

The Knowledge for Development Program

K4D Newsletter

The World Bank Institute

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

Welcome to the September 2005 issue of the 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 current knowledge economy assessments, details on various recent K4D learning events and a brief introduction to two new team members. We welcome any comments, suggestions or feedback you may have and invite you to contact us at ke@worldbank.org.

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

Korea as a Knowledge Economy – Lessons and Assessments

This is the second knowledge economy report on the Republic of Korea being published by the Knowledge for Development Program. The first report, *Korea and the Knowledge-Based Economy*, was published in 2000 and focused on the challenges and strategies of South Korea's transformation to a knowledge-based economy. The target audiences of the first book were the South Korean policy makers.

This second report focuses on Korea's march towards a knowledge economy from a poverty-ridden economy before the launch of full-scale industrialization in the early 1960s and is meant to serve as a guide for policymakers from

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developing countries embarking on long-term knowledge economy strategies.

The report will contrast the catch-up model that Korea had implemented during the high growth era before the financial crisis of 1997 and the knowledge economy model that Korea has incessantly pursued in order to overcome the crisis and to sustain economic growth afterwards. It will pay more attention to Korea's achievements, as well as remaining tasks, in her efforts in the four pillars of the knowledge economy with a common theme – how Korea has narrowed the gaps in knowledge and institutions against world leaders. This report is expected to be completed by the end of this year.

For more information, contact Jean-Eric Aubert or Do-Geol Ahn.

Japan as a Knowledge Economy – Assessments and Lessons

This two volume report being authored by distinguished Japanese scholars and practitioners, which include Professor Hirotaka Takeuchi (Graduate School of International Corporate Strategy, Hitotsubashi University), who coauthored “Can Japan Compete?” with Michael Porter. Similar to the Korea report, this study is targeted at policymakers from developing countries and details the challenges and successes that Japan faced and is now facing in terms of the knowledge economy (Volume One).

The report also discusses the tremendous speed and resilience that Japanese industries exhibited in catching up with the industrial world and overcoming the oil (1973, 1979) and Yen (1985-1987) shocks. It also examines as case studies Japanese corporations such as Toyota, Sharp and Seven-Eleven Japan that are currently still industry leaders, despite the overall decline in Japanese competitiveness (Volume Two). The report is expected to be published towards the end of 2005.

For more information, contact Tsutomu Shibata or Tatsuji Hayakawa.

Knowledge Products and Tools

The Knowledge Economy, the KAM Methodology and World Bank Operations

This paper originated as a request from the Inter-American Development Bank (IADB) for a chapter on the Knowledge Assessment Methodology (KAM) to be incorporated into a forthcoming IADB book. The book titled “*The Knowledge Economy in Development: Toward a more effective Partnership between the Inter-American Development Bank and the Countries of Latin America and the Caribbean*”, is scheduled to be published in November 2005.

The paper highlights the importance of knowledge for long-term economic growth by presenting the concept of the knowledge economy and the knowledge economy framework. It describes the KAM and associated charts and data in detail by using a spectrum of countries from the various regions as examples. The uniqueness of the KAM lies in its cross-sectoral approach that allows a holistic view of the wide spectrum of factors relevant to the knowledge economy. In addition, because of its transparency, simplicity and versatility, the KAM has been widely used and accepted for facilitating engagements with World Bank country team and policy discussions with government officials from client countries. To download the [paper](#), please visit the K4D program website.

The KAM is currently being updated and a new version will be launched in November 2005. The new KAM version will have a more user-friendly interface and added functionalities that will further facilitate cross-country and cross-regional comparisons. Please visit the [K4D website](#) and the [KAM website](#) for the exact date and time of the launch.

For more information, contact Derek Chen or Alexey Volynets.

K4D in World Bank Institute's 2005 Annual Report

The World Bank Institute's recently released 2005 Annual Report featured a section on the Knowledge for Development program and its highlights during FY05, including the KAM, country reports on India, Tanzania, Finland, Japan and Korea, policy services in China, Slovakia and Tunisia, as well as a variety of learning events. To download the [report](#), please visit the K4D program website.

For more information, contact Anuja Utz.

Learning and Knowledge Exchange Events

Seminar on Universities in Service of Development

Niamey, Niger
July 15, 2005

Organized by WBI with the *Agence Universitaire de la Francophonie*, a seminar was held with the African Francophone Universities in the context of their annual conference in Niamey, Niger. About 50 high level academic representatives, including 30 rectors, participated in the event which included presentations by Jean-Eric Aubert (K4D, Claudine Bourrel (WBI HD) and Jamil Salmi (HD Network). Participants discussed ways and means by which their establishments could better serve the needs of their countries and decided to gather a series of documented case studies (success stories) showing how they are implemented in practice.

This event was the first in a series related to a project between K4D and the *Agence Universitaire de la Francophonie* (AUF). The project aims at pinpoint how universities are able to contribute to their societies' development. By focusing on existing success stories and sharing experiences among the Francophone Africa University Rectors, this project aims to develop awareness on the knowledge for development issues and how universities can be key actors in stimulating such strategies in their countries.

As a follow-up it was decided to hold a 3-day seminar by the end of November during which case studies previously prepared by the Rectors and their teams would be analyzed in detail. This seminar will take place from November 30 to December 2, 2005 in Dakar, Senegal. This project will also prepare the contribution of francophone Africa universities to the Conference on Knowledge Economy in Africa in 2006.

For more information, contact Capucine Edou.

Reform of Technical Higher Education

Moscow, Russia
July 5, 2005

The seminar on the reform of technical higher education to promote sustainable innovation and economic growth was organized by the World Bank in cooperation with the Higher School of Economics (Russia), National Training Foundation (Russia) and Korea Development Institute (KDI). The seminar was a part of South-South Learning Program on Innovation.

The main discussion points included the importance of linkages between universities and industries, and how elite organizations such as the Korea Advanced Institute of Science and Technology (KAIST), Pohang Institute of Science and Technology (POSTECH) in Korea, and the Physico-Technicheski'i Institute in Russia could act as springboards for innovation.

Special emphasis was also placed on search networks: networks of highly motivated individuals and organizations that frequently innovate in spite of many obstacles they are facing. One factor of Korean success that was raised is the vibrant search networks that allow rapid identification of people and institutions that are working on similar problems. This finding goes against the established wisdom which relies on high capabilities of government to be 'able to pick winners' as the all encompassing solution. For more details, please visit the [seminar website](#).

For more information, contact Yevgeny Kuznetsov.

Welcome

Mr. Do-Geol Ahn recently joined the K4D team in August 2005 as a Senior Public Sector Specialist, succeeding Mr. Il Whan An as the Korean Ministry of Budget and Planning secondee to the K4D program. Do-Geol's key responsibilities will include managing activities being financed by the Korea Development Institute (KDI) trust fund and the continued fostering of the close working partnerships between WBI-K4D, the Korea Development Institute and the Korean government. In addition, he will also contribute to the forthcoming Knowledge for Development flagship report. In Korea, Do-Geol is a Director with the Private Participation Unit in the Infrastructure Planning Division of the Ministry of Planning and Budget.

Mr. Kurt Larsen, a Danish national, recently joined the K4D Program as a Senior Program Officer. He joins us from the Organization for Economic Development (OECD) in Paris, where he has been working for the past 8 years in the Education Directorate. There he focused on trade in educational services, knowledge management in the education sector and on investment in learning and regional development. Prior to that, Kurt worked in the Danish Government in the Ministries of Education, Research and the Prime Minister's Office. As a K4D team member, Kurt will be involved in the preparation of the forthcoming Knowledge for Development flagship report, in activities related to the knowledge economy and education in Africa, and on expanding the K4D Program activities in the Middle East Region.

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.
