

# Preconditions for inclusive knowledge-based economies: LIRNEasia's approach

Rohan Samarajiva

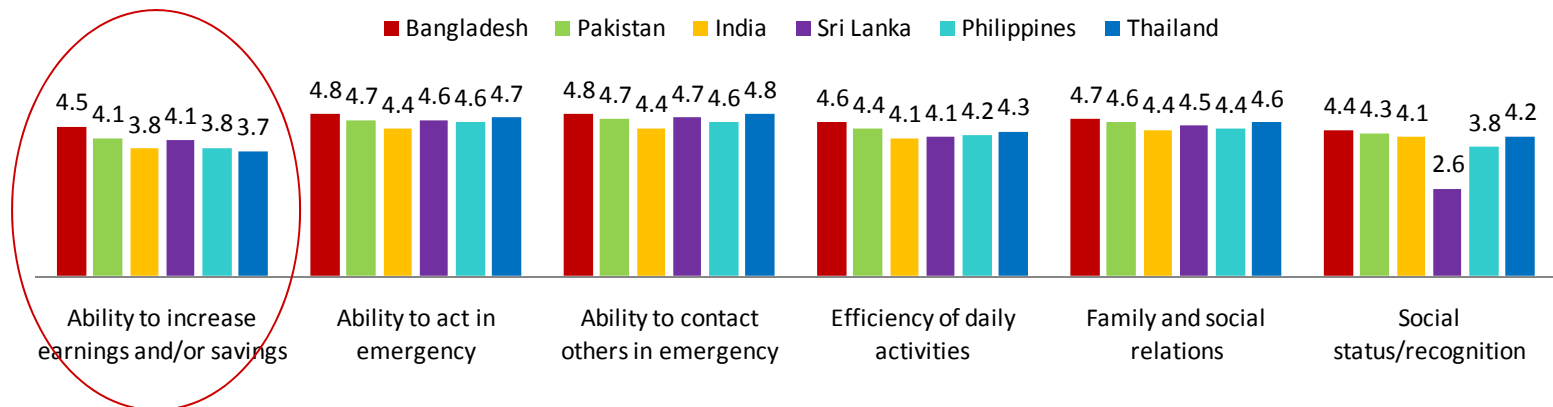
[www.LIRNEasia.net](http://www.LIRNEasia.net); rohan [at] lirneasia.net

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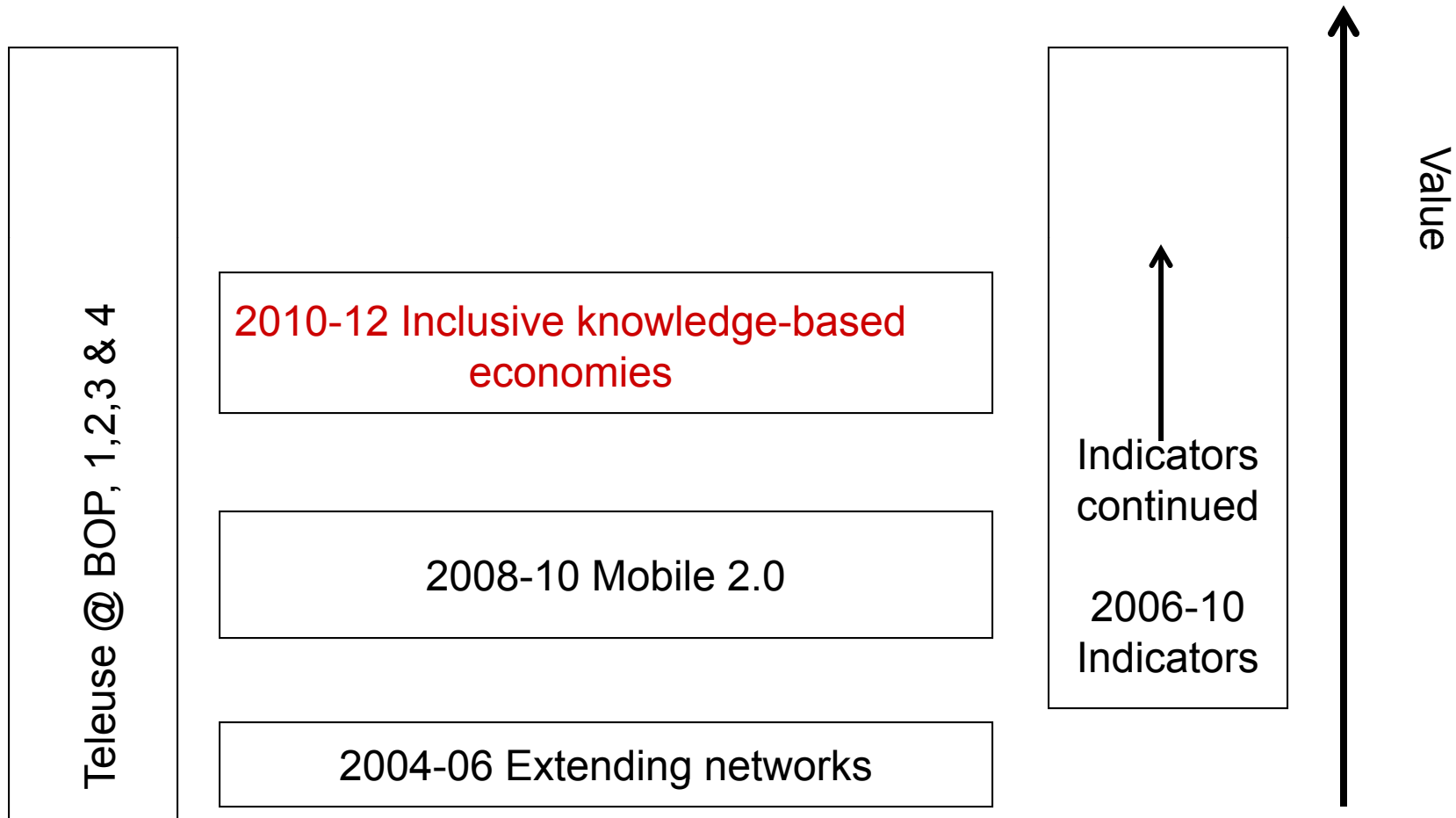
# Money in the pocket & hope in the heart . . .

- . . . is what we said LIRNEasia work would contribute to . . .
- Teleuse@BOP question: did ICTs help you make/save money
  - From 4.5/5 in Bangladesh to 3.7/5 in Sri Lanka
- Why we resonate with Ashok Jhunjhunwala's thinking & empathize with Randy Spence's concerns

Perceived benefits of telecom access: General



# Progression of LIRNEasia's research themes



# Studying KBE: World Bank's Knowledge Assessment Methodology → modified KAM

- Four pillars: Governance, incl. finance; Education; ICT infrastructure; Innovation + nice web interface
  - Why these pillars, not others such as other infrastructure?
  - What is relation among the pillars?
    - Why is innovation a pillar? Not an outcome?
  - Data that feeds into pillars are flawed
    - Innovation based on patents; not relevant for service innovation
- Our model
  - Governance and other infrastructures as foundations
  - Education & ICT infrastructure as drivers
  - Innovation as outcome

# What we plan to do

- In 2010
  - Desk research on export value chains for pilot study in Sri Lanka
  - Agriculture: processed fruits and vegetables
    - Link with AgInfo → AgStrategy work
    - Services: tourism (highest earner in services)
  - Small qualitative study to define questions for KBE module in Teleuse@BOP4
  - Teleuse@BOP4
  - Workshop to identify value chains to be studied in Bangladesh, India and Philippines and aspects of KBE
  - Design survey to understand how SMEs use knowledge and how private suppliers can assist
- In 2011 a four-country SME survey plus country studies
- We will build on our telecom strength throughout 2010-11 to produce usable recommendations on how the quality and price of international communication links can be improved
- Also articulate with trade regimes, especially trade in services

# How we differ from others studying knowledge-based economies and value chains

- Seek to improve upon the KAM, ideally one that can be used with existing datasets
  - Improve the datasets and indicators, bringing in new indices such as the Network Readiness Index and the ICT Development Index and possibly new measures on tertiary education
- World Bank's applications of the KAM have sought to develop recommendations on what governments can do; we will not exclude recommendations to government, but focus more on what private suppliers can do in the face on government inaction
- Conventional value-chain studies seek to improve the positions of actors in the value chain; we hope our work will contribute to their welfare but our focus will be on generalizability across value chains beyond those studied
- The KBE module in the Teleuse@BOP survey will allow us to broadly say something about how knowledge is sought/used for productive purposes at the BOP; the value-chain studies + SME survey will allow us to go deep

# Challenges

- Leaving comfort zone of infrastructure policy and regulation
  - But we have been working on issues broader than telecom for some time, including agriculture
  - Will bring in expertise as necessary
- More difficult is the question of audiences
  - Until now, we knew who we had to communicate to: senior policy-makers, regulators, managers in **telecom**
    - We had relationships and credibility
  - Who are the key audiences with regard to KBE?
    - Still includes telecom (e.g., firms on what services SMEs need; regulators on opening up cable stations)
    - Will have to work hard with new audiences, at President's/Prime Minister's offices, in education, in agriculture, in tourist industry, etc.