

World Knowledge Forum 2012

October 9th, 2012 – Writing New Leadership in the Economic Crisis

The first day of the 13th annual World Knowledge Forum was highlighted by a panel discussion on new leadership in the midst of the current global economic crisis. Focusing on shared long-term vision, integrity, and reform, the panelists reached a general consensus on the qualities needed in global leaders for a better, more viable future.

The panel consisted of Donald Johnston, former Secretary General of the Organization for Economic Cooperation and Development, Willem Kok, former Prime Minister of the Netherlands, Bob King, the president of UAW International Union, and Jean-Pierre Raffarin, the former Prime Minister of France.

Emphasizing the importance of a shared long-term vision, Mr. Johnston reminded the audience of the Marshall Plan, a collaborative vision that Europe exhibited in the aftermath of World War II. "All would agree that [the Marshall Plan] made an enormous contribution to the Europe we see today," Mr. Johnston said.

He added that the plan, which "required the leadership of Europe to come together and establish a consensus," clearly had positive economic results. The European GDP in 1951, after the devastation caused by the war, was 35 percent higher than it was in 1938, Mr. Johnston explained.

Mr. Kok added, "Shared vision is a turning point. Inclusion politics is the way forward." Speaking more from the political spectrum and focusing on current needs from global leaders, Kok pointed out that "there is a need for a spirit of dialogue and a strong sense of togetherness." He noted that people have become generally skeptical of government performance as well as that of the business sector, both economically and socially.

When talking about solutions, Kok added that "the important ingredients are sharing responsibility, taking various positions into account, and developing a longer-term vision of where the world should be." Equally important, according to Kok, are such traits as "courage, creativity, and the determination to take the lead in offering solutions."

Commenting on the need for integrity from global leaders, Mr. King asserted that dramatic changes can be made "with openness, transparency, and mutual trust." Mr. King shared stories of his experiences with union workers in the Detroit auto industry, noting that the creation of a "problem-solving culture" played a crucial role in overcoming difficulties. In order to create such a culture, he pointed to the importance of transparency, the key ingredient in establishing and maintaining trust between the workers and the union management.

"[Here are the] lessons I learned: There has to be integrity. You have to be willing to be honest, to make commitments, and to have a deep passion to understand the others' point of view. You need to understand all parties – what their plans are, what their goals are. You have to be willing to understand the position of the other party, as well as, if not better than, they do. You need to create a problem-solving culture. If there's a problem there, we've got to have a joint commitment to solve that problem. The leadership changes, but the 'shop-floor level' stays the same," Mr. King said.

The panelists also agreed that the ability to deliver appropriate reforms is another important component of strong leadership. Mr. Raffarin stated that in a democratic society, there needs to be "midterm tools so that we can have flexible planning." Mr. Raffarin also affirmed the importance of public education as part of this matrix, in order to avoid focusing solely on the short-term. He believes that without reforms in this area, new leadership cannot take place.

Mr. Raffarin added that effective leaders must possess the ability to deliver appropriate messages to the general public. At the same time, he noted that effective leadership in today's environment must be global in scope. "Someone who has the ability to exert global influence [must possess] charisma to be able to impact others and exert that influence to other countries. Simply being able to exert influence in your own country will no longer cut it. Leaders cannot work in silence; you need networks, and you need others to assist you," he said.

Mr. Johnston also noted how South Korea's transformation from a country on the verge of economic collapse in the wake of WWII to one of the most dynamic and prosperous nations in the world serves as an excellent model of sound economic development. He pointed out that the key reasons for such a remarkable transformation ranged from "well-educated and inspired citizens to then President Kim Dae Jung's political reforms."

At the conclusion of the panel discussion, Mr. Raffarin noted that "we are faced with a very big challenge." Mr. King agreed and added that to achieve a better future, "there has to be hope, so that people know it is worth the sacrifices."