PDIA FOR ECONOMIC DIVERSIFICATION

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LET'S CREATE A SENSE OF US

TABLE	COUNTRY	TABLE	COUNTRY	
1	VENEZUELA	7	GREAT BRITAIN	
2	SRI LANKA	8	SAUDI ARABIA	
3	SOUTH AFRICA	9	COLOMBIA	
4	USA	10	ARGENTINA	
5	FRANCE	11	MEXICO	
6	ALBANIA	12	CANADA	0

NOW, GRAB THE SCRABBLE LETTERS

THESE ARE YOUR COUNTRY'S CAPABILITIES

THE SOURCE OF YOUR PRODUCTION AND VALUE

WHEN I SAY GO:

YOU WILL CREATE WORDS AT YOUR TABLES

- THESE ARE THE PRODUCTS IN YOUR COUNTRIES
- EACH 'PRODUCT' HAS A COMBINED VALUE OF ITS LETTERS
- 'GDP' IS THE TOTAL VALUE OF ALL YOUR WORDS

THE WINNING COUNTRY WILL HAVE THE HIGHEST GDP, AND LOWEST UNEMPLOYMENT RATE (NUMBER OF UNUSED LETTERS)

EVERYONE READY?

GO

YOU HAVE 4 MINUTES



WHY ARE SOME COUNTRIES RICHER THAN OTHERS?

WHAT CAN THE LOW VALUE COUNTRIES DO TO GROW, OR EMPLOY THEIR UNEMPLOYED?

THIS IS NOT A GAME, OF COURSE OR AN ACADEMIC QUESTION

IT IS A MAJOR PROBLEM FOR MANY COUNTRIES

SOME REPRESENTED HERE

LIKE SRI LANKA

COMMON ADVICE TO COUNTRIES

IMPROVE YOUR **DOING BUSINESS INDICATOR** SCORES, AND DO BETTER ON GOVERNANCE INDICATORS, TRANSPARENCY MEASURES, ETC.

WHICH IS LIKE ASKING COUNTRIES TO USE CAPABILITIES TO WRITE NEW WORDS:

DOINGBUSINESS

TRANSPARENCY

WE DON'T LIKE THIS APPROACH

IT'S NOT THAT THE IDEAS ARE BAD
BUT MANY COUNTRIES CANNOT 'SPELL' THE NEW WORDS, AND
THESE SOLUTIONS DISEMPOWER THE LOCAL 'US'

WHO ARE NOT ASKED TO THINK ABOUT THE SOLUTIONS

AND THE WORDS DO NOT ADDRESS PROBLEMS IN MOST COUNTRIES

- WHICH ARE COMPLEX, AND CONTEXT SPECIFIC,
- CALLING FOR LOCAL SOLUTIONS, WHICH NEED TO BE 'FOUND'
- BY AN EMPOWERED AND LOCAL 'US', NOT AN EXTERNAL 'THEM'

PROBLEM DRIVEN ITERATIVE ADAPTATION

PDIA

AS AN ALTERNATIVE

WHAT IS IT?

HOW DOES IT WORK?

WHY SHOULD YOU CONSIDER IT?

WHAT IS PDIA?

A PROCESS TO BUILD CAPABILITIES

'BY US, FOR US, GIVEN WHO AND WHERE WE ARE'

WHILE ADDRESSING 'OUR' COMPLEX PROBLEMS

THAT 'WE' DO NOT KNOW HOW TO SOLVE

HOW DOES PDIA WORK?

- 1. AUTHORIZERS IDENTIFY INTRACTABLE PROBLEMS THEY CARE ABOUT
- 2. THEY CONVENE TEAMS OF THE LOCAL 'US'
 - WITH FACILITATORS TO ASSIST IN THE MOBILIZATION PROCESS
- 3. TO INTERROGATE THE PROBLEMS
- 4. AND IDENTIFY PRACTICAL IDEAS TO ACT ON, QUICKLY
- 5. STOPPING REGULARLY TO LEARN
- 6. ADAPTING, AND ACTING AGAIN
- 7. OVER AND OVER, IN MULTIPLE ITERATIONS
- 8. 'PRACTICING THEIR WAY TO NEW CAPABILITIES AND NEW SOLUTIONS'

AN EXAMPLE OUR WORK IN SRI LANKA WHICH STARTED LAST AUGUST

A STARTING CONVERSATION WITH MINISTERS, IN AUGUST

'WHAT IS THE PROBLEM?'

"GROWTH IS SLOWING..."

'WHY?'

"EXPORT GROWTH IS SLOWING, AND WE HAVE LIMITED NEW FDI INJECTIONS"

'WHY?'

"TRADITIONAL EXPORTS ARE DECLINING, AND WE HAVE NO NEW EXPORT SECTORS"

"WE DON'T KNOW HOW TO ATTRACT NEW FDI SOURCES"

'OK: CAN WE MOBILIZE SOME TEAMS AROUND THESE PROBLEMS?'
"YES, WHEN, AND FOR HOW LONG"
'IN THREE WEEKS, FOR SIX MONTHS'

MOBILIZING TEAMS IN SEPTEMBER TO INTERROGATE THE PROBLEM

THE TEAMS DECONSTRUCTED THE PROBLEM INTO SUB-PROBLEMS:

"WE DON'T KNOW WHICH SECTORS TO TARGET"

"WE DON'T KNOW HOW TO SUPPORT NEW EXPORTERS IN THE SECTORS"

"WE DON'T KNOW HOW TO ATTRACT NEW INVESTORS IN THESE SECTORS"

"WE DON'T KNOW HOW TO CREATE AN ATTRACTIVE 'INVESTMENT CLIMATE'"

AND THEY DECONSTRUCTED THESE SUB-PROBLEMS IN MORE DETAIL

"WE DO NOT ATTRACT NEW INVESTORS BECAUSE WE DON'T KNOW WHICH SECTORS TO TARGET, OR WHAT INVESTORS IN TARGETED SECTORS LOOK FOR, OR WHERE THESE INVESTORS ARE, OR HOW TO TALK TO THEM, OR HOW TO RESPOND TO THEIR QUESTIONS, ETC."



WITH A CHECK-IN TWO WEEKS LATER, WHERE WE ASK: 'WHAT DID YOU DO? WHAT DID YOU LEARN? WHAT ARE YOU STRUGGLING WITH? WHAT'S NEXT?'

THE AIM:

TO GET TEAMS ACTING, IN A RAPID MOTIVATED, ACCOUNTABLE WAY.

BECAUSE ACTION CREATES THE BASIS OF LEARNING.

AND LEARNING IS THE KEY TO BUILDING NEW CAPABILITIES AND FINDING ANSWERS TO COMPLEX PROBLEMS

SIX MONTHS OF THIS...

5 TEAMS HAVE BEEN INVOLVED IN 12 'PUSH PERIODS'

- AND MADE AMAZING PROGRESS
- BUILDING NEW CAPABILITIES AND FINDING NEW SOLUTIONS
- AND 'THE US' IS BEING EMPOWERED
- MUCH FASTER THAN WE SEE WITH OTHER 'COUNTERFACTUALS'

TWO EXAMPLES THAT I WILL TRY AND DESCRIBE

- THE 'TARGETING TEAM'
- THE 'INVESTMENT PROMOTIONS TEAM'

WHY SHOULD YOU CONSIDER THIS?

IF YOUR COUNTRY'S CHALLENGE INVOLVES TAMING COMPLEX PROBLEMS

YOU NEED TO EXPAND KNOW-HOW AND CAPABILITIES 'BY US AND FOR US'

WHICH REQUIRES LEARNING, TACITLY

- THAT ONLY COMES 'THROUGH DOING'
- NOT THROUGH HIRING 'THEM' FOR THEIR SOLUTIONS

BUT LEARNING IS HARD TO DO IN THE PUBLIC AND POLITICAL SPACE

- SO YOU NEED A PROCESS TO FACILITATES THIS,
- AND PDIA IS SUCH A PROCESS

