



Intellectual Capital for Communities in the Knowledge Economy Nations, Regions, Cities and Emerging Communities



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World Conference on Intellectual Capital for Communities
- Fourth Edition -



Knowledge Societies – Open Societies?

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Economic Growth and IC

- **Correlation between economic and political system**
- **What is the IC of a political system? Relationship capital? Structural capital?**
- **Does economical liberalisation lead to socio-political liberalisation?**
- **Can autocracies leverage the IC of their country?**
- **Is a knowledge society by definition an open society?**

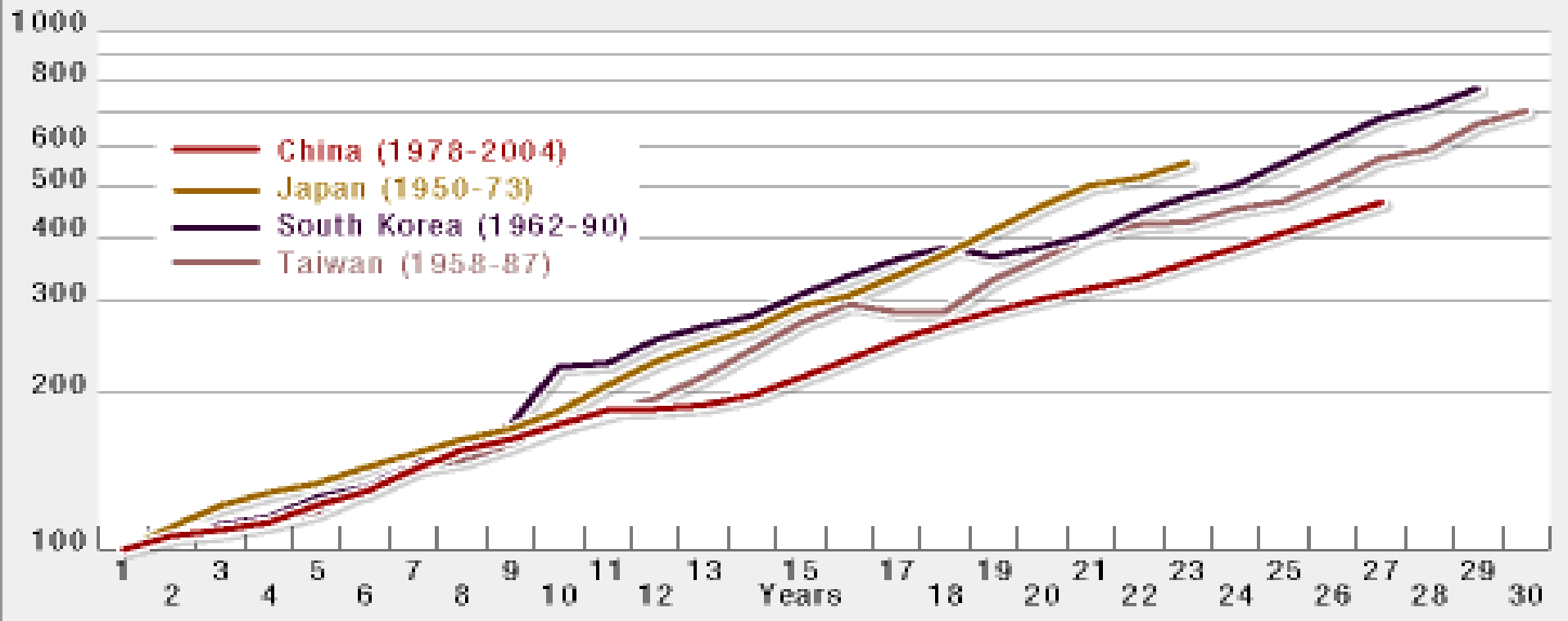
This short contribution is meant to stimulate discussion on the political dimension of knowledge societies.

There is a lot of research to be done to bring together findings from political science, economics and related fields to gain a better understanding on the dependencies and relationships between knowledge societies and political framework.

Growing fast?

East Asian growth spurts

GDP per head at PPP, rebased semi-log scale



Source: Martin Wolf, Financial Times, 12.4.2005

Democratic recession

- **Since 1974 more than 90 countries have made transitions to democracy; by the turn of the century 60 % of the world's independent states were democratic.**

Mexico, Indonesia: late 90s

Georgia, Ukraine, Arab World: Lebanon (2005), Iraq

Democratic recession: Nigera, Russia, Thailand, Venezuela, Bangladesh, the Philippines, Kenya

Governance issues: Ghana, Poland, South Africa

Democratic recession?

Assessment of governance principles

How can emerging/weak democracies demonstrate to their citizens that basic principles of political governance are taking root? How can a country's institutional norms and constraints be assessed?

Democratic recession?

Assessment of governance principles

**Expectation of citizen in democratic systems:
generate economic growth, relieve economic
inequality, secure freedom and the rule of law,
accountable governments, fair society**

Open Society and Governance

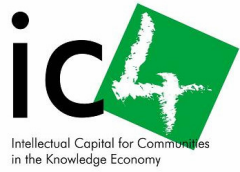
- **Development of transparent laws**
- **Strong institutions**
- **Market competition**
- **Ability to compromise**
- **Impartial judicial systems**
- **Vigorous audit agencies (scrutinize government conduct)**
- **Raise citizen consciousness**

= restrain monopolization of power

Open Society and Governance

- Civic engagement
- Political participation
- Empowerment
- Interaction between civic communities
- Induce, enforce and reward civic behavior

Capability building (Human Capital aspect)



IC and Open Society

How can we add the political system perspective to our IC understanding?