

The Knowledge for Development Program

K4D Newsletter

The World Bank Institute

<http://www.worldbank.org/wbi/knowledgefordevelopment/>

Welcome to the sixth Newsletter of the Knowledge for Development (K4D) Program. This newsletter is published quarterly to keep colleagues at the World Bank, country clients, partner institutions, and the general public updated on latest developments of the K4D Program. This issue includes a synopsis of recent knowledge economy assessments and details on various recent K4D learning events. We welcome any comments, suggestions or feedback you may have and invite you to contact us at ke@worldbank.org.

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Country Knowledge Economy Assessments

The key goal of these assessments is to help countries identify their strengths and weakness and to develop strategies for their transition to a Knowledge Economy. The Program provides three levels of KE assessments: Benchmarking (Basic), Enhanced (Intermediate) and Comprehensive Assessments.

Comprehensive Assessments

Global Launch of K4D report on India and the Knowledge Economy
Washington, DC
June 28, 2005

The report on *India and the Knowledge Economy: Leveraging Strengths and Opportunities*, developed by Carl Dahlman and Anuja Utz, was launched in Washington, D.C. on June 28, 2005. This event brought together members of the Press from Delhi and Washington, D.C. as well as interested Bank staff.

Michael Carter, World Bank Country Director for India provided opening remarks and added that this report serves as an important Bank input into the domestic consultation and reform process which will move India further into the global knowledge economy of the twenty-first

century. Carl Dahlman and Anuja Utz then provided an overview of the book and its main messages. The report was also discussed by two commentators in Delhi: Dr. R.A. Mashelkar, Director General, Council of Scientific and Industrial Research of India and Arun Maira, Chairman, Boston Consulting Group, India. This report was done in partnership with the Finance and Private Sector Development Unit of the Bank's South Asia Region.

The report was carried by major press and wire services such as Reuters, Associated Press, Dow Jones, and the Press Trust of India. There were also articles featured in the Globe and Mail-Toronto, CNN, Financial Express, Hindustan Times, The Hindu Business Line, Times of India, The Telegraph, and Pioneer. For more information, visit the [report website](#).

For more information or a copy of the overview, contact Anuja Utz.

Finland as a Knowledge Economy - Elements of Success and Lessons Learned

This report is being authored by Carl Dahlman, Luce Professor of International Affairs and Information Age Technologies, School of Foreign Service, Georgetown University and former Program Manager, K4D, together with Prof. Jorma Routti, Helsinki University of Technology & Creative Industries Management, Pekka Ylä-Anttila, Research Director of the Research Institute of the Finnish Economy (ETLA), and Christopher Palmberg, Research Institute of the Finnish Economy (ETLA).

The report focuses on how the Finnish government and the private sector increased their R&D and innovation efforts, and used the financial crisis in the 1990s as an opportunity to make a major transformation from a natural resource-based to a knowledge-based economy. This included not just developing the ICT sector, but using knowledge to leverage performance of its natural resource-based sectors.

This WBI publication was officially launched on May 16, 2005 at the World Bank headquarters with authors presenting the

highlights of the study, including Carl Dahlman, who is also contributing a chapter for the book. The half-day event was chaired by Danny Leipziger (Vice President, PREM) and Jean-Eric Aubert (K4D). Please visit the [seminar website](#) for the detailed agenda, presentations and video-clips of the event.

For more information, contact Anuja Utz.

Enhanced Assessment

Algeria

A report has been prepared under the auspices of the National Economic and Social Council assessing Algeria from the knowledge economy lens following the WBI framework. The main elements of this report, discussed and enriched through a series of public consultations held in the course of the year 2005, have been presented at the Maghreb competitiveness seminar described below. The report was drafted by Mr. Mekideche, vice president of CNES, with the support of Abdelkader Djeflat, WBI consultant. Following this initiative, a group of national experts on Knowledge Economy, involving partners from the business communities and civil societies' organizations, has been established to follow on related matters and policies and stimulate further debates in the country.

For more information, contact Jean-Eric Aubert.

Learning and Knowledge Exchange Events

Videoconference Seminar on Indigenous Knowledge

April 6-7, 2005

The objective of this two-day videoconference-based seminar, delivered from Paris, was to stimulate a discussion on issues relating to the role of indigenous knowledge (IK) in economic and social development. The other participating sites included Washington DC, Pretoria (South Africa) and Dar es Salaam (Tanzania). The seminar was organized in

cooperation with Mr. Karl Jechoutek in South Africa. The World Bank's IK team at HQ was also involved. Speakers included academics, traditional IK practitioners, and World Bank staff in South Africa, Tanzania, Washington and Paris. Please visit the [course website](#) for the detail agenda, presentations and background material.

For more information, contact Aisling Quirke.

Global Innovation Policy Dialogue on China and India

April 14-15, 2005

The second in the series of global dialogues on innovation policy issues took place on April 14-15, 2005. The video conference dialogue looked at the state of play of innovation in China and India, and brought together 30 high-level participants in Washington, Paris, Rome, New Delhi, Ahmedabad and Beijing. Speakers included representatives from the OECD, IKED (International Organization for Knowledge Economy and Enterprise Development), as well as academics, and public and private sector representatives from China and India.

Structured around two 3 hour sessions, the dialogues examined the reforms behind China and India's emergence as economic power houses from an innovation perspective. Also discussed was the strengthening of linkages between science and industry, which is a challenge for both countries, and mechanisms for the international diffusion of technology. Please visit the [course website](#) for the detail agenda, presentations and background material.

For more information, contact Aisling Quirke.

Innovation and Economic Growth

Washington, DC

April 26, 2005

This course, which took place during the World Bank PREM Learning Week, focused on the importance of innovation for long-term economic development and how government policies can be used to cultivate an environment

conducive for innovation and technological adoption.

The course introduced a conceptual framework that focuses on the various ways to conceive national innovation strategies that depend on the countries' technical and institutional capabilities. It then discussed policy instruments that are required to support efficient innovative projects. Important policy lessons emerging from a study that examined 10 sectoral case studies were also discussed. In each of these successful experiences, taken from various sectors and countries, technology played a key role. Productive public-private partnerships were usually the drivers in facilitating public policies that shaped private sector development and led to the adaptation/adoption of superior technologies of production. These technologies in turn, raised productivity and attracted investment for faster growth and exports. Please visit the [course website](#) for the detail agenda, presentations and background material.

For more information, contact Derek Chen.

Knowledge-Based Growth and Competitiveness

Washington, DC

April 26, 2005

This course, which also took place during the World Bank PREM Learning Week, focused on the contribution of knowledge to economic development and competitiveness. In particular, it looked at the importance of education, innovation and technological adoption, ICT infrastructure, and the economic and institutional regime, and their interdependence, for sustained economic growth. Included were a discussion of an empirical study on the effects of knowledge on economic growth, followed by a series of presentations on recent country-specific assessments in which countries' strengths and weaknesses in the use and creation of knowledge are identified, and the associated policy recommendations. Country assessments included those on India, China, and South Korea. For the detail agenda, presentations and background materials, please visit the [course website](#).

For more information, contact Derek Chen.

Global Workshop on Migration of Talent and Diasporas of the Highly Skilled

Buenos Aires, Argentina
April 26-27, 2005

International migration of skills and talent is a growing field of academic inquiry as well as emerging field of practical expertise. This two-day workshop, organized by K4D in conjunction with the World Bank's Latin America Region and the Argentinean Ministry of Labor, examined the design of public policies to leverage expatriate skills abroad for the benefit of the countries of origin. The event brought together practitioners from South Africa, Armenia, former Yugoslavia, Chile, Mexico, Colombia, Peru and Argentina.

Most noteworthy was a presentation by Scottish Enterprise on GlobalScott -- a highly innovative and highly successful program to form a network of about 800 high-powered Scotts all over the world and use their expertise and influence as "antennas", "bridges" and "springboards" to generate a variety of projects in Scotland. The program for the event, background papers and the presentations are available from the [seminar website](#).

For more information, contact Yevgeny Kuznetsov.

Seminar on Competitiveness, Knowledge Economy and the Business Environment in Maghreb Countries

Tunis, Tunisia
May 2-5, 2005

This high level seminar, jointly organized by the Joint Africa Institute and the World Bank office in Tunis, was designed to help policymakers design and implement appropriate policies to boost competitiveness, in a world in which knowledge and innovation play a major role for economic development.

The seminar highlighted the applicability of the "knowledge economy" approach to countries of all income levels. Concrete examples involving specific policy actions related to the business and innovation environment, and education and training programs from Maghreb countries were illustrated. Also, a large part of

the seminar was devoted to the exchange of knowledge and experience among participants.

Some 50 participants from Algeria, Morocco, Mauritania and Tunisia attended the event. These included high-level policy makers, such as the Minister of Research for Algeria, a former Governor of the Central Bank of Algeria, and a former Secretary of State for Telecommunications of Morocco. There were also a number of entrepreneurs, leaders of business associations, and academics. In addition, 10 outside experts from the sub-region and from OECD countries provided specific contributions in the program.

For more information, contact Jean-Eric Aubert.

Technology Innovation, Private Sector Development, and Economic Growth

Hangzhou, China
May 25-27, 2005

The conference, which was jointly organized by the World Bank Institute, Zhejiang University, Zhejiang Economic Construction and Development Promotion Commission, and the Korea Development Institute, focused on policies related to technology innovation and growth. The conference was attended by about 100 persons, with representation from the government, private sector, academia, international organizations, and the public media. The event provided an important opportunity for experts from the central government, local government, and international community to interact and provide input into the design of technology policies in China. Main conference topics included the effects of knowledge and technology on growth; technology innovation and enterprise development; financing innovation and entrepreneurship; linking science & technology and the production sector; technology and industrial & regional development, and the importance of institutional support. Please visit the [conference website](#) for the detailed agenda and presentations.

For more information, contact Douglas Zeng.

Seminar on Generating and Sustaining Growth without Picking Winners: Case Studies of New Industrial Policy Organizations

Washington, DC

June 13, 2005

This seminar, jointly organized by the K4D program and the Bank's Growth and Employment Thematic Group, focuses on the roles of Fundación Chile and GlobalScot (Scottish Enterprise) as examples of institutions that implement a new era of industrial policies and the implications for Bank's Operations. New industrial policy, a set of interventions which is distinct from the 'old' functional/ horizontal industrial policy of the 1980s and 1990s, yet capable of avoiding familiar old pitfalls of 'picking winners', is becoming a subject of recent policy debate and experimentation.

The seminar examined in detail two case studies of new industrial policy organizations presented by senior staff of these organizations: Fundación Chile (which promotes innovation clusters) and GlobalScot (which promotes expatriate innovation networks to benefit Scotland). The session also discussed what new industrial policy means from managerial and governance perspectives, and what it can and cannot do. There was a discussion of what it may mean for the Bank's operations, particularly in sophisticated middle-income economies which are increasingly doing less business with the Bank (countries such as South Africa, Russia, Chile or Mexico). Please visit the [seminar website](#) for the detailed agenda and presentations.

For more information, contact Yevgeny Kuznetsov.

From Brain Drain to Brain Gain: 'How to' of Mobilization of Diasporas of Highly Skilled

Washington, DC

June 14, 2005

In the modern world, talent is the most precious of resources and tends to move globally. Mobilization of Diasporas for the benefits of country of origin has shown a tremendous potential, both in terms of resource mobilization and access to knowledge and skills. While Diasporas offer substantial promise, putting this

promise into practice has often proven to be difficult, and many Diaspora mobilization initiatives have failed to meet expectations.

The objective of this Global Dialogue was to understand factors behind the success of several initiatives that have worked well, and to inform the design of new initiatives. The focus of the event was on the 'how to' details of programs and initiatives of mobilization of Diasporas of highly skilled in the context of low and middle-income countries. Please visit the [seminar website](#) for the detailed agenda and presentations.

Conference on Intellectual Capital for Communities

Paris

June 20, 2005

This conference was organized by WBI's Paris Office, in cooperation with the University of Marne-La-Valée, France. The conference sought to address the challenges and opportunities stemming from today's increasingly knowledge-based economy and looked, in particular, at the knowledge capital of nations; and how to cultivate efficiency and the renewal of the knowledge capital of regions.

The event, which was designed as a platform to promote the exchange of views and learning among key stakeholders, attracted more than 80 participants from Asia, South America, the US, and Europe and included speakers from the OECD, European Commission, European Patent Office, European Investment Bank, World Bank, as well as representatives from academia and the private sector.

One of the key issues raised in the conference was the measurability of intellectual capital/intangible assets. It was agreed by many participants/speakers that in the absence of an internationally accepted definition of intangible or knowledge-based assets, there is an insufficient range of indicators available to measure the intellectual capital of nations, regions, and cities. It was acknowledged that currently the relevant indicators are mostly input oriented, and there are too few indicators that measure the output of investments in knowledge. The need for more

such indicators and for involving measurement practitioners from the business world, namely accountants, was deemed to be vital if intangible assets are to be taken seriously. Please visit the [conference website](#) for the detailed agenda and presentations.

For more information, contact Aisling Quike.

Enhancing Local/Global Partnership in the Fight against HIV/AIDS: Bridging the Information Divide

June 28, 2005

This seminar provided an opportunity for stakeholders to share information and to improve access to resources that could be tapped for combating HIV/AIDS. The seminar was jointly organized by the Paris K4D team, the WBI Leadership Program on HIV/AIDS and Article Z (a French multimedia production agency), and was delivered via video conference to participants in Ghana, South Africa, Tanzania, Uganda and Kenya, Washington DC, Paris as well as the Global Fund from Geneva. The 150 participants included representatives from civil society organizations, government representatives and international organizations and donors.

To stimulate discussions, video footage of interviews with people infected with AIDS, and from managers of international organizations was presented. In addition, measures used to curb the spread of HIV/AIDS in Ghana and Uganda were presented. These measures are generally considered to be best practice in fighting HIV/AIDS, due to the multi-sectoral focus of the approaches. For details and related materials, please visit the [conference website](#).

For more information, contact Capucine Edou.

Staff Moves

Natividad Lorenzo joined the K4D Program in January 2005 and spent much of her time contributing to the K4D policy study “*A Comparative Analysis of China and India’s National Innovation Systems*”. Nati also conducted research on best practices of knowledge management in low-income countries as well as cluster development and long-life learning. In late July 2005, she will join the United Nations Volunteer Program and will begin her assignment in a Sub-Saharan country at the beginning of September.

The K4D team welcomes Alexey Volynets who joined the Program in May 2005. He will be mainly maintaining the web-based Knowledge Assessment Methodology and the K4D Program website, and participating in K4D activities relating to the ICT field. Previously, Alexey worked on issues related to ICTs in the Europe and Central Asia Region of the World Bank, with a particular focus on e-Business and e-Government programs for private sector development.

Tsutomu Shibata has left the K4D program and has moved to WBI’s Scholarship and Fellowships Program as of July 1 to scale up the activities there. However, he will still continue to work with K4D to complete and disseminate the Japan KE book, which he has been task-managing.

Consultants associated with the Japan KE book will also be moving. Yutaka Yoshino has officially joined the Bank’s African Region since July 1. Yumi Ejiri will continue to work on the Japan book until late August when she will also join the Scholarship Program. Tatsuji Hayakawa has joined K4D for July and August to assist with production of the Japan book.

The K4D Team

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The Knowledge for Development (K4D) Program

Knowledge, and its application, is now widely acknowledged to be one of the key engines of economic growth. The increasing importance of knowledge has created both opportunities and challenges for developing countries. On one hand, the knowledge revolution presents significant opportunities for promoting economic and social development, thereby reducing poverty. On the other hand, it has become more crucial than ever for countries to position themselves so as to participate effectively in the knowledge-driven markets that now dominate the global economy. Failure to do so, could result in countries being left further behind.

The main objective of the K4D Program is to help client countries make the transition to the Knowledge Economy, which is one that uses knowledge as the key engine for economic growth. More specifically, the Program helps countries make more effective use of knowledge for their overall economic and social development by focusing on the four 'knowledge' pillars: an educated and well-trained population; a dynamic innovation system; an established information and communication technologies (ICT) infrastructure; and an economic and institutional regime that is conducive to the creation and use of knowledge. The K4D Program thus works with clients to develop concrete 'knowledge' strategies covering the four KE pillars, taking into account issues of political economy, governance and the need to build stakeholder ownership.
