Japan & The World: Crafting the Arts & Sciences of a New Approach
Making the most out of Your US Experience

Uncovering the power within ~Leadership
● Innovation ● Global Perspective

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This document provides an outline of a presentation and is incomplete without the accompanying oral commentary and discussion.
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How small is of our Planet?

What is the Size of the Global Economy?

What percentage of Global GDP is the US Economy?
# A Global Overview

## Overview of World Economic Landscape

<table>
<thead>
<tr>
<th>Country</th>
<th>GDP 2008 (US$T)</th>
<th>GNI/Capita</th>
<th>Population (million)</th>
<th>Surface (million Sq.Km)</th>
<th>Below Poverty line</th>
</tr>
</thead>
<tbody>
<tr>
<td>US</td>
<td><strong>14.44</strong> (23.7%)</td>
<td>$46,040</td>
<td>304</td>
<td>9.6</td>
<td></td>
</tr>
<tr>
<td>China</td>
<td><strong>4.33</strong> (7.11%)</td>
<td>$2,360</td>
<td>1321</td>
<td>9.6</td>
<td>10%</td>
</tr>
<tr>
<td>Japan</td>
<td><strong>4.91</strong> (8.06%)</td>
<td>$37,670</td>
<td>128</td>
<td>0.378</td>
<td></td>
</tr>
<tr>
<td>Brazil</td>
<td><strong>1.572</strong></td>
<td>$5,910</td>
<td>192</td>
<td>8.5</td>
<td></td>
</tr>
<tr>
<td>India</td>
<td><strong>1.242</strong></td>
<td>$1,171</td>
<td>1123</td>
<td>3.287</td>
<td>30%</td>
</tr>
<tr>
<td>World</td>
<td><strong>60.898</strong></td>
<td><strong>$7,958</strong></td>
<td><strong>6,600</strong></td>
<td><strong>134</strong></td>
<td><strong>25%</strong></td>
</tr>
</tbody>
</table>
Great opportunities ahead

Δ increase of Global Economy in the next 5 years?
Great opportunities ahead

Size of the Opportunity ahead

$\Delta$ increase of Global Economy in the next 5 years? = 3 Times Japan Today
### Key Numbers:

<table>
<thead>
<tr>
<th>Year</th>
<th>Country</th>
<th>GDP (Trillion)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>US</td>
<td>$14.441</td>
<td>23.7%</td>
</tr>
<tr>
<td></td>
<td>G7</td>
<td>$32.36</td>
<td>53.24%</td>
</tr>
<tr>
<td></td>
<td>BRIC</td>
<td>$8.773</td>
<td>14.3%</td>
</tr>
<tr>
<td></td>
<td>China</td>
<td>$4.33</td>
<td>7.1%</td>
</tr>
<tr>
<td>2014</td>
<td>US</td>
<td>$17.4</td>
<td>23.32%</td>
</tr>
<tr>
<td></td>
<td>G7</td>
<td>$32.36</td>
<td>53.24%</td>
</tr>
<tr>
<td></td>
<td>BRIC</td>
<td>$8.773</td>
<td>14.3%</td>
</tr>
<tr>
<td></td>
<td>China</td>
<td>$8.2</td>
<td>10.9%</td>
</tr>
<tr>
<td></td>
<td>World</td>
<td>$74.610</td>
<td>100%</td>
</tr>
</tbody>
</table>
Mega Challenge = Managing a Mega Transition to avoid Mega disruption

Era of Japan’s Economic Growth

1. Rapid Economic Growth
2. Global Stature
3. Complex Politics of Supply Chain

METI’s Strategic guidance
Patriotic Business Leaders
3A formula of growth

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Mega Challenge = Managing a Mega Transition to avoid Mega disruption

1950

Era of Japan’s Economic Growth

- METI’s Strategic guidance
- Patriotic Business Leaders
- 3A+ formula of growth

1. Rapid Economic Growth
2. Global Stature
3. Complex Politics of Supply Chain

+Acquisition, Assimilation, Advancement

Late seventies

1990

Era of over confidence

- Bubble
- Missed leadership opportunities in AP
- Global integration incomplete

1. High Expectations
2. Global stature?
3. Speculation > Innovation

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Mega Challenge = *Managing a Mega Transition to avoid Mega disruption*

1950s
- **Era of Japan’s Economic Growth**
  - METI’s Strategic guidance
  - Patriotic Business Leaders
  - 3A formula of growth

*Late seventies*
- **Era of over confidence**
  - Bubble
  - Missed leadership opportunities in AP
  - Global integration incomplete

1990
- **Era of search/inquiry**
  - Bubble burst
  - Marginalized global leadership
  - Internally focused

Present
- 1. Lowered expectations
- 2. Declining stature
- 3. Economic fragility?

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Fundamental Shift in Approach

Future Japan: *Fundamental Course Correction required*

**Past**
- **Reserve the Right**
  Invest sufficiently to stay in the game but avoid premature commitments

**Future**
- **Adapt to the future**
  Win through speed, agility, and flexibility in recognizing and capturing opportunities in existing markets

**Shape the future**
- Play a leadership role in establishing how the industry operates, for example:
  - set standards
  - create demand

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The Emerging Economic Environment: The Big Picture = An Opportune time

Supply
- Convergence Effect of Information Technologies
- New Materials and Nanotechnologies
- Genetic Engineering

Demand
- Freer Economic Flows (WTO, Market Economies)
- Customized Solutions
- Ecological and Energy Efficient Products / Services
Many new businesses are “born” globally.

<table>
<thead>
<tr>
<th>Industry Life Cycle</th>
<th>Status</th>
<th>Local</th>
<th>Multi-national</th>
<th>Global</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start-up</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expansion</td>
<td></td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maturity</td>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
</tbody>
</table>

1. **Traditional evolution**
   - Automobile
   - Color TV

2. **Discontinuity**
   - Motorbikes
   - TC switching

3. **Globally born**
   - Mainframe
   - Large aircraft
   - Bio-Pharma
   - Chips
   - Software
   - Internet led services
Geo-Political Alliances are In Transition as well

Paradigm Shift

Past

Cold War Forces of Alliances

NATO

U.S.

EC

Japan

Asia

ROW

USSR

OPEC

Bond by Cold War

Future

U.S.

Russia

Expanded EC

Japan

China

India

Uncertainties

Reconfigure

Middle East Uncertainties

New and independent Identity

ROW?

Deconstruction of Past Geopolitical Architecture

WTO Issues

Single Market Politics

Reconfigure New Role?

OPEC

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Japan has to find a new course... you have a major role to play

Global Influence & Economic effectiveness

Future leaders must prepare to deal with Paradigm Shifts

Disengagement from the success formula?

"The Japanese Miracle"
(50s through 80s)

Search for new sense of Direction
Nineties to Present

"Unpredictability, complexity & invisibility of soft assets"

Resource Commitment

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Know Thy Self?

You must work with all the three strategic options:

**Shape the future**
Play a leadership role in establishing how the industry operates, for example:
- set standards
- create demand

**Adapt to the future**
Win through speed, agility, and flexibility in recognizing and capturing opportunities in existing markets

**Reserve the Right**
Invest sufficiently to stay in the game but avoid premature commitments
Scope of the Field?

Industry's Future (?) - Two Strategic Vectors

- Conservation driven
- Consumption driven

Balance of Ecology

Balance of Economic Advance

Perspective?

Future Engineer

Holistic/Integrative Solution

Point Solution

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Direction of Future Economy: Japan’s Strategic Role

Positive

Create New Game
Energy/Materials

Investment in Next generation Knowledge Intensive Solutions: “Small is beautiful”

Balance of Ecology

Negative

Energy Efficient consumption

Balance of Economic Progress

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Most of the world is still in the early stage of Economic development

Energy Consumption per Capita vs. GDP per Capita (2004)¹

- Russia
- Czech Republic
- Egypt
- Philippines
- Indonesia
- Brazil
- Thailand
- Malaysia
- Romania
- Ukraine
- Kazakhstan
- China
- India
- US
- Japan
- Germany
- France
- Italy
- UK

80% of Global Population

1. Energy Information Administration - EIA (http://www.eia.doe.gov/)

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Land is dear but productivity (yield/Ha) still remains low, in recent years declining.

Population Density v/s Primary Crop Yield per Ha (2003)

- Unhealthy Equation: High population density but low productivity of land

Sources:
1. Food and Agriculture Organization of the United Nations (http://www.fao.org/)
2. CIA World Factbook, 2003
Two fundamental Requirements

Innovation Game Board

- Abnormal
- Normal

State of Consciousness

Scope?

Low -> High

Courage to reconfigure

Rules?
Towards a New State Consciousness

New state of consciousness

Inner Courage
Connecting the dots visible with the ones invisible

Ability to view along multiple dimensions (mutually exclusive)
At the highest level your focus must be on Building Leadership Capacity

**Decision Making**

- **Simple**
  - Low Risk Level
  - Forming Coherent / Homogenous Team

- **Complex**
  - High Risk Level
  - Building Leadership Capacity to deal with more complex decisions and risk levels

**Enabling Unity in Diversity: Integrate Multiple debates**
Work must begin at multiple levels

Triggering the transition

Vision
Help Japan define its aspiration, a statement of who we want to be

Strategy
Organize a high level summit workshop with METI and Japan’s PM office

Business
Lead regular Leadership and Innovation workshops

Education
Special Lectures on Future of Japan & World

Organized mentoring
Help young Professionals with Global start up clinics

Scope of work we could begin immediately
How to make the most out of current experience?

*Have fun outside of your comfort zone:* (Seven rules)

1. Develop new friends from other nations do not just live within your Japanese circle
2. Speak up in your class room – use key words, *not lengthy sentences*
3. Join project teams NOT Japanese teams
4. Take leadership in School events not be passive observers
5. Develop genuine interest in the a few other countries such as Brazil, Russia, China etc. *as opposed to just US or EU*
6. Take as much interest in soft courses such as leadership, communication, ethics as in hard courses such as Law, Finance, Operations etc.
7. Organize Japan focused programs for Faculty and students, invite speakers whom you value
Know where you are?

Your Future development(?): Work on Two Vectors

IF IT IS TO BE IT IS UP TO ME

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Be Focused to serve and develop the Inner self in Harmony with outer possibilities

In order to achieve this dynamics – a conscious practice of balancing is necessary.
...Leaders in the Knowledge Economy

Knowledge Management Solutions Space

Future Leaders will continually develop new organizational dynamics

Comfort with fuzziness

Socialization

Continuous Enrichment

Informal

People

Conscious

Subconscious

Formal

Process

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For further discussions.....

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