



GFCC

Global Federation of
Competitiveness Councils

Crossing the Chasm and Building the Future Economy Based upon the GFCC Foundational Global Competitiveness Principles

Launched at the virtual 2020 Global Innovation Summit in partnership
with the Australian Government

The Global Federation of Competitiveness Councils (GFCC) is a network of leaders and organizations from around the world. The GFCC believes that acting globally is now a prerequisite to economic competitiveness nationally.

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The Global Federation of Competitiveness Councils (GFCC) is a network of leaders and organizations from around the world committed to the implementation of competitiveness strategies to drive innovation, productivity and prosperity for nations, regions and cities. The GFCC develops and implements ideas, concepts, initiatives and tools to understand and navigate the complex competitiveness landscape.

The Global Federation of Competitiveness Councils (GFCC) is a nonprofit, 501(c)(3) organization as recognized by the U.S. Internal Revenue Service. The GFCC's activities are funded by contributions from its member organizations.

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Crossing the Chasm and Building the Future Economy

It is with great hope and determination to create a better future that the Global Federation of Competitiveness Councils (GFCC) presents its 2020 Global Competitiveness Principles on *Crossing the Chasm and Building the Future Economy*.

Since its inception, the GFCC has reviewed its foundational Global Competitiveness Principles every year to adapt to critical productivity and prosperity challenges – and opportunities – facing GFCC members. Originally launched in 2010 and endorsed by more than 30 national competitiveness organizations, the GFCC's Global Competitiveness Principles offer an overarching framework for national policies and programs aimed to foster innovation, competitiveness, and prosperity in the 21st century.

The Global Competitiveness Principles provide an important framework as countries, regions, and cities strive to be competitive, grow their economies, and become more prosperous. The Principles emphasize key competitiveness drivers such as investment in research and development; education and training for all citizens; strong and responsible stewardship of natural resources; strong intellectual property rights; a stable, transparent, and efficient environment that encourages business investment, formation, and growth; open trade; and enabling infrastructure.

This year, GFCC member countries have confronted a crisis unprecedented in our lifetimes, a global pandemic that has brought human suffering, a multitude of hard challenges, and economic devastation. The pandemic has thrown economies, industries, organizations, and

workplaces into a chasm of turbulence. Transformations in society, production, consumption, and work are underway.

But this period of great change holds the chance for us to re-imagine our economic systems to make them more inclusive, sustainable, and resilient while rebooting our economic engines to drive greater productivity and competitiveness. What lies ahead is uncertain, and the pathways to a new future state are unclear. However, we can use our principles as guideposts to traverse the chasm towards building a future economy.

In that spirit, the 2020 Global Competitiveness Principles focus on public-private partnerships to address the crisis, innovation for crisis response and future building, enhancing skills and empowering change-makers, igniting regional and local action to speed economic recovery and build resiliency, closing key infrastructure gaps that have frustrated our response to this crisis, and designing more sustainable economic systems.

Co-created by GFCC members and fellows, the 2020 Global Competitiveness Principles arise from a series of deep virtual conversations held since the COVID-19 outbreak began. This ongoing dialogue has involved key global competitiveness, business, technology, entrepreneurial, policy and thought leaders, and reflect various perspectives within the GFCC network and the diverse sectors that have been challenged during this multidimensional crisis.

The GFCC envisions these Global Competitiveness Principles will encourage new competitiveness strategies and support nations, cities, and businesses



in their efforts to mitigate their losses, recover quickly and emerge in an economic environment transformed for the better. We hope their implementation can help restore and revitalize opportunities for growth, innovation, and prosperity worldwide, capitalizing on global efforts around the United Nations' Sustainable Development Goals (SDGs).

A handwritten signature in black ink that reads "Charles O. Holliday, Jr."

Charles O. Holliday, Jr.
Chairman
Global Federation of Competitiveness
Councils

Chairman
Royal Dutch Shell plc

Global Competitiveness Principles

1. Build coalitions and multi-stakeholder **public-private platforms** based on shared values to address the COVID-19 crisis, build resiliency and the future economy.

The public and private sectors must collaborate and pool resources to address the current health, economic and social crisis resulting from the pandemic and, ultimately, enable the future economy. Exchange of information, circulation of resources and talent, risk sharing, joint investment and other partnerships between the public and private sectors are essential to cross the COVID-19 chasm. Industry, government, academia, civil society and research organizations need to work together. Regulatory frameworks should facilitate public-private engagements that are flexible and can deliver results at speed. Dialogue and consultation mechanisms to allow for the alignment of values, the open exchange of information, the development of shared goals and trust building across public and private sector players should be implemented and strengthened.



2. Put **innovation** at the center of crisis response and future building strategies and initiatives, leveraging the potential of novel frameworks developed and implemented during the crisis.

Innovation is the common thread linking the fight against the new coronavirus and the emergence of the future economy. Policy-makers should frame and engineer institutions to be adaptive and conducive to innovation, rewarding entrepreneurial behaviors in all sectors of society. In order to build the future economy, particular attention should be given to systemic approaches to address societal problems and the creation of sustainable and resilient products, processes, business models, organizational solutions and technologies. New innovation frameworks and agile models that have emerged during the crisis should be embraced and leveraged for long-term impact.



3. Focus on inclusive **skills and competencies** to retain and enhance critical capabilities across sectors and enable the future economy.

The development of skills and competencies is essential for any economy to thrive and be resilient, and provides the foundations for economic and social equity. Capabilities in all sectors and trades take time to develop and can become obsolete if not properly exercised and updated. As the global economy goes through a period of stress and accelerated change, it is critical to retain existing skillsets and speed up development of those needed for the future economy. Private and public-sector stakeholders need to work in partnership to develop scientific, technical, education, business, policy, community engagement, entrepreneurial, and leadership skills and competencies across the workforce. They should move quickly to experiment and leverage the potential of technology, new models, and platforms for knowledge and skill acquisition. They should create opportunities and invest to engage all demographics and social groups in the future economy. Universities and vocational training institutions are essential players in this arena and have to be at the center of any efforts. Focusing on talent development should be a top priority, with the goal of developing and enabling well-qualified professionals to succeed and make impact.



4. Empower local and regional initiatives and capabilities to accelerate response, build resiliency and transition the economy

Cities and local entities are much faster than countries in adapting to an uncertain world and fast-changing situations. They concentrate talent and resources, provide citizens with services and businesses with essential skills, infrastructures, connections and knowledge. Action at the local and regional levels is essential to build resiliency in communities and national economies and lay the foundations for a future economy that is innovation-intensive, inclusive and creates opportunities for all. Organizations and governments should take note of local and regional best practices and systematize the learnings gained through the current crisis, enabling the engineering of robust, resilient, innovation-focused and globally-connected local communities and economies. Global stakeholders should partner to disseminate proven models and best practices, through potential solutions such as a clearinghouse for local response, resiliency and future growth projects.



5. Implement and promote the global deployment of functional, forward-looking and technology-enabled Intellectual Property (IP) regimes and institutions capable of supporting economic resiliency and enabling fast-paced innovation.

Innovation increasingly happens at high speed and IP regimes need to follow suit. Responding to the current crisis and building the future economy requires resolute action from public and private sector leaders and can only succeed if innovators and change makers are mobilized. IP regimes need to be effective in providing the frameworks to reward innovation and investments worldwide, protecting against IP infringement and theft. In a time of accelerating technological change, IP regimes must simultaneously be functional, adapt, allow for experimenting with new models and types of IP licenses, and grant protection quickly. A single, verifiable, reliable, enforceable, one-stop IP protection regime could lower costs for entrepreneurs and boost innovation.



6. Address physical and digital infrastructure gaps by setting a clear strategic direction and putting in place sustainable and resilient assets needed for future economies to function and include all demographics.

The current crisis has highlighted important weaknesses in societies and economies, including and especially in digital infrastructures. Closing cyber infrastructure gaps and strengthening cybersecurity are essential to involve all citizens and businesses in the modern digitalized economy. Forward-looking infrastructure projects in all areas should build sustainability and resiliency by design, and adopt innovative technologies, business, finance, regulation, trade and public-private partnership models. Investments in infrastructure can catalyze the development of capabilities and growth, and move cities, regions, and nations toward a more sustainable, inclusive, and resilient future economy. The implementation of a clearinghouse for project templates could accelerate infrastructure development worldwide.



7. Enhance the response to global challenges and economic transformation via cross-border **partnerships** based on shared values, connection platforms and institutional solutions to accelerate the flows of goods, talent, capital and ideas across nations.

Global challenges require global responses, which can only be properly engineered and deployed when trust is present. Public and private stakeholders should recognize and respond to the need for trust building and the improvement of international institutions that enable global collaboration, trade and investment. Open and transparent markets and institutions are necessary to support the international flows of goods, capital, information, talent and ideas that are essential for capacity building, creativity, innovation, investment, business growth and, ultimately, the emergence of an inclusive, sustainable and resilient future economy.



8. Re-imagine economic systems and leverage innovation to build a resilient and **sustainable future** economy, decoupling growth from environmental impact, transforming the industrial footprint, and fighting climate change.

The preservation of biodiversity and natural assets is critical for global health, the sustainability and resiliency of cities, nations, and economies, and our collective future. The focus on preservation has to be combined with the adoption of innovative and sustainable business concepts, models and advanced technology solutions to increase the efficiency and productivity of energy, land, water, minerals, etc. and, ultimately, take action against climate change. Efforts to develop and commercialize sustainable solutions can create significant opportunities for investment, industrial transformation, new business formation, jobs, and economic growth. Cities and nations should reframe their approaches toward the use of natural resources, prioritizing the creation and scale-up of technology-enabled sustainable solutions and businesses.



9. Adopt forward-looking and adaptable **regulatory systems** that allow for innovation, are designed to accelerate experimentation and learning and can quickly adjust to changes in the environment and technology.

Responding to the world's most pressing challenges, in areas such as global health and climate, and building the future economy increasingly require speed. Technology growth and the acceleration caused by the COVID-19 pandemic further reinforce this necessity. Regulatory frameworks should be conducive to innovation, allow for experimentation, catalyze the trial of innovative solutions and speedy institutional and business learning. Cities and nations that succeed in putting in place adaptive regulatory frameworks will be better prepared to tackle future crisis and can gain a competitive edge in the future economy.



10. Leverage the pandemic crisis to make learning the cornerstone of any and all future economic strategies; constantly collecting, analyzing, and applying lessons learned, and **benchmarking** strategy, regulation, policy, and business performance and solutions.

Leaders in business and policy need to actively and purposefully take learnings gained through the COVID-19 crisis and catalog best practices related to crisis response, economic recovery and future economy building. The world is living through a time of accelerated transformation and uncertainty, where learning and adaptation are critical capabilities and have to be at the center of any economic strategies. Organizations, cities and nations need to simultaneously be nimble, clearly communicating their messages to stakeholders and making informed decisions utilizing state-of-the-art concepts and proven global best practices. Those who manage to implement institutional and organizational solutions to systematically benchmark strategy, initiatives, regulation and policy will be better prepared to react quickly to future crises and jump ahead in global competition.



United Nations Sustainable Development Goals

The 10 Principles of Competitiveness align with the United Nations Sustainable Development Goals (UN SDGs) launched in 2015. To learn more, visit

sustainabledevelopment.un.org/sdgs.

 <p>1 NO POVERTY</p>	<p>End poverty in all its forms everywhere</p>	 <p>2 ZERO HUNGER</p>	<p>End hunger, achieve food security and improved nutrition and promote sustainable agriculture</p>	 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Ensure healthy lives and promote well-being for all at all ages</p>
 <p>4 QUALITY EDUCATION</p>	<p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>	 <p>5 GENDER EQUALITY</p>	<p>Achieve gender equality and empower all women and girls</p>	 <p>6 CLEAN WATER AND SANITATION</p>	<p>Ensure availability and sustainable management of water and sanitation for all</p>
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>Ensure access to affordable, reliable, sustainable and modern energy for all</p>	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</p>
 <p>10 REDUCED INEQUALITIES</p>	<p>Reduce inequality within and among countries</p>	 <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>	<p>Make cities and human settlements inclusive, safe, resilient and sustainable</p>	 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Ensure sustainable consumption and production patterns</p>
 <p>13 CLIMATE ACTION</p>	<p>Take urgent action to combat climate change and its impacts*</p>	 <p>14 LIFE BELOW WATER</p>	<p>Conserve and sustainably use the oceans, seas and marine resources for sustainable development</p>	 <p>15 LIFE ON LAND</p>	<p>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss</p>
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	 <p>17 PARTNERSHIPS FOR THE GOALS</p>	<p>Strengthen the means of implementation and revitalize the global partnership for sustainable development</p>		

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