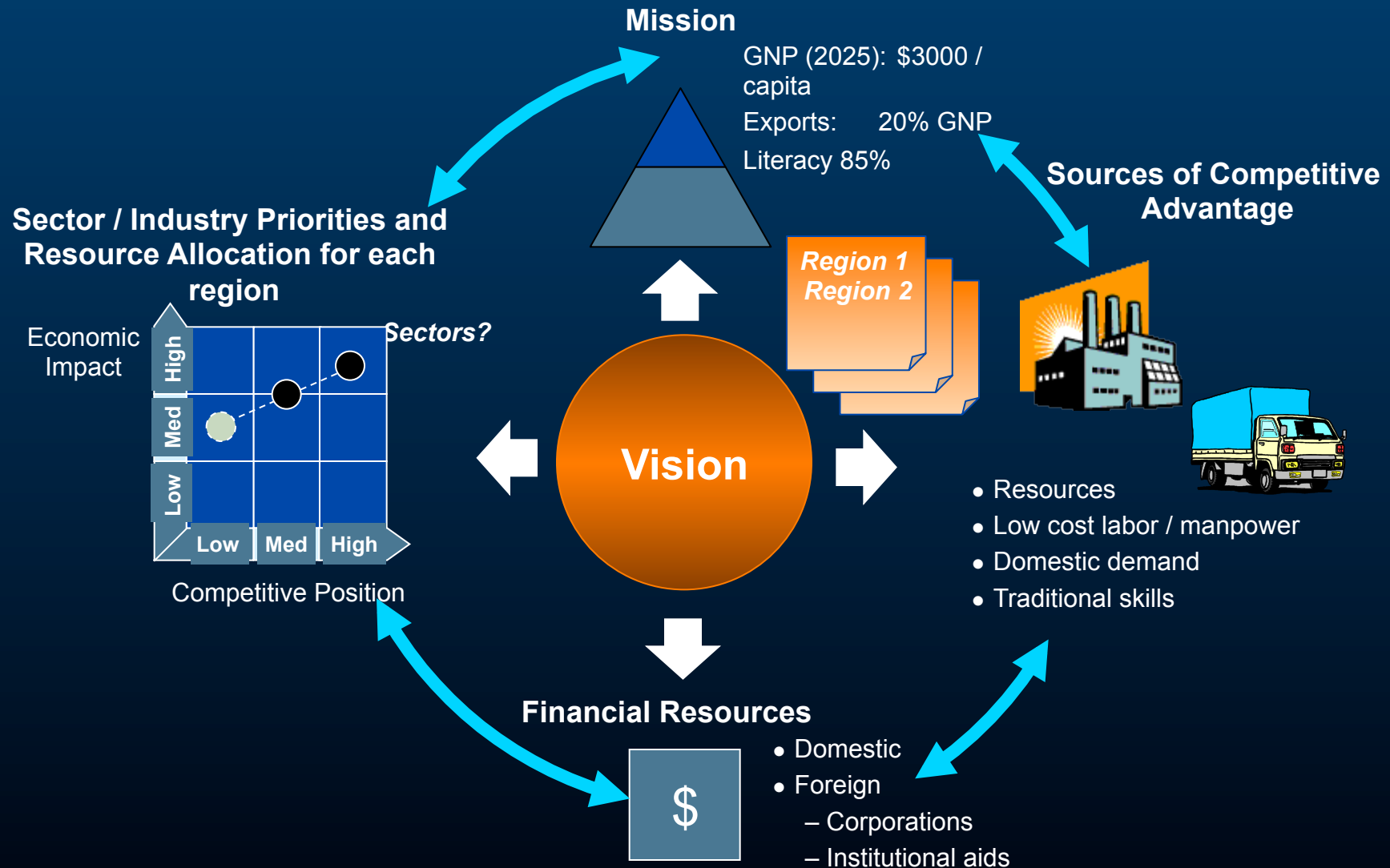
Create cross-
ministerial
coordination

New
quantitative
targets &
standards

- ❑ Track percentage of GDP, employment, and export devoted to New Value proposition
- ❑ Follow quality of products and services in the locomotive sectors as flag ships of the region
- ❑ Monitor attractiveness/competitiveness

The Vision will be the Fundamental Benchmark for Guiding the Search for New Options, their Evaluation and Impact

A dynamic Process need to be developed



The Eight Beliefs of PSG & A

1. **“Wealth creation in an equitable fashion”** is the primary purpose of regional (country or state) socio-economic strategy. ..to enable people advance at all levels of society
2. **Leadership group’s vision, values, and symbolic actions (including monuments, “visible wins”)** are the energizing forces, which need to be continually challenged
3. **Macro social and economic policies / strategy (taking advantage of global mega trends)** should precede economic plans / budgets
4. **Innovative strategies take advantage of competitive dynamics** between regions, such that the State could draw capital, technology & management skills in developing competitive industries (which are sustainable, value creating on a global scale).
5. **Creativity, commitment and discipline**, not luck, are the scarce resources to leverage existing strengths and build new ones.
6. **Un-orthodox organizational mechanisms** to enable superior fact based and hard nosed execution to reach targets underlies most successful strategies.
7. **Targets, tasks and action programs** should be defined and religiously adhered to with clearly defined responsibilities and accountabilities.
8. **Development of Human Capital** including skills, work-ethics and hope should be at the core of the key components of a sound socio-economic strategy.

For Example: A Blueprint for Knowledge Based Economic Development

It is our hope that a Nation's/State's leadership will build on the proposed framework to define initiatives which will have different time horizons and address the basic components of the economy

- Positive attitudes toward work
- Credibility and faith
- Economic Targets
 - GNP / capita \geq \$30,000
 - Exports / capita \geq \$5,000



Dynamic Economy based on High “Social Intelligence”

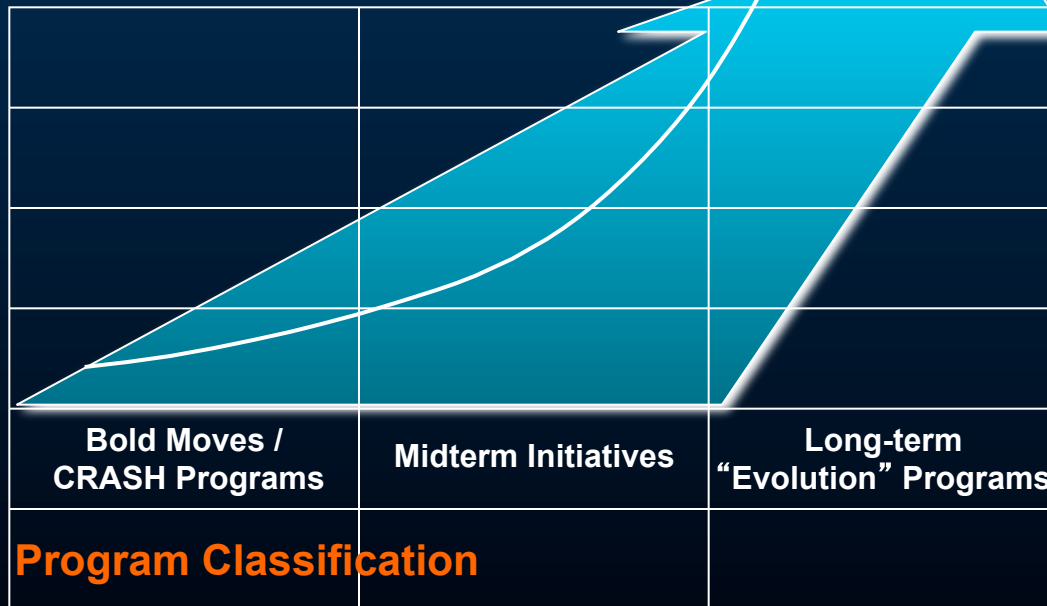
Growth Avenues

Top 10%–15%

Trade

Infrastructure

Grass Roots (30%)



Need a new Approach toward Leadership

Issues

Solutions

1.

Competitiveness



Education & Focus
Strategic solving
Strategic Guidance to market forces

2.

Social Chaos



Higher level purpose
Benchmarks of civil society
More responsible media

3.

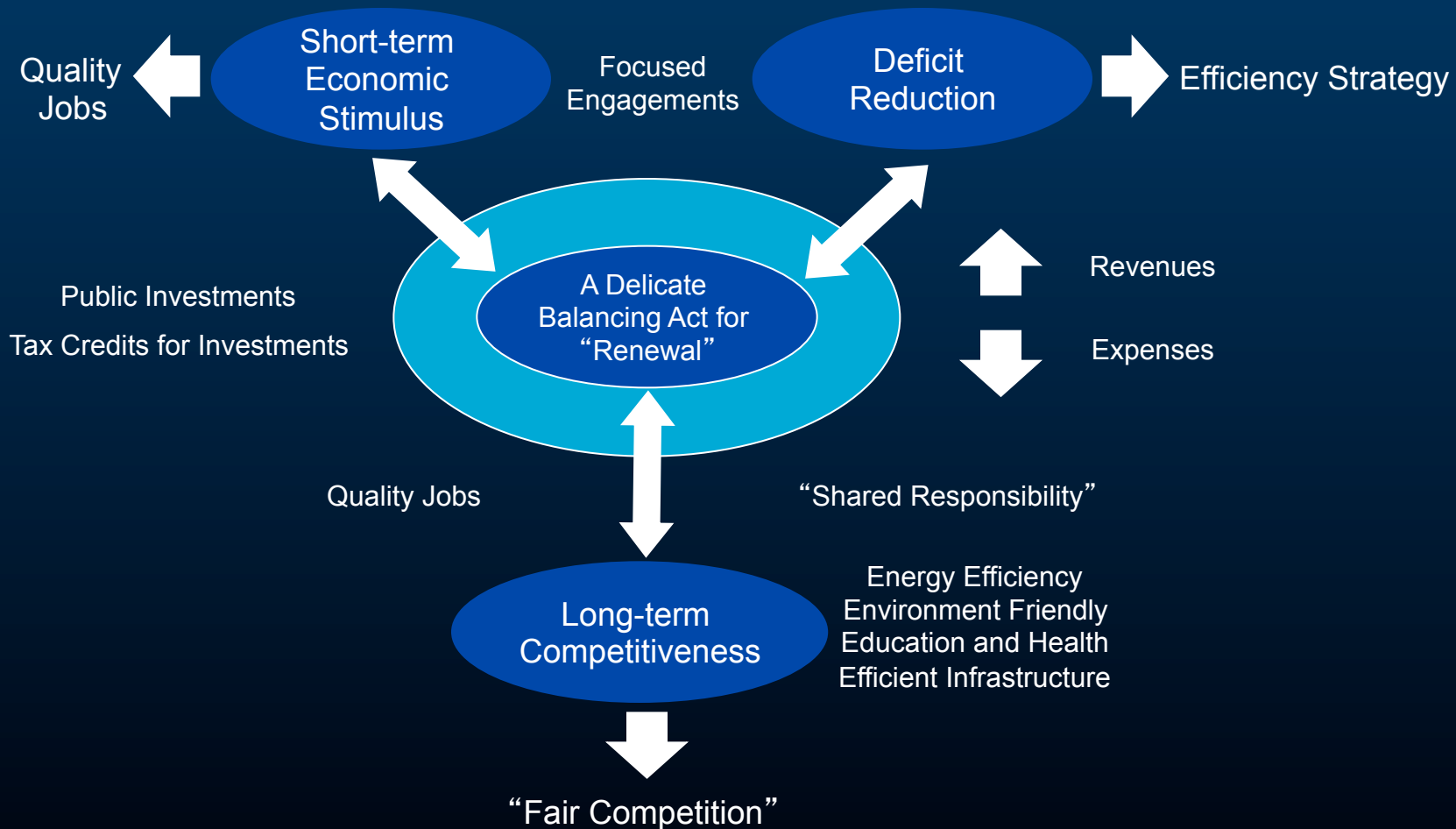
Failing Infrastructure



Renewal Spirit (Energy, Transportation,
Education, Health care)
Competitive Investments

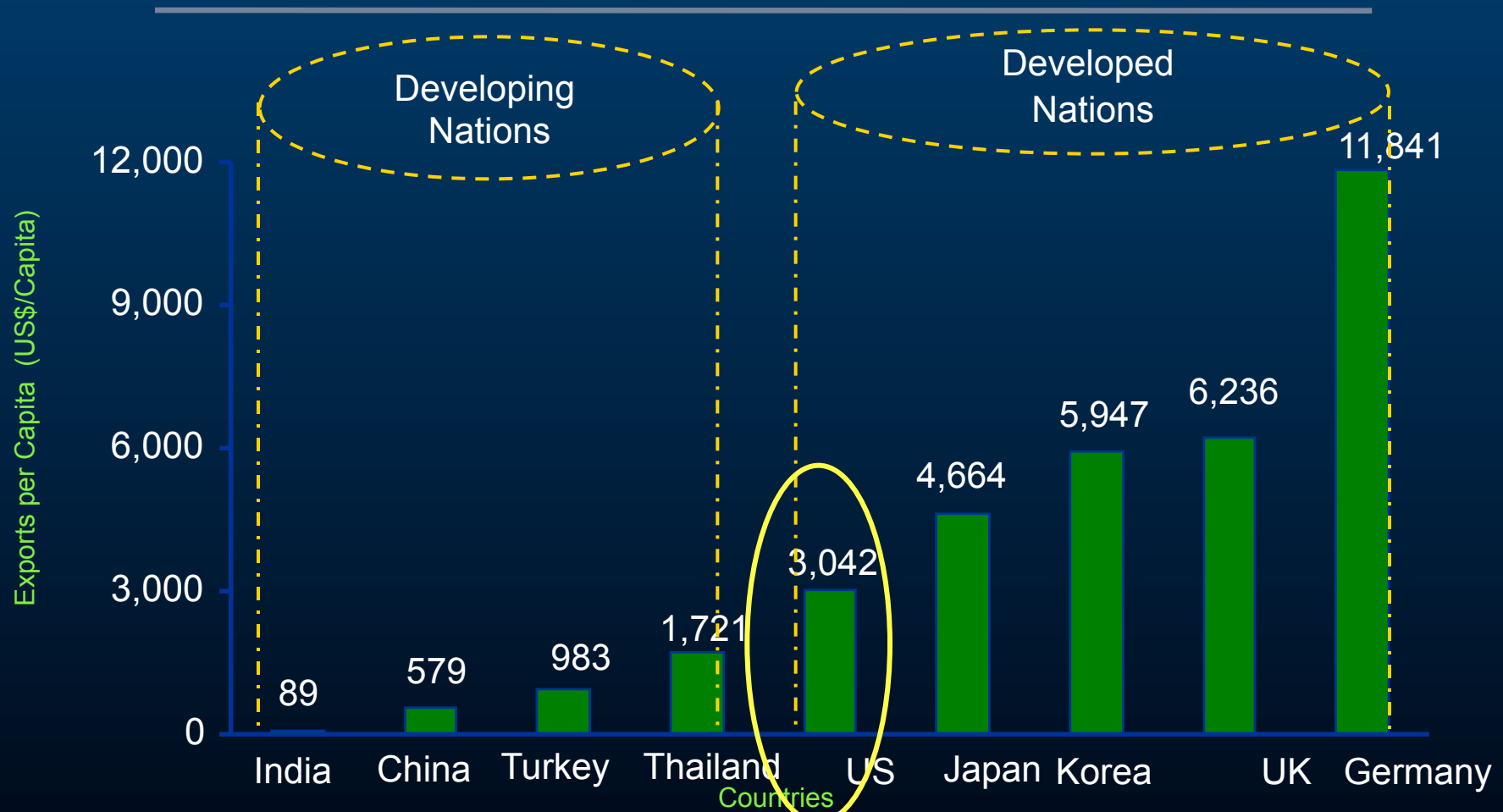
National Agenda has to be defined with crisp focus along three dimensions

Country Strategic Initiatives



US in terms of exports per capita need to catch up with the nations in the same league

Exports per Capita of Different Countries in US\$/Capita (2005)^{1,2}



Boston Analytics Research

1. International Financial Statistics Online
2. <http://www.oanda.com/convert/fxhistory>

For Example, MITI's Vision Papers Are Philosophical and Yet Specific

Illustrative — Japan

