

# CITY ECONOMIC DEVELOPMENT STRATEGIES AND ACTIVITIES

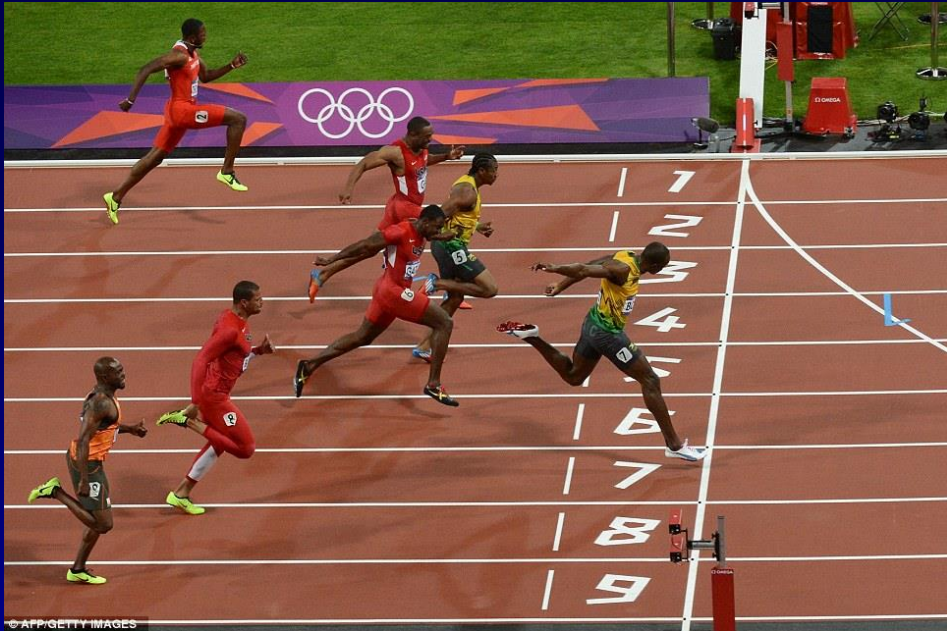
Professor Nick Binedell



**Gordon Institute  
of Business Science**  
University of Pretoria

# Strategic Leadership

# USAIN BOLT WINS 100M SPRINT













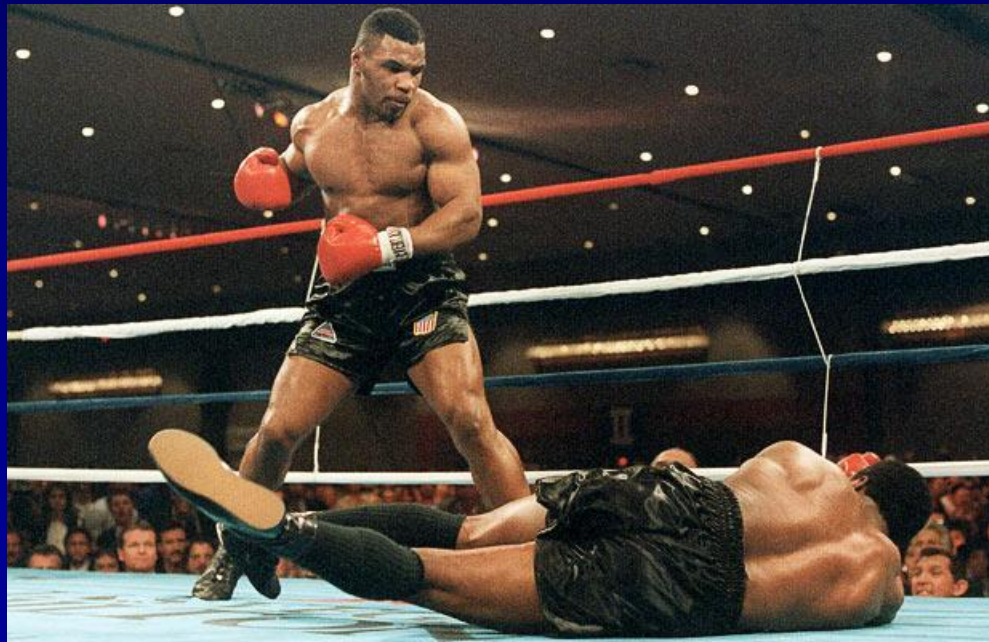


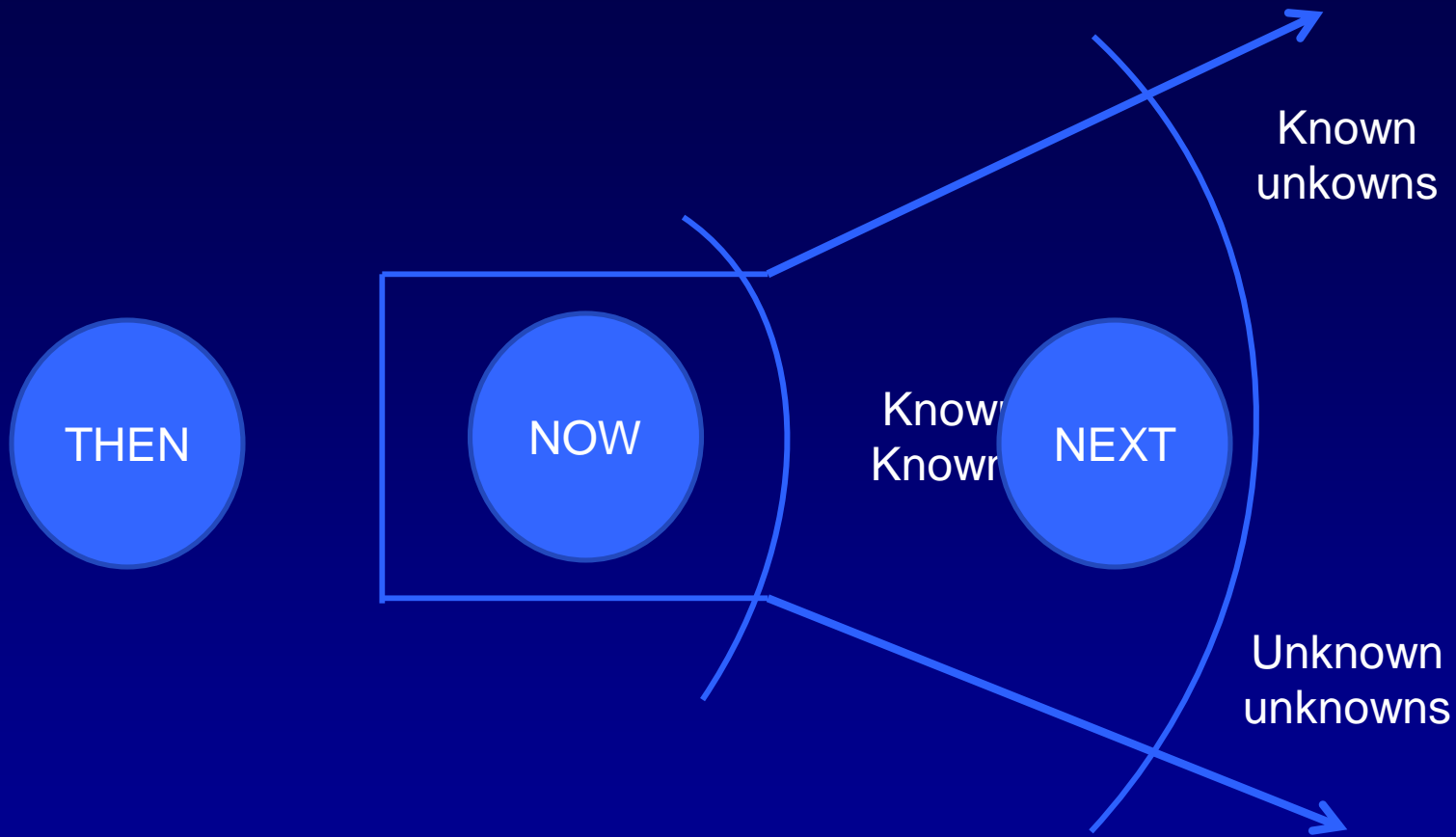


**Gordon Institute  
of Business Science**  
University of Pretoria

**“EVERYONE HAS A PLAN  
UNTIL THEY GET PUNCHED  
IN THE MOUTH”**

Mike Tyson





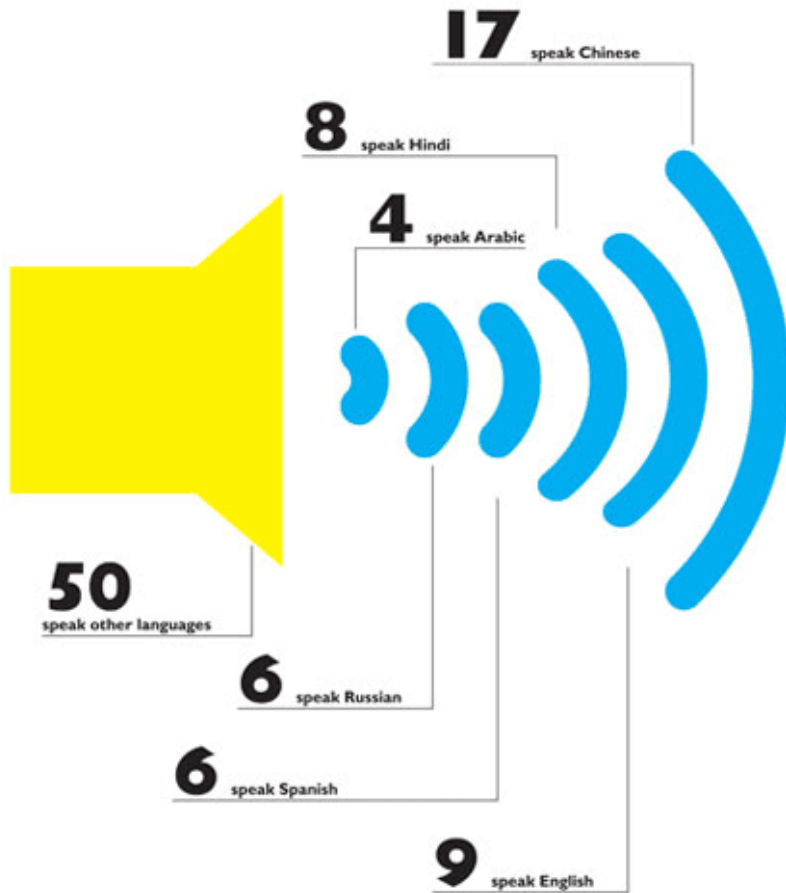
We live in an era of large scale  
and rapid **change**, increasing  
technical and social **complexity**  
and significantly more  
**competition.**





If the world were a village of 100 people

# LANGUAGE



If the world were a village of 100 people

# NATIONALITY



Chart

Map



How to use



Share graph



Full screen

Color

Gapminder Geogra...

Geographic regions



Select

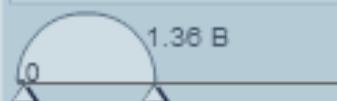
- Afghanistan
- Albania
- Algeria
- Angola
- Antigua and Barb...
- Argentina
- Armenia
- Aruba
- Australia
- Austria
- Azerbaijan
- Bahamas
- Bahrain

Deselect all

Size

Various sources

Population, total



Life expectancy (years)

lin

lin

Various sources

Various sources

Income per person (GDP/capita, PPP\$ inflation-adjusted)

log

Play

1800 1820 1840 1860 1880 1900 1920 1940 1960 1980 2000

Trails

Chart

Map



How to use



Share graph



Full screen

Color

Geographic regions

Geographic regions



Select

- Afghanistan
- Albania
- Algeria
- Angola
- Argentina
- Armenia
- Aruba
- Australia
- Austria
- Azerbaijan
- Bahamas
- Bahrain
- Bangladesh
- Deselect all

Size

Values sources

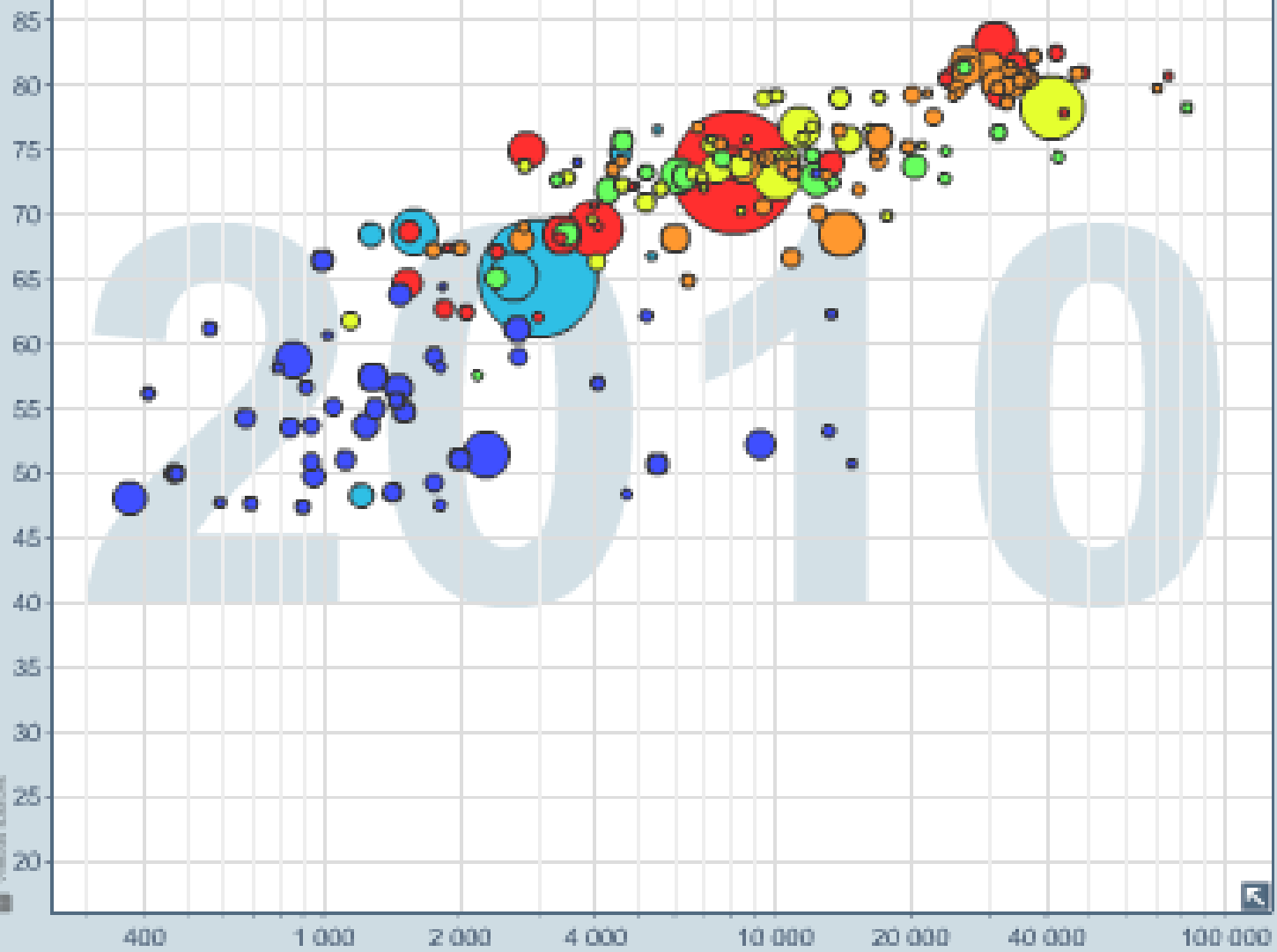
Population, total



lin

▼

Life expectancy (years)



Income per person (GDP/capita, PPP\$ Inflation-adjusted)

log

Play



1800 1820 1840 1860 1880 1900 1920 1940 1960 1980 2000

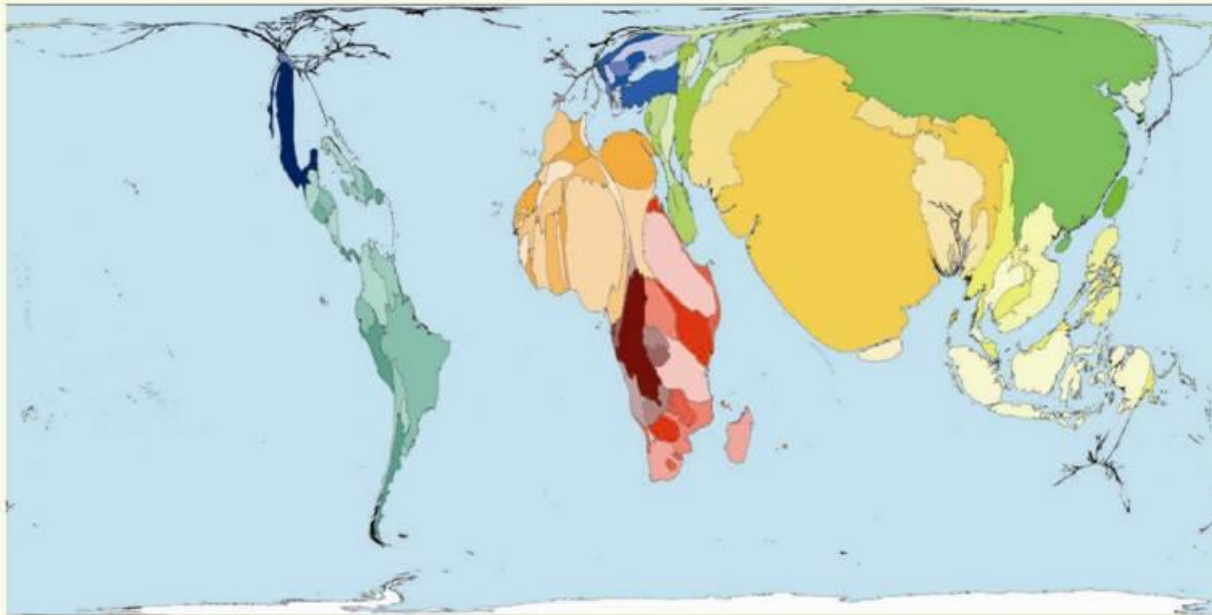
Tracks

Terms of use

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# Living on up to US\$10 a day



In Indonesia US\$10 buys more than it does in the United States, so comparing earning in US\$ alone does allow for the cost of living changing between places. The map shows purchasing power parity (PPP) - someone earning PPP US\$10 in Indonesia can buy the equivalent of what PPP US\$10 would buy in the United States. As such more practical assessments of individuals' earnings can be made.

In 7 out of the 12 regions more than half of the population live in households where the people live on below PPP US\$10 a day. In Central Africa 95% of households have workers earning this little; in Western Europe and Japan less than 1% of the population does.

Territory size shows the proportion of all people living on US\$10 purchasing power parity or less a day worldwide, that live there.



Land area

#### Technical notes

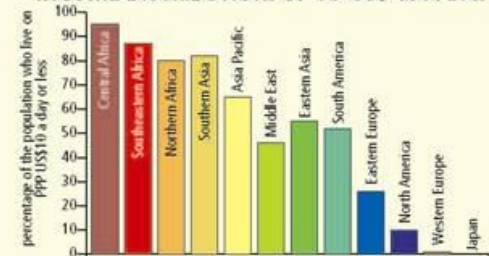
- Data are from the United Nations Development Programme's Human Development Report, 2004
- Income is measured in Purchasing Power Parity (PPP) US\$. This is used because a dollar can buy more in Namibia than in Japan, due to different exchange rates and prices. PPP is value of income where it is same, measured in US\$ equivalent
- See website for further information

#### PERCENTAGE OF THE POPULATION LIVING ON LESS THAN PPP US\$ 10 A DAY

Rank	Territory	Value	Rank	Territory	Value
1	Ethiopia	99.9	191	Czech Republic	0.072
2	United Republic of Tanzania	99.8	192	Austria	0.039
3	Burundi	99.5	193	Germany	0.019
4	Yemen	99.5	194	Finland	0.004
5	Malawi	99.2	195	Belgium	0.003
6	Dem Republic Congo	99.2	196	Sweden	0.001
7	Rwanda	98.9	197	Denmark	0.001
8	Tajikistan	98.9	198	Japan	<0.001
9	Guinea-Bissau	98.5	199	Norway	<0.001
10	Madagascar	98.4	200	Luxembourg	<0.001

percentage of the population living on less than US\$10 purchasing power parity (PPP) a day

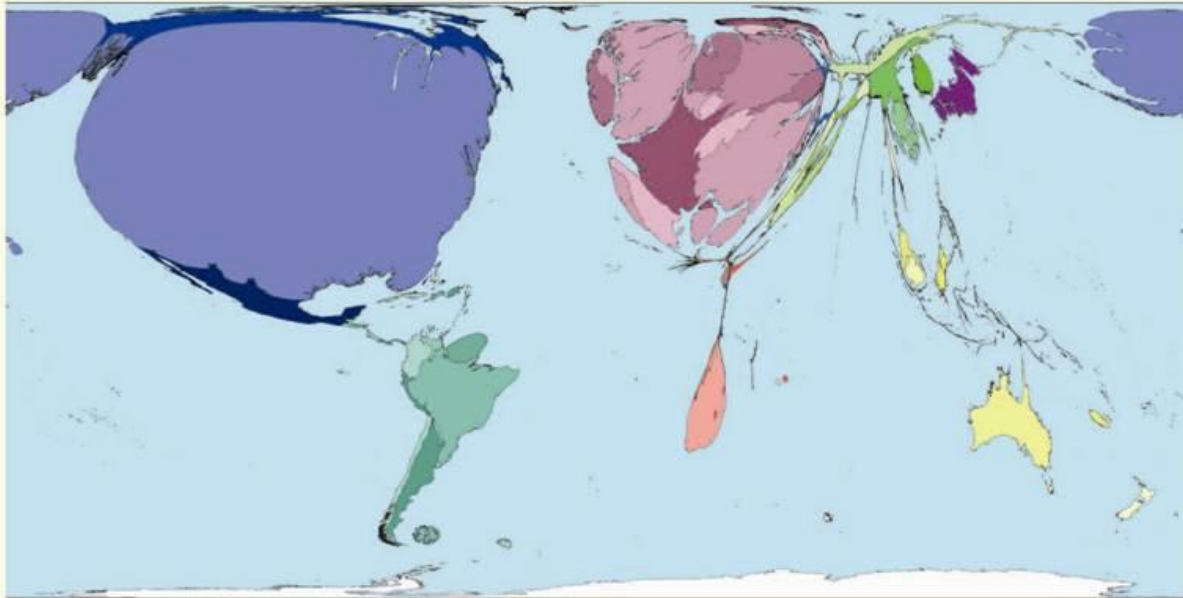
#### INCOME DISTRIBUTION: UP TO US\$ 10 A DAY



*"There is no work here, and when you do find a job, you earn pathetically low wages. I'm a factory watchman, and I earn the equivalent of eight dollars for a 12-hour day."*

Pirana, 2005

# Living on more than US\$ 200 a day



In 2002, 53 million people in the world lived in households in receipt of US\$200 purchasing power parity (PPP) per day. Of these high earners, 58% lived in the United States.

Western Europe and South America are also home to quite large populations of high earners. Within Western Europe the most very high earners live in the United Kingdom, Italy and France. The highest earners of South America live primarily in Brazil and Argentina.

Few very high earners live in Southern Asia, Northern Africa, Eastern Europe and Central Africa.

Territory size shows the proportion of all people living on over PPP US\$ 200 a day worldwide, that live there.



## Technical notes

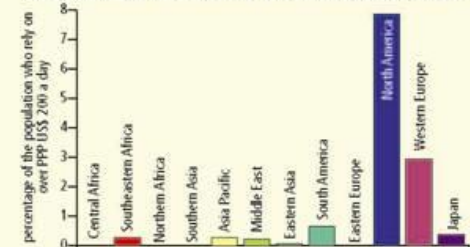
- Data are from the United Nations Development Programme's Human Development Report, 2004
- Income is measured in Purchasing Power Parity (PPP) US\$, thus PPP US\$1 has the same purchasing power in every territory
- \*\*The table does not show territories where fewer than 1 in 1000 people have an income of over PPP US\$ 200 a day.
- See website for further information.

## PERCENTAGE OF THE POPULATION EARNING OVER PPP US\$ 200 A DAY

Rank	Territory	Value	Rank	Territory	Value
1	Luxembourg	35.0	81	Venezuela	0.22
2	United States	10.7	82	Swaziland	0.21
3	Ireland	9.7	83	Trinidad & Tobago	0.20
4	Greenland	7.9	84	Uruguay	0.20
5	Equatorial Guinea	6.6	85	El Salvador	0.18
6	Hong Kong (China)	5.9	86	Peru	0.17
7	Australia	5.2	87	Saint Lucia	0.16
8	Switzerland	5.1	88	Slovenia	0.16
9	Canada	4.8	89	Dominican Republic	0.14
10	Singapore	4.6	90	Dominica	0.13

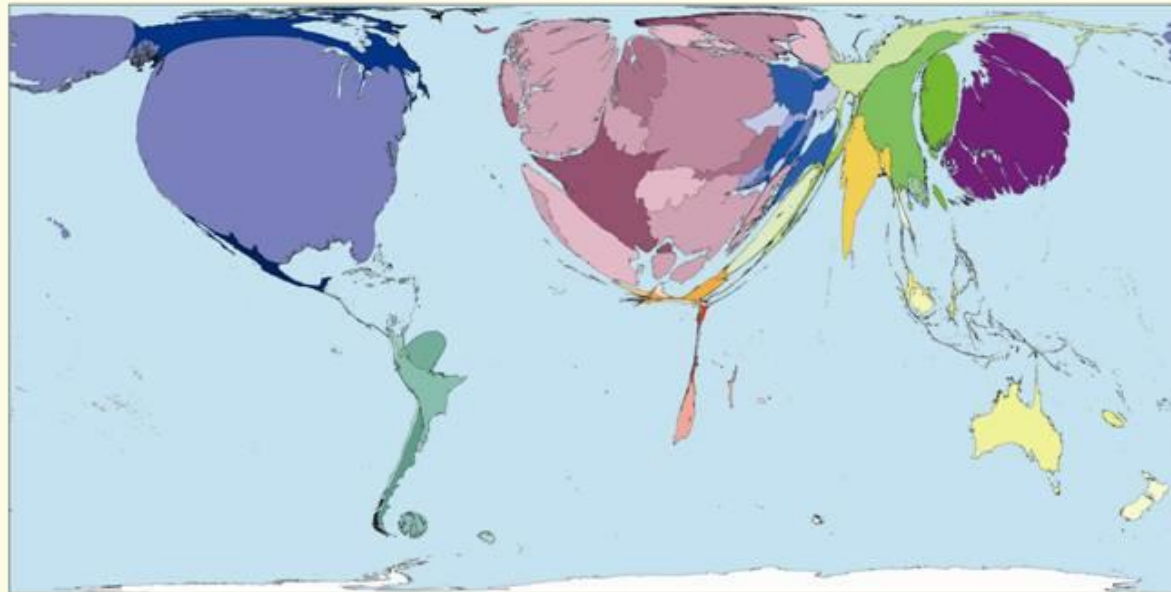
percentage of people living in households that live on over US\$ 200 purchasing power parity a day\*

## INCOME DISTRIBUTION: OVER US\$200 A DAY



*"I still don't understand how a man can justify awarding himself a 40% pay rise when he is already on a huge salary, the like of which those of us in the public sector will never see, especially with a 3% annual pay rise."* Geraldine, 2001

# Science Research



Scientific papers cover physics, biology, chemistry, mathematics, clinical medicine, biomedical research, engineering, technology, and earth and space sciences.

The number of scientific papers published by researchers in the United States was more than three times as many as were published by the second highest-publishing population, Japan.

There is more scientific research, or publication of results, in richer territories. This locational bias is such that roughly three times more scientific papers per person living there are published in Western Europe, North America, and Japan, than in any other region.

Territory size shows the proportion of all scientific papers published in 2001 written by authors living there.



Land area

**Technical notes**

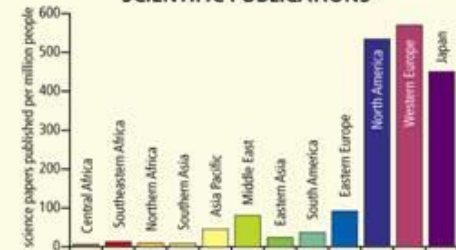
- Data are from the World Bank's 2005 World Development Indicators.
- \*Territories with data estimated from the regional averages are not included in table.
- See website for further information.

### MOST PROLIFIC PUBLICATION OF SCIENTIFIC PAPERS

Rank	Territory	Value	Rank	Territory	Value
1	Sweden	1159	11	Norway	723
2	Switzerland	1126	12	United States	690
3	Israel	1030	13	Singapore	620
4	Finland	980	14	Belgium	581
5	Denmark	924	15	Iceland	580
6	United Kingdom	806	23	Austria	559
7	Netherlands	783	26	Germany	529
8	New Zealand	764	27	France	524
9	Australia	758	28	Japan	450
10	Canada	723	29	Slovenia	438

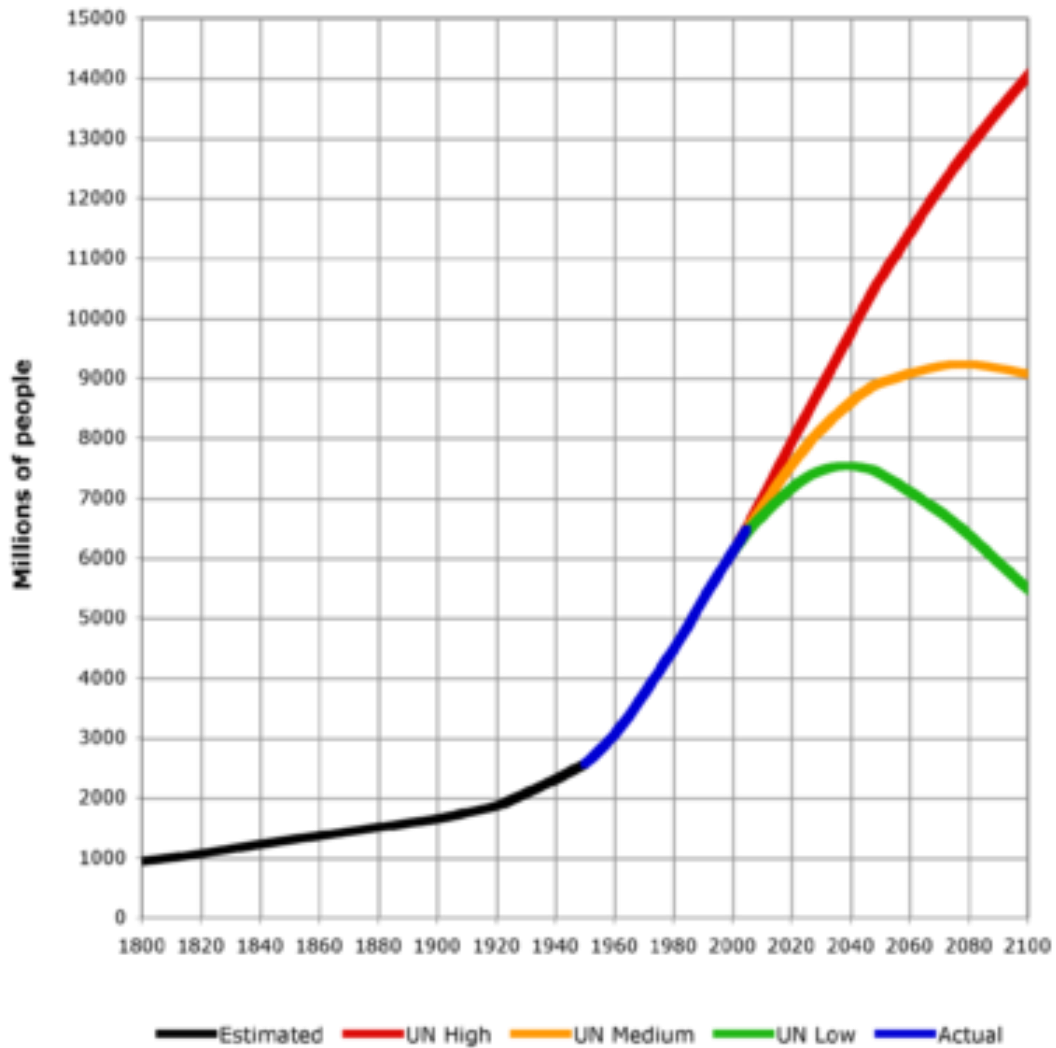
scientific papers published per million people in 2001\*

### SCIENTIFIC PUBLICATIONS

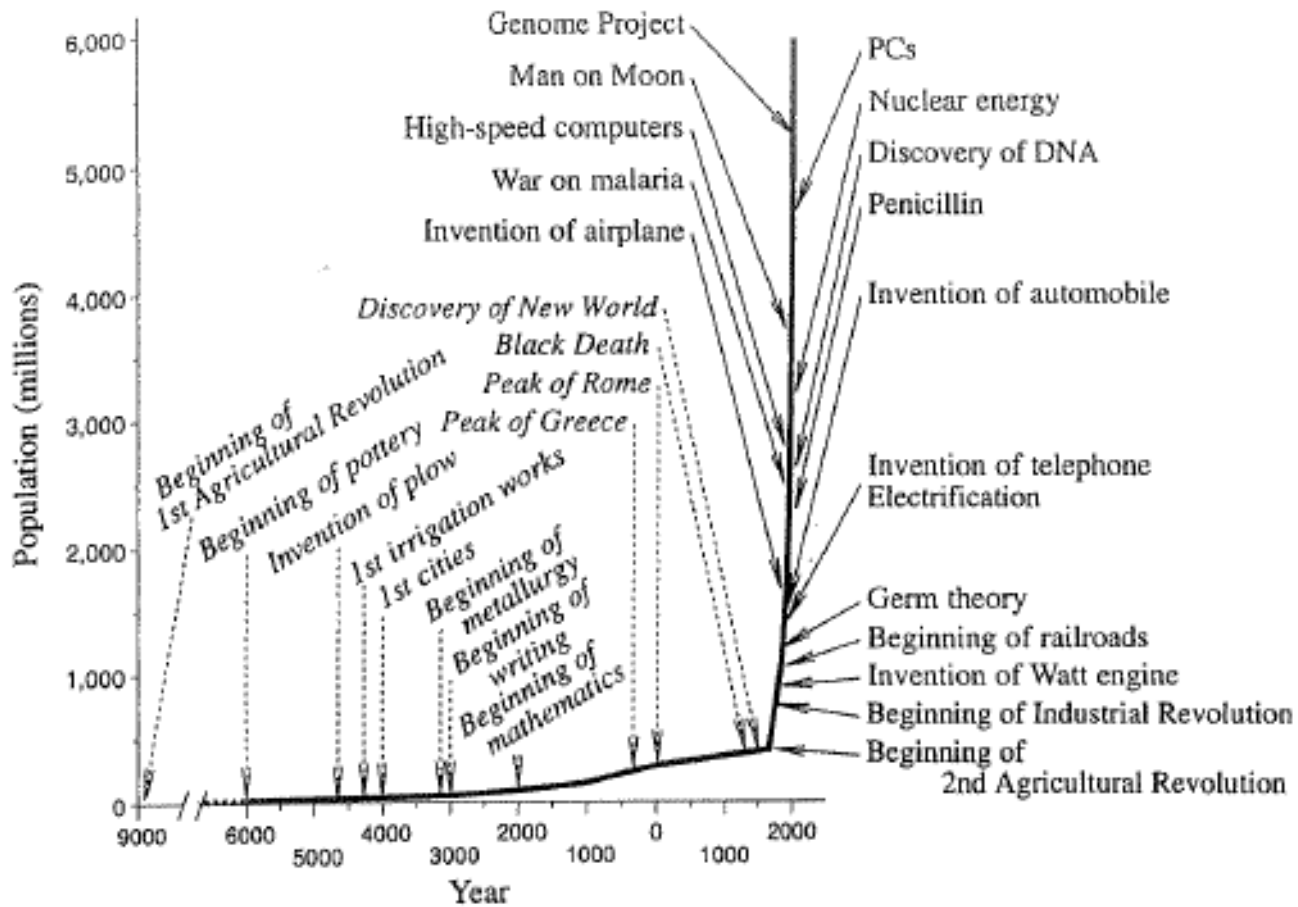


*“Scientific research is as much the product of the society that enables it, as of the individuals who author it.”*

David Dorling, 2006



## TECHNOLOGICAL CHANGE, CULTURAL TRANSFORMATIONS, AND POLITICAL CRISES



Source : Fogel, RW "The Fourth Great Awakening & the Future of Egalitarianism"

# DIVERSITY IN THE GLOBAL ECONOMY...

## USA

Market based system  
Ethnic diversity  
Young nation (300 years)  
Technological capabilities  
Global cultural reach  
Immigration



## EUROPE

Definition of Europe  
Multi ethnicity  
Difficult demographics  
Two speed Europe?  
Financial stability  
Social market system



## JAPAN

Aging population  
Gender  
Inward orientation  
Economic stagnation



Adapted from Stephen H Rhinesmith

**Gender Institute**

*All who work internationally or who need to deal across national boundaries face many cultural, political and economic differences*

# DIVERSITY IN THE GLOBAL ECONOMY...

## CHINA



Rapid economic development  
Size of population  
Demographic challenge  
Rule of law  
Party mandate  
Form of political economy

## INDIA



Population  
Young demographics  
Generational differences  
ICT  
English language

## BRAZIL



Emerging status  
Improving stability  
Infrastructure lag  
Inequality  
Establishment of identity  
Emerging global player

Adapted from Stephen H Rhinesmith

**Gordon Institute**

*All who work internationally or who need to deal across national boundaries face many cultural, political and economic differences*

# DIVERSITY IN THE GLOBAL ECONOMY...

## RUSSIA



Turbulent history  
11 time zones  
Resources based economy  
Emergent democracy  
Identity ?

## UAE



Gulf States  
Authoritarian rule  
Challenge to leadership  
Vision and drive  
Regional hub

## SOUTH AFRICA



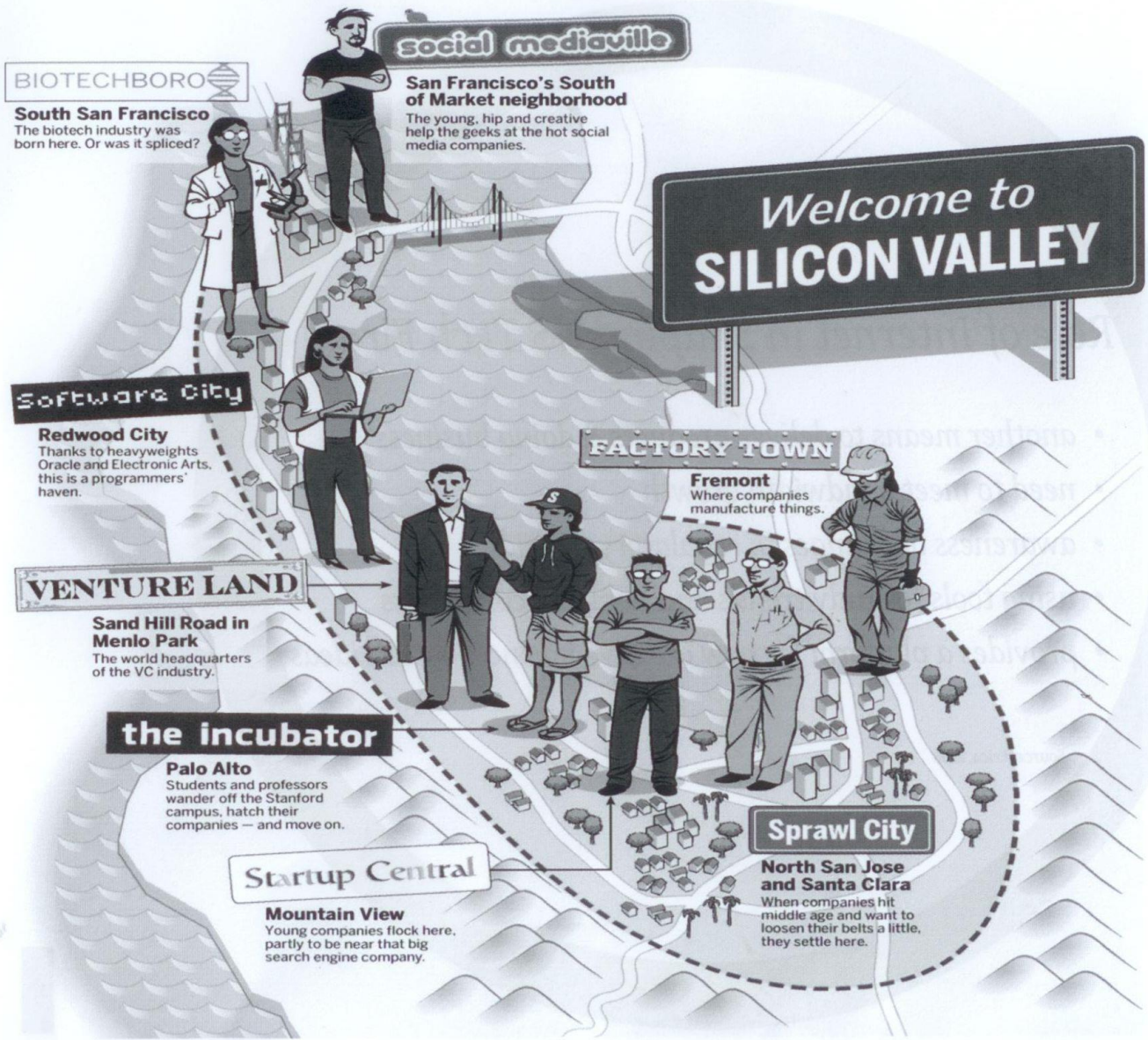
Political transformation  
Race and Identity  
Raw material economy  
Africa ?

Adapted from Stephen H Rhinesmith

**Gordon Institute**

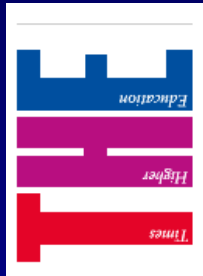
*All who work internationally or who need to deal across national boundaries face many cultural, political and economic differences*





# TIMES HIGHER EDUCATION :WORLD UNIVERSITY RANKINGS : 2013 – 2014

1	California Institute of Technology (Caltech)	United States
2	University of Oxford	United Kingdom
3	Harvard University	United States
4	Stanford University	United States
5	Massachusetts Institute of Technology (MIT)	United States
6	Princeton University	United States
7	University of Cambridge	United Kingdom
8	University of California, Berkeley	United States
9	University of Chicago	United States
10	Imperial College London	United Kingdom
11	Yale University	United States
12	University of California, Los Angeles (UCLA)	United States
13	Columbia University	United States
14	ETH Zurich – Swiss Federal Institute of Technology Zurich	Switzerland
15	Johns Hopkins University	United States
16	University of Pennsylvania	United States
17	Duke University	United States
18	University of Michigan	United States
19	Cornell University	United States
20	University of Toronto	Canada







# LOGISTICS IN INDIA

- 5000 carriers
- Home to station, train, station to office and back
- 300 000 meals per day
- Less than 1 in 10 000 000 errors









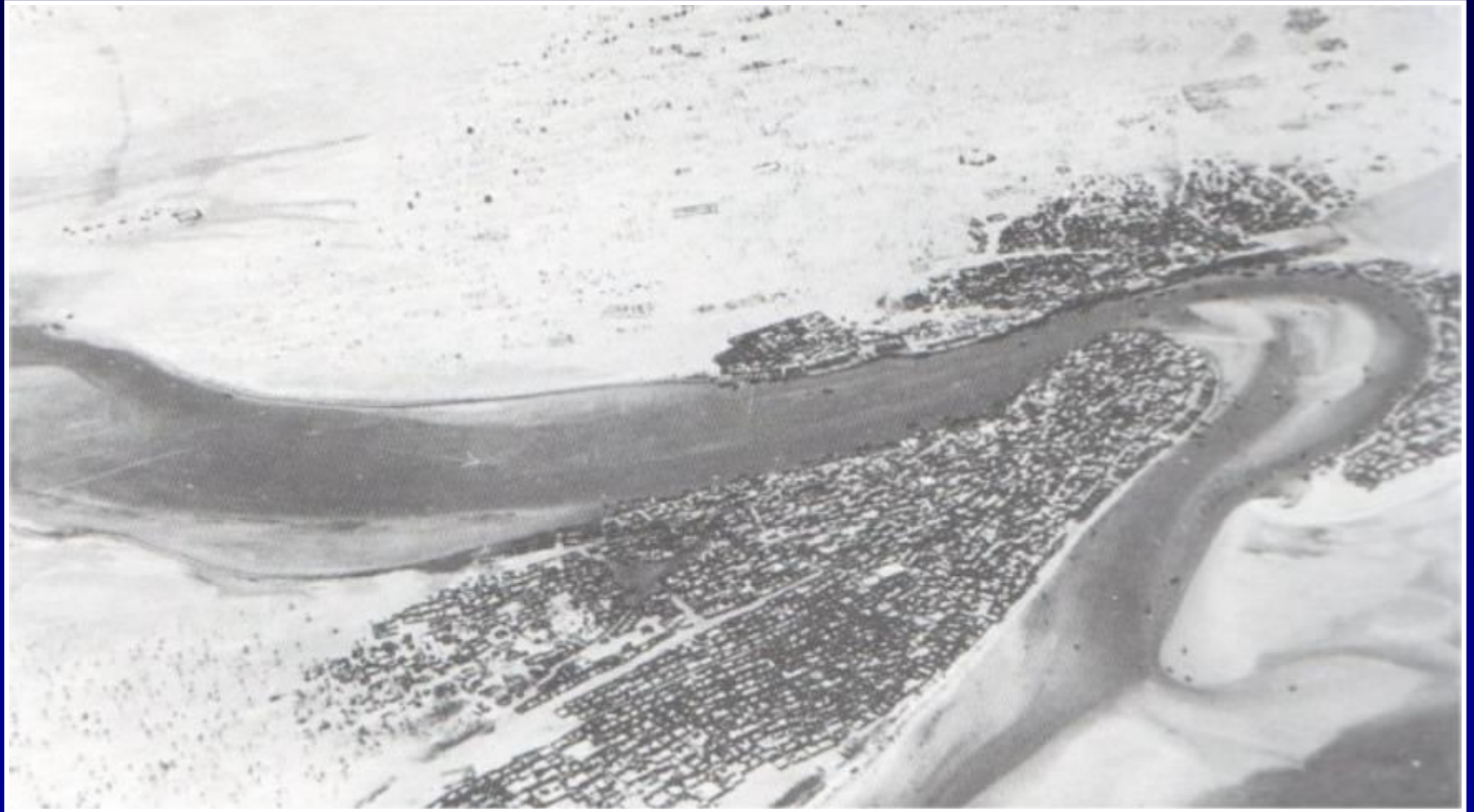












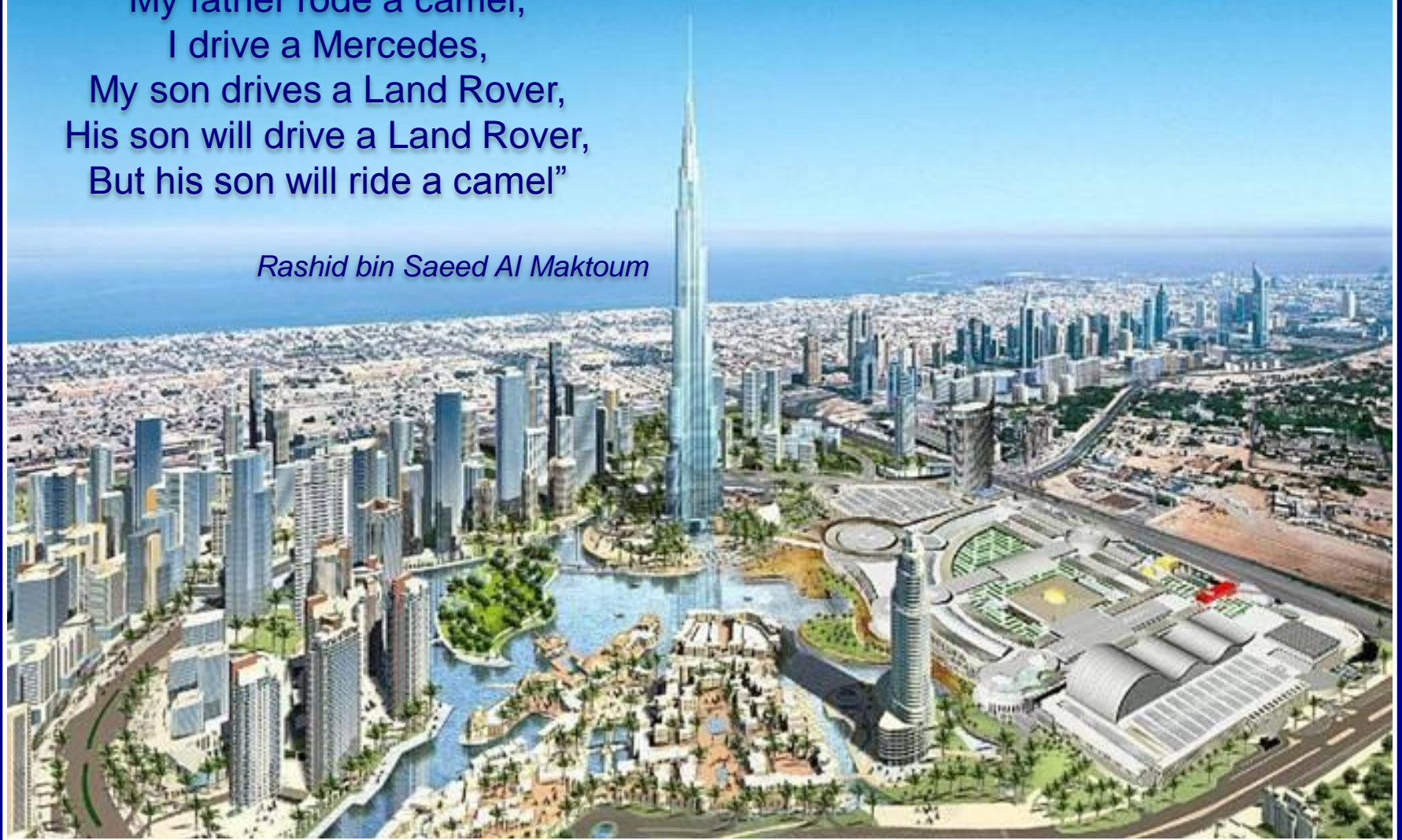




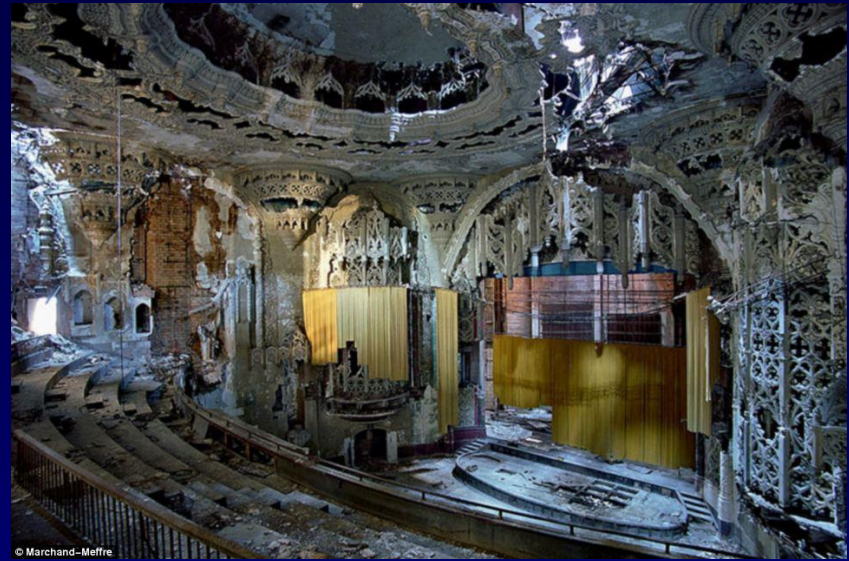


“My grandfather rode a camel,  
My father rode a camel,  
I drive a Mercedes,  
My son drives a Land Rover,  
His son will drive a Land Rover,  
But his son will ride a camel”

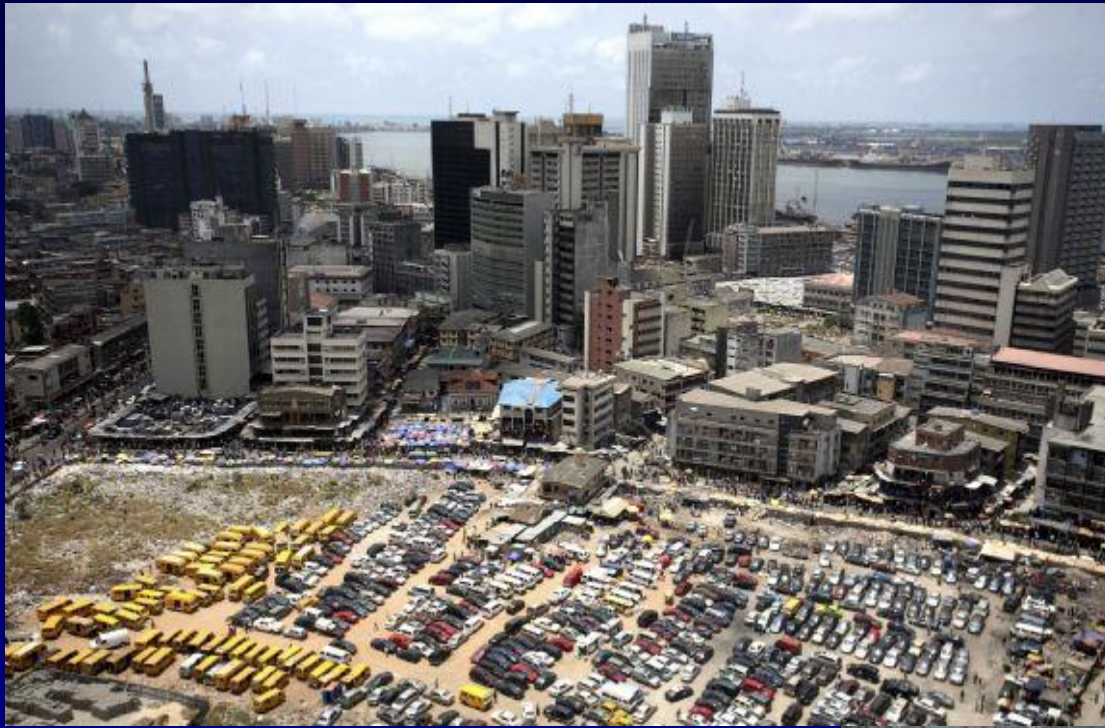
*Rashid bin Saeed Al Maktoum*

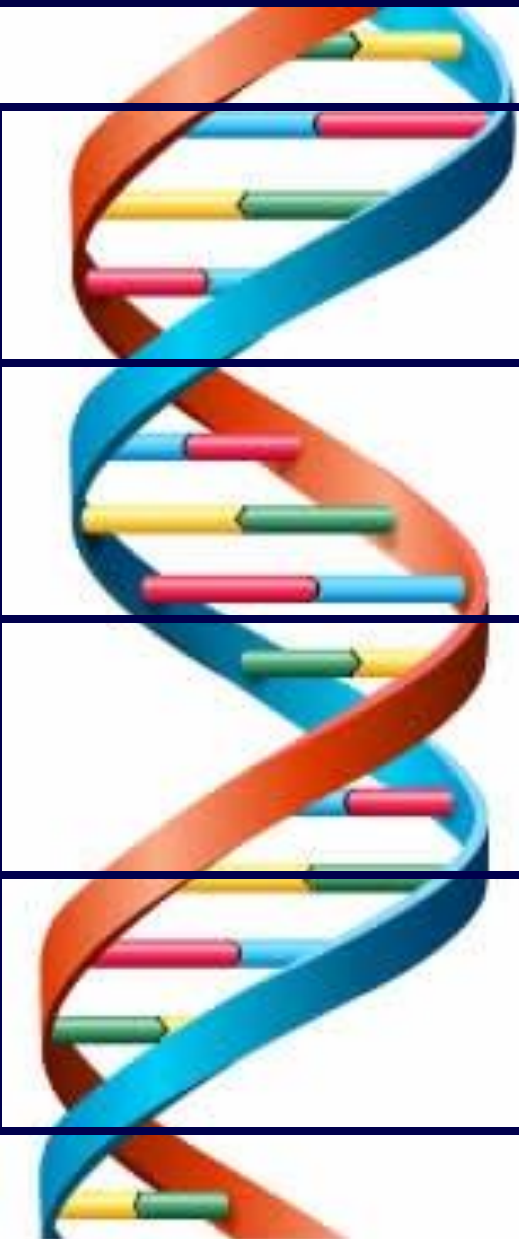










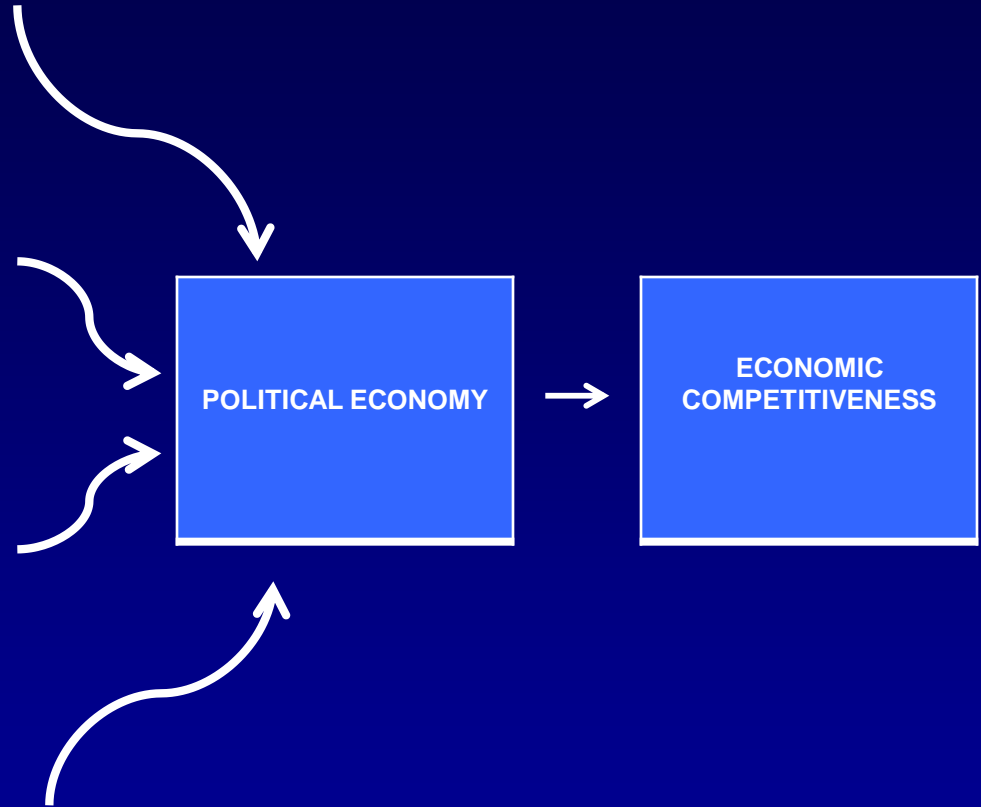


CULTURE

DEMOGRAPHY

HISTORY

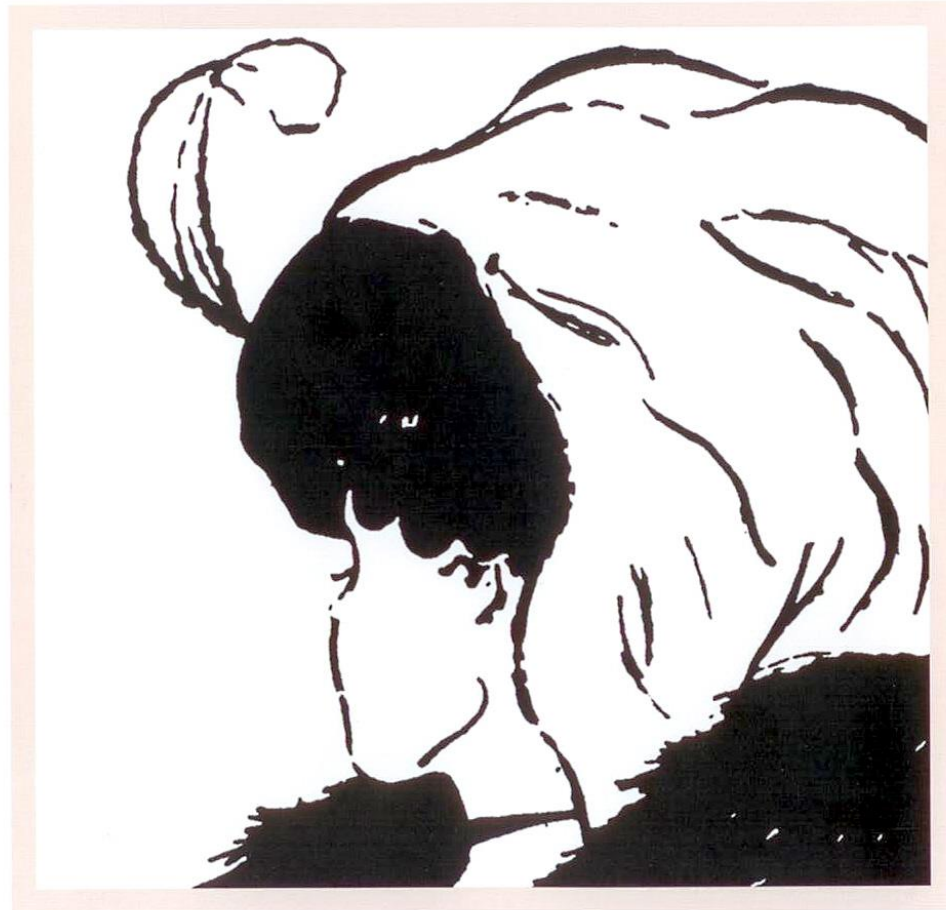
GEOGRAPHY



# South Africa



## The Old Woman/Young Woman Illusion



*Can you find both an old woman and a young woman?*



# South Africa's Killer Apps:

- Successful transition / democratic constitutionalism
  - Strong private sector
  - Services economy
  - Generational change
    - Focus on Africa

ENVIRONMENT

ORGANISATION

NEXT

STRATEGY

LEADERSHIP

# ENVIRONMENT

The environment is the center of strategy. What is possible, what is not possible is opened up or constrained by the environment. It is, other than our own ability to act, the most critical and powerful reality. It creates the opportunities and defines the constraints.

The environment can be extensive or narrow, physical or intangible, threatening or promising, existing or evolving, quickly or slowly.

The threat or promise may be visible or remote, small or big.

The terrain of the environment is the ecosystem. This includes the market (buying and selling), the industry structure (including competitors) and the broader macro eco system.

# STRATEGY

The strategy is the choice of actions and allocation of resources that decision makers choose about what to do now and next. Strategy draws on the understanding of the environment in order to decide options, make choices and execute decisions and plans.

The strategy can shape the environment (pro-active strategy) or respond to the environment (re-active strategy). An organization has a strategy when there is coherence, logic, vision and ideas about what is to be done and these can be seen as a pattern or a set of goals and choices. An organization does not have a strategy if its actions are not coherent, are contradictory or frequently inconsistent and not aligned clearly to goals.

# LEADERSHIP

Leadership concerns the personal, team and organizational decision making.

Leadership can be singular or inclusive and shared. Leaders play the role of managing the human and organizational processing of ideas, general discussion, sharing of insights, argument and resolution and finally decision making about the strategy.

The leadership task is to communicate and drive the strategy and its execution towards the vision, goals and objectives.

# ORGANISATION

The organization is the totality of resources, structures and processes, values and practices, and the people who work engage or relate to the organization. The organization is both formal and informal. It may include, more broadly, all those impacted by the activities and actions of the organization.



Photograph by Beverly Joubert

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Views of Africa  
National Geographic magazine, September 2005





