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Barriers to development: pushing the boundaries

Barreiras ao desenvolvimento: expandindo as fronteiras

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“Progress can change people’s consciousness, and when you change people’s consciousness, and then their awareness of what is possible changes as well — a virtuous circle.”

President Clinton

Ultramini-abstract: *Why some countries have failed to create democracy, wealth and happiness for their people is one of the great questions of our time. This essay encompasses a description of the multiple barriers to development that may have different characteristics, according to the context and the social structures that maintain these conditions. It would be arrogant to pretend to have all the solutions for these problems.*

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Descriptors: Democracy. Developing Countries.

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Although this essay focuses on the situation in the emergent countries, “the less privileged parts of the world” can exist anywhere. To illustrate my point, consider the 42 million people living below the poverty level in the United States of America.

Lack of diversity due to social, intellectual, educational, and professional inbreeding, the latter representing cultural stagnation — doing the same thing repeatedly while expecting different results — can easily be responsible for the lack of scientific progress and development. It could be your problem! As Einstein reminds us: “The significant problems we face cannot be solved at the same level of thinking we were at when we created them”.

The accumulation of mistakes combined with hubris, ignorance, hypocrisy, excess of diplomacy, bureaucracy and rampant corruption at all levels of the society are common

findings in places where development is elusive. As a native of one of those countries, I experienced it; therefore, it is not without sorrow that I am making these observations. Easy to describe, hard to fix.

Because this eclectic article is based on realism — the practice of regarding things in their true nature and dealing with them as they are — rather than employing the primitive defense mechanism of refusing to accept reality, I have no judgment about this piece, nor control over it. Nonetheless, it is possible to transform reality by creatively doing something never completed before. Novelties are often the result of the disruption of reality.

As Dean Williams reminds us, “Fundamentally, the adaptive work of a creative challenge is group effort, and not to produce an individual psychological state of creativity... Anyone who has tried to exercise leadership in the face

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of a creative challenge soon realizes that creativity depends on the interaction among multiple people with different skills, perspectives, personalities, and attitudes. One individual may have a novel idea but not the ability to make it attractive or inspirational to others”^[1].

The fight for the future now requires a different mind-set, one that includes a future that is struggling to be born, as former President Clinton put it: “Many of the world’s greatest challenges today are modern expressions of our oldest demons. The future never had enough voters — those interested in present gain usually win out”.

Our profession is immersed in the society and professionals are often absorbed in their daily activities without realizing that events beyond and around them have a significant impact in their lives and work. An intellectual revolution in performance, looking for ways to assess and apply the right changes to encourage ongoing growth in developing countries is required. Governments, the private sector and foundations working together in innovative ways can lead to greater advancements than any of those groups could do on their own^[2].

Assault on the Senses: First, listen! Then Boo! Although in their own way, some may hear it and become a factor of change altering the course of the events.

Sometimes it is necessary to push audiences to the very limits of what they could understand or accept — and far beyond even if it sounds dissonant and that little immediate tradition lies behind it, as happened in Paris, in May 1913, during the premier of Stravinsky’s “The Rite of Spring” ballet. Though it is now one of Stravinsky’s most famous works, the inharmonic notes of the avant-garde music of his creation was first met with harsh criticism, negative reviews, and yes - a riot^[3].

There is no easy time to say hard things. When to speak or not speak about pressing issues?

Michael Bloomberg, former mayor of New York City, said in his 2014 Harvard University Commencement discourse “Do not feel reticent to speak what is right. Do not be complicit. Do not follow the crowd. Speak up and fight back.” Supporting the free debate of opposing views is “a sacred trust” of universities and the basis of a democratic society. At the same event, Drew Faust, President of Harvard University, emphasized that universities owe the future answers to new questions that stimulate inquiry and debate, and the ability to understand answers to questions— about truth, justice, goodness, and our origin — and develop meaning from them.

In *Atlas Shrugged*, in which Ayn Rand expresses the advocacy of reason, individualism, capitalism, and the failures of governmental coercion, she aptly described what we find in many developing countries: “**When** you notice that to produce, you need to obtain authorization of those who produce nothing. **When** you see that the money flows to those who traffic not in goods, but favors. **When** you see that men get richer by graft and by pull rather than by work and your laws do not protect you against them, but

protect them against you. **When** you see that corruption is rewarded and honesty becomes a self-sacrifice, then you will be able to claim without fear to be wrong, that your society is doomed”^[4]. The drama unfolds between predator and victim. Altogether, it is the sanction of the victims defined by Leonard Peikoff as “the willingness of the good to suffer at the hands of the evil, to accept the role of sacrificial victim for the ‘sin’ of creating values”^[5].

The driving forces of societies are Politics, Economics, and Culture

Politics: Governments can play great roles in their countries, regions, and cities facilitating or leading the resolution of festering problems and opening new pathways for progress. Good citizens generate good politicians that are eventually responsible for good governance — the ability of a society’s leaders to think long term, address their problems with the optimal legislation and attract capable and honest people into government. Collaborative political leaders would look very different from the ones we are used to. In the first place, they would do what they could to create a culture of cooperation, not competition. An educated population should know how to elect honest and competent politicians.

What is a True Democracy? Depending on the kind of political philosophy people are used to embracing, a true democracy is a society in which the citizens are not only electors, but also permanent actors in public affairs. When their participation is limited to elections, they lose their sovereignty soon after the vote. A true democracy is sustainable when people are committed to develop themselves intellectually, to expand their scientific knowledge, history, and making religious beliefs and erroneous beliefs a personal affair^[6]. Faith must never be the final word when it comes to writing the law.

Ambiguous Democracy. Democracy vs. populism: Some believe that it is possible to achieve collective wisdom born out of individual ignorance. For others, democracy is self-correcting. Winston Churchill once said, “Democracy is a terrible thing — until you look at all the alternatives.” However, it is eroding because corporations and finance capitalism are growing faster than democracy and influencing it for their own ends.

People spend their time “getting into politics” and too little time on why they want to be in politics, failing to ask:

- *First*, “What do I believe in and why do I believe it?”
- *Second*, “What do I want to do about giving effect to those beliefs, what policies would I want to change and what would I want to replace them with?”
- *Third*, “What can I do now to bring about those changes?”^[7]

How could politicians that live in fear of mobilizing the “wrong” voters ever vote to change the system that keeps them comfortably in power and provides lucrative post-politics careers? In addition, politicians have no interest in projects

promoted by their predecessors — a potential explanation for the political landscape littered with minefields to stop action from happening. Their intentions sound good but then the actions are like a snail, with wonderful speeches not followed by coherent actions, using democracy for decoration rather than direction. The result is a loss of leadership and momentum, affecting the implementation of policies that assure sustainable growth for those living ten years from now. When blaming the politicians and showing your disrespect for the government, please remember that they are not aliens; they are elected members of your society with the same idiosyncrasy and values.

Economics: Man wishes are growing continuously.

Maslow's Sets of Needs: As soon as needs on a lower level of the pyramid are fulfilled, those on the next level will emerge and demand satisfaction.

1. *Physiological needs.* The basic needs cannot be postponed for long. These are food, shelter, clothing, rest, air, water, sleep, etc.

2. *Safety needs.* The desire to be safe is connected with the psychological fear of loss of jobs, property, natural calamities or hazards.

3. *Social needs.* Our needs for love, friendship, and to stay in a group.

4. *Esteem needs.* Our needs for social recognition, status and respect.

5. *Self-actualization.* This is about fulfilment and the opportunity for personal growth, to become what one is capable of becoming^[8].

Persistent Development Failure: The causes are multiple and the consequences have an enormous negative impact on people and society. Listing the problems may be easy; finding solutions is not, creating a capability trap that is responsible for the persistent development failure. Fundamental changes in the world's architecture and economy are needed.

Development is jeopardized by unique levels of daily interruptions that erode people's ability to identify their purpose, to focus their attention on it, eventually disrupting their efforts to achieve excellence^[9]. In this complex environment, repeating history and failing to form a direct path to destination is a common finding — circular progress — instead of a straight pathway to it — linear progress^[10].

Restricted Resources: Leadership, patience, perseverance, dedication, the capacity to adapt, and the creativity that will come with having to work under adverse circumstances, can result in temporary achievements but do not necessarily ensure sustainability in a social order with limited wealth. Things happen thanks to the hard work and creative adaptation of individuals who are able to stretch the bounds of their abilities in spite of the restricted means. Inadequate funds are a constant problem forcing them to focus on short-term creativity and innovation about tomorrow's needs. A great

deal of energy, in the form of leadership and negotiations, is required to insure that people surpass themselves and continue to work hard for a low pay continuously challenging themselves and those around them^[11]. Altogether, contributing factors for emotional exhaustion, high level of depersonalization and a low level of personal accomplishment.

Culture:

Social ills in developing countries are blamable for the deterioration of the civil society.

Lower rankings on such measures as the Index of Economic Freedom and Transparency International government corruption index, plus a fragile judiciary with limited independence, and a cloudy legislative process, are manifestations of unaddressed institutional weakness^[12]. Interestingly, the world's maps depicting corruption, health expenditures per capita, the burden of congenital heart disease and the absence of economic freedom clearly point to these countries.

Importance of Institutional Quality: Low quality institutions create "contaminated" incentives. Institutions are the site of many of our difficult moral problems, and the source for many of the solutions. Institutional quality requires quality people. They are the key to making quality products and making the best use of the ordinary distribution of human talent. Countries with a long history of incentivizing the development of strong political institutions (constitutions, regulatory authority, legal systems, and distribution of power) are more likely to succeed. In contrast, those that fail to develop have weak institutions where the government violates property rights and concentrates wealth and power in a class of elites at the cost of the majority — frequently an undesirable side effect of populism^[13].

Society, a complex system. Understanding Complexity: A system is a group of mutually supporting elements that are working together with a common objective. They are made up of individuals, activities, connections, and pathways. Ideally, in complex systems, all members contribute to the quality of outcomes through an integrated manner in which communication, organization, interdependence and reciprocal supervision are crucial. Still, like in an orchestra, a conductor is vital.

The observations below describe the complexity and the difficulty in finding a way out:

Crime-Security expenditures are a drain on the economy: "Criminal activity acts like a tax on the entire economy: it discourages domestic and foreign direct investments; it reduces firms' competitiveness, and reallocates resources creating uncertainty and inefficiency"^[14]. "Crime not only leads to material and immaterial costs for those who have become victimized, but crime also forces local and national authorities to spend

billions on the prevention of crime and the detection, prosecution and punishment of criminals”.

Unfortunately, some governments prioritize economic reforms, and play down law and order, as the way to modernize their countries, without admitting that both are equally important.

Suboptimal education. Education of the underclass is a challenge with many unanswered questions: “When will we start to talk about practical ways of confronting the fact that many so-called at-risk children are in family situations that place them at a disadvantage at birth? What are both constitutionally acceptable and morally acceptable and practicable solutions to addressing this issue? How can we support families (single mothers) who lack the knowledge, motivation, and capability for preparing their children to benefit from education? These are tough questions that are not being addressed. Without doing so, “education, education, and education” is a mere saying”^[15].

“Unfortunately, the parents of these children are barely surviving and do not have the money and time to prepare them to learn in school. So where are the funds coming from? Our capitalist culture does not agree to provide these children with more services. We watch them fall behind because of their parents’ lack the knowledge, motivation, and capability for preparing their children to benefit from education”^[16].

There is a gap between what educational systems provide and what employers need. Universities should modernize their curriculum according to individual learning needs rather than the one-size-fits-all approach, adopting educational models that allow adaptation of resources to address local priorities. In today’s economy, we need people who can take knowledge, apply it to new things and create new possibilities. Education is not a luxury; it is a necessity in this new century.

Lessons of the Finnish education system:

Purpose: to create a system that people are happy with — 90% in Finland vs. 29% in the USA when most of the ideas come from the USA!

Successful State: among the best in most of World Economic Forum indexes. Six percent of GDP invested in education.

Equal Society: Low-income inequality (child poverty rate 4%) and low Gini coefficient demonstrating that when you close the gap the bar will rise.

Cooperative Society: Teaching is a team effort. Schools ready for all children. Great schools for each child. Winners do not compete they collaborate.

Autonomy of the schools: over curricula and assessment to improve quality and to find your talent. Strong correlation between student’s achievement and family background^[17].

Knowledge gap: Latin America, with a low number of patents has not excelled at doing new things or at doing the

same things in a new and better way — disruptive innovations. It has been slow to acquire, adopt and adapt technologies that exist in other places. Yet there is no lack of talented and passionate people in this part of the world, nor of problems to solve. The bottleneck is in the support to let their innovative talents flourish. Talent and intelligence may be spread evenly across the planet, but opportunities are not. Regrettably, most of the requirements for innovation, including reforms in tertiary education are often not present in poor countries and in emerging economies.

Inequality and Poverty. Social Considerations: Growing income inequality affecting intergenerational mobility — even among advanced economies — is one of the biggest social, economic and political challenges of our time. “Should the improvement in the circumstances of the lower ranks of the people — Great Divide — be regarded as an advantage or as an inconvenience to society? The answer seems at first abundantly plain. What improves the situation of the greater part can never be regarded as problematic to the whole. No society can surely be flourishing and happy, if the greater part of the numbers are poor and miserable”^[18].

Scarcity has many faces, changing from place to place and across time. Scarcity creates a similar psychology for everyone struggling to manage with less than they need. Just as busy people fail to manage their time efficiently for the same reasons, the poor fail to manage their money. Up to now, efforts to develop a unified field theory to solve the problem have inevitably fallen short^[19].

- Poverty is hunger, is lack of shelter, and is being sick and not being able to see a doctor.

- Poverty is not having access to school and not knowing how to read.

- Poverty is not having a job, is fear for the future, and is living one day at a time.

- Poverty is losing a child to illness brought about by unclean water.

- Poverty is powerlessness, lack of representation and freedom.

- “Poverty is the most lethal weapon of mass destruction”^[20].

“Nearly 164 million people live in poverty in Latin America (27.9% of the population), 68 million of whom are considered destitute. Since 2002, poverty in Latin America has fallen by 15% and destitution has dropped by 8%, but figures from a recent study by the Economic Commission for Latin America and the Caribbean (ELAC) show that the rate of decrease is slowing. While poverty and destitution in this region decreased in 2012 in comparison with 2011, it remained unchanged in 2013. Countries in this region should push for more rapid structural changes in their economies to promote sustained growth with greater equality”^[21].

Nonetheless, the middle class has grown in those countries with faster economic growth — in which center-left

governments have adopted redistributive policies, spending the fruits of the now ending commodities boom on social programs, young people are more educated, empowered, and demanding better public services^[22].

In addition to the economic inequality, there is often inequality before the law — one law for the poor and disadvantaged and another for the rich and famous that can afford to hire the best lawyers and mount the best defense possible. When was the last time that a wealthy man was executed? A two-tiered criminal justice system discriminating based on socioeconomic status, race, and geography is morally unacceptable. Influence brings privilege, and privilege can plainly mean getting away with wrongdoing.

A further burden of poverty is inadequate health care:

In emerging economies, low per capita expenditures and the inadequate allocation of funds explain the differences in success in the rich countries. Sixty percent of cancer cases and 70% of deaths from cancer happen in Africa, Asia, Central America and South America^[23].

Unemployment: Although two thirds of the recent global economic growth happened in the developing world, a vast number of the young grew restless because of unemployment. Furthermore, the development of the infrastructure and professional skills has not kept pace with the surging demand for skilled workers despite the expanding economy^[24]. Thanks to the electronic media, people are increasingly aware that these wrongs cannot be easily or rapidly put right and that those opportunities are more attractive in developed countries.

Corruption: What is happening in many countries today is not just a pathology, but a predictable pathology that arises whenever a society has no checks on behavior, no acceptance of any rule of law, and no respect for rules of procedure^[25].

Does corruption arise from individuals' diminished personal integrity and misconduct or from institutional arrangements? Institutional corruption is the result of a guidance within an economy of influence that illegitimately weakens institutional effectiveness especially by weakening the public trust — "Crisis of Credibility"^[26].

Interestingly, Aristotle in "Nicomachean Ethics", a compilation of lecture notes, emphasizes the role of an active condition in the moral search for ethical virtue, a state that consists in choosing "*the just one*" between the two ends. The *no* and the *yes* are always in our power. Both, virtue and corruption are in our control. It is in our power to do something, as it is not to do it^[27].

In "Theory of Moral Sentiments", Adam Smith introduced a different explanation about the acquisition of moral values, suggesting that it is a process starting early in life and based on the approval or disapproval of what happens around us.

Are these concepts compatible in an era in which social, political, and financial systems are corrupted, elections and democracy manipulated by corporate interests, religious groups taking over governments, or charlatans dominating and controlling financial systems, and thereby influencing the legislative and judicial integrity? Corruption is not just a question of ethics, but also one of economics. As companies in rich nations push into poorer regions, illicit gains connected with politics or business go global.

The World Bank estimates that \$1 trillion in bribes is paid annually to officials. An estimated \$1 trillion a year is being taken out of poor countries and 3.6 million lives are lost because of corruption. In Africa alone, \$148 billion is siphoned off annually.

Not surprisingly, protective of their interests, corporations prefer settlements to the catastrophic financial penalties and the bad publicity if they lose in court. In the end, some of the people that are charged are extremely rich and powerful, and can afford great attorneys^[28].

Corruption is a societal pathology closely related to blind spots and perception of legality:

"Why do we often fail to do what is right? When confronted with an ethical dilemma, most of us like to think we would stand up for our principles, but we may not be as ethical as we think we are, due to blind spots. We often overestimate our ability to do what is right and act unethically without meaning to. There is no good reason to believe that we would behave any differently from the agent, the auditor, the buyer, or the seller when we have conflicting motivations and interests. To avoid such unintended unethical behaviors, the first step is to recognize our own fallibility."^[29] Not surprisingly, ethical fading — the removal of ethics from the decision making process — can negatively affect our judgment by shifting our ethical values. "We can become more ethical by bridging the gap between who we are and who we want to be."^[30] Lack of integrity is the main obstacle. "Without integrity, there is no trust. Without trust, there is no leadership, with everyone for himself. Without integrity, there is corruption, no respect for rule of law, and no true democracy. Unfortunately, once corruption becomes ingrained and an integral part of the society, it takes a miracle to change it"^[31].

Tax evasion. Merits of taxes:

- "No one size fits all": An effective strategy to reduce tax evasion and avoidance that needs to be tailored to the specific country's environment.

- A strategy should involve both measures at the national as well as the international level. Actions at the international level can only be implemented successfully if specific prerequisites on the national level are guaranteed.

- Equally, measures undertaken at the international level have to be accompanied by adequate strategies at the national level.

Main Factors facilitating tax evasion and avoidance:

-Low willingness to pay taxes by taxpayers usually results from the tax rates and perception that they are unfair, or from the lack of transparency and accountability in the use of public funds, or the lack of service in return, or of the rule of law, as well as poor tax morale, and high compliance costs.

-Low ability to enforce tax law and tax collection due to low probability of detection, low penalties, high level of corruption, large informal sector, and incompetence of the tax administration^[32].

Lack of independent and reliable justice. Checks and balances: In many developing countries, because of the lack of separation of powers, it is never easy and often impossible to legislate against the will of the executive branch. Government systems that employ a separation of powers need a way to balance each of the branches to induce them to cooperate and to prevent one branch from becoming supreme. Typically, the latter is avoided through “checks and balances” — a system-based regulation that allows one branch to limit another, helping to ensure that no one branch becomes too powerful. Although it will not be an easy win, it is also necessary to balance the power of big money with the power of big ideas.

http://en.wikipedia.org/wiki/Separation_of_powers

Unfortunately, regimes that violate these principles could survive a long time despite an economic crisis if the level of control over all government institutions, the press, education, and the business environment, is strong. Many perceive the job of the police and the courts as implementing political control, rather than investigating thugs.

Lack of long-term planning and a consistent model: Has the traditional approach of the *Big World Planners* found the solution to enrich the poor, to feed the hungry, and to save the dying? The answer is *No*, due to ineffective efforts, despite spending more than \$ 2 trillion^[33].

Outdated infrastructure. The recent Ebola epidemics is a clear example of the dismal infrastructure in the affected countries and the weaknesses of their health systems. The risks for volunteers is high. According to the WHO, a significant number of healthcare workers have been infected since the outbreak began and many of them have died^[34]. “If there was a health care infrastructure able of rapidly identifying and isolating cases and providing adequate medical care and doing the proper contact tracing then this epidemic might have been put under control a long time ago”^[35]. As Paul Farmer, co-founder of Partners in Health put it, “Outbreaks are inevitable. Epidemics are optional.”

A Coalition of Inaction: The inadequate and late response to the current epidemic stresses how little focus has been on the need of a strong global health set-up and making global

health security a priority in individual countries. Alarmed by Ebola, the public is not reassured by what specialists say, and anxiety has soared about the potential for contagion. Lessons from this epidemic can be helpful for future outbreaks.

The absence of a social contract: an actual or hypothetical agreement among the members of an organized society or between a community and its rulers that defines and limits the rights and duties of each. The people agree to obey the ruler in all matters in return for a guarantee of peace and security. In surrendering their individual freedom, they acquire limited agreed-upon political liberty and civil rights, a covenant for mutual benefit between an individual or group and the government or community as a whole. Regrettably, people often act slavishly by voting every few years and then passively accept what their representatives say^[36].

Lack of solidarity and social responsibility. Participation: It is important that people take an active role in the social, political, and economic aspects of the society in order to defend the interests of those suffering. The time has come, to decide whether they will continue to be a part of the problem, or whether they will be part of the solution.

Modest philanthropic efforts: Philanthropy is sub-optimal despite not everyone’s being poor in the poor countries due to culture and/or interpretation, religion, lack of trust, and lack of tax incentives, as well as tax evasion. Philanthropy is not the solution for poverty. A combination of economic growth, higher human capital, social inclusion, and political will can help.

All of the above indicate that social and human capital as defined below, are low in developing countries:

Social Capital and Social Bonds: The levels of trust, tolerance, cooperation and reciprocity among individuals in a particular social environment is the base for teamwork. The success of a society depends on the strength of its communities rather than on peer pressure. Bad things happen when good people do nothing.

Human Capital: This is the knowledge, skills, and expertise that individuals acquire through education and training, used to produce things, services or ideas. The greater quantity and quality of skilled workers in rich countries suggest that human capital is a central vessel for social and economic development. The quantity and quality of competent workers has a direct effect on the economic improvement of a society. The power is in the hands of each citizen^[37].

Collaborative Rationality: Both social and human capital are complementary for getting better together, which is a different way of knowing, generating, making and justifying decisions based on diversity, interdependence, and authentic

dialogue. The agents, facing a common problem, think logically and interact exchanging information in an open system, to identify a common solution for the benefit of all, avoiding the limitations of acting unilaterally. The culture of the group overcomes the culture of the superstar^[38].

Raising the bar. Upward Comparison. Since we tend to overestimate where we stand in contrast to others, comparing our self to others is not bad if we avoid a twisting strategy to fit data — Pseudo Mathematics^[39]. Upward comparison, as economists and psychologists call it, can diminish our success — we are not the best anymore — but also encourage us to learn. Although looking around us can be punishing, it is better to watch good players, and improve our performance, than bad ones and feel superior^[40].

Why some nations are rich and others are poor and volatile. Order vs. Disorder

Regardless of the effort and brainpower that go into designing complex systems and their “system of work”, it is impossible to do it perfectly and to predict the behavior of individuals under the conditions in which they must perform^[41].

Order. Developed countries set themselves apart in how they deal with the unpredictable problems of complex systems. They manage to stay ahead because of their endurance, responsiveness, and their velocity in self-correction by bringing their modules together and making them better than the sum of their parts. Altogether bring about more capabilities, and the more capabilities they have the more likely they are to grow economically^[42].

Disorder. Conversely, in emerging countries their parts come together through hard work, goodwill, and improvisation — a patchwork approach to fixing problems. Their components are managed as if they operated independently when in fact they are interdependent^[41].

Are foreign advisors useful? Yes, when they are aware of the local context. International executives need “contextual intelligence” — the ability to recognize the limits of their knowledge and adapt it to different environments^[43]. The link between leadership and culture is complex. It is not always easy to appreciate or understand that what people do, mean, and say, varies from one culture to the next. Understanding another part of the world better is an avenue for transcultural understanding. Without this understanding, it is impossible to lead in another culture. A style that would be effective in one culture might be dysfunctional in another. This is the case in the national culture as well as in the corporate culture. Furthermore, diplomacy is often necessary to pass the borders of ignorance, culture, and geography.

“Despite what we would like to believe, management practices — even the most effective ones — do not travel across borders”^[43].

Notwithstanding the extensive use of foreign advisors in emergent countries, there has been little examination of their roles. Outside consultants should not become insiders. One of the things necessary for them is to remain outsiders. Foreign technical advisers work by a different set of rules than nationals within the hierarchy. How do their roles differ from those of the host country? How do outsiders acquire influence? To whom are they accountable? These remain important questions since the advisors exercise vast influence with limited accountability and without organizational authority. Foreigners have the responsibility to consider the feasibility and broader context of their recommendations for moving people from dependency to self-sufficiency^[44].

Useful Rules for Wise Advisors. Listening is an act of love: - “Encourage your advisee to tell their stories in order to understand the problems faced by locals. First listen and let them tell you why they need your help, and then ask what help they feel they need.”

- “Do not talk too soon. Avoid proving your value by offering advice before you know the problem fully.”

- “Avoid early judgment. If the advisee senses that you are judgmental, he/she will probably become defensive and guarded. An open-minded understanding helps to gain trust and cooperation”^[45].

The Power of Noticing: What Effective Leaders See. What are the critical threats and challenges that we are ignoring or denying? Why the leaders of some organizations fail to identify key problems and act before things turn catastrophic?

Cognitive dissonance: a pandemic phenomenon, whereby people do not want to see or cannot see because the group is not designed to see, and there are other people who are keeping us from seeing — motivated blindness, projecting an “Everything is just fine” attitude.

Adapting Development Models: Experiences from other global efforts may reveal the obstacles while providing valuable strategies for success^[46]. However, as Lant Pritchett has noted, “models with proven effectiveness in other settings often fail to take hold in developing countries even despite having governments and international support. The name for the practice behind the problem is *isomorphic mimicry*. This happens when consultants and public officials drop a replica of a proven model into an obsolete system. Unless resident agents work to give it a life of its own, it remains a replica”^[47].

Recipient Responsibility. Impact of mindset: In the words of Robert G. Gard, “What cannot be taught, however, is motivation or incentive — morale or confidence in, and commitment to, the nation’s institutions and leadership. This intangible element, essential to success, depends on the

legitimacy of domestic governance. The legitimacy of the parent institutions is as necessary to success as well-trained personnel^[48]. People's self-theories about intelligence have an intense influence on their motivation to learn and subsequently on institutions. Those who hold a "fixed" theory are mainly concerned with how smart they are — they prefer tasks they can already do well and avoid ones on which they may make mistakes and not look smart. In contrast, people who believe in an "expandable" or "growth" theory of intelligence want to challenge themselves to increase their abilities, even if they fail at first^[49].

Resistance to change. Ask what you can do and imagine what we can do together: Instinctively, people know that something is wrong but talk about change is often located in the near future, rarely in the present. Almost everybody accepts the idea of an out-of-date society or system trying to become a normal and modern developed country. The ability to see room for improvement, however, is not of much use unless one also has a strong desire to improve.

Agreement on a problem does not produce agreement on a solution. An early desire to look different can be abandoned when key supporters realize this means real changes and is against their interest — which produces a policy-implementation gap. Unfortunately, people appear to have the right to complain but do not believe that it is their duty to do something about it, fix what is broken, and to make the world a better place. Reinforcing a dysfunctional system strangles innovation and stifles the progress of organic adaptation.

Fundamental transformation of human nature is utopian, but partial transformations of human behavior occur all the time. Progress can change people's awareness of what is possible. Without failure, there is no innovation. Do not be afraid to explore what you could be! Change is in each of us^[50]. "If we who have the talent and knowledge don't look after the problems ourselves, then others who are less talented and more ignorant of those problems will certainly do it for us"^[51].

Business Model Innovation: a different way of generating change. A less radical and less expensive alternative is creating value through business model innovation — *how companies do business*; this can decrease resistance and simplify execution. It can be done by business model improvements, which can occur in a number of ways by adding and integrating novel activities and/or linking activities in a new way, changing one or more parties that perform any of the activities. "Who performs what? The *"whats"* are nonspecific, the *"hows"* are specific to you and the organization you are working with: going from *what* to *how* has to be understood through practice"^[52]. What they do will be less important providing that quantitative evaluation of its impact follows the change. Countries and organizations can survive dramatic

changes by deciding which parts of their business model to preserve and which to dump.

Real Leadership: Instead of looking for saviors, we should be calling for a leader that will challenge us to face difficulties for which there are no simple solutions, requiring us to learn new ways. Making progress on these problems demands not someone who provides answers from on high but changes in our attitudes, behavior, and values^[1]. Successful leaders have the guts to marginalize radicals and nihilists who refuse to play by the rules of the institution.

Maladaptive practices exist everywhere and they eventually become adaptive challenges that do not subside with the application of technical skills provided by the professional. The frequency and persistence of maladaptive practices is related to the resistance of people to change and human nature's tendency to apply the "minimal risk" and "least effort" strategies that result in incomplete adaptive work, allowing subsistence but no optimal result^[1]. The principle-policy-implementation gap plays an additional roll.

Flexible adaptive leadership allows leaders to adjust, react and operate according to the needs of different contexts. The capacity to adapt enables both individual and business needs to be met through making changes to the time (when), location (where), and manner (how) in which people work^[53].

Technology vs. Humans. Will technology assist individuals or limit them?

Advances in artificial intelligence will mean that computers rather than people will make more judgments and computers may not be able to explain their reasoning. All of us should ask ourselves what we could do now to improve the chances of gaining the benefits and avoiding the risks. In the near future access to information and new technology may make profits and privacy obsolete, and force us to redefine the boundaries between humanity and machines. These are advancing fast, and bring with them great hopes, but also great fears. Technology is neutral but people are not!

Hopes:

- Internet: communications, information, networking. "Exported knowledge fuels development. Tacit knowledge is spread through human interactions, which usually requires proximity. Bridges between people in different countries have increased, as global communications develop. This local diffusion of knowledge can help explain the well-known fact that rich and poor countries tend to be geographically clustered"^[54]. Cluster: a geographically proximate group of interconnected companies and associated institutions in a particular field, linked by commonalities and complementarities^[55].

- Education: free online education, classes, courses and degrees.

- Innovation: robotics, automation, energy, additive manufacturing and 3D bioprinting in which tissues containing blood vessels and multiple cell types can now be assembled in architectures approaching the complexity of human tissues.

- Sciences: improving connectivity and removing barriers to cooperation, exchange of knowledge and interdisciplinary alliances.

- Health Care Quality

Fears to the downsides of advancing technology:

The only way to beat an existing technology is to bring in a disruptive and creative new technology that is a strong alternative. Just bad-mouthing it and stressing its handicaps do not go very far.

- Overuse/misuse

- Health Care Cost. “In every other sector of the economy, technology makes life cheaper, easier and better. In medicine, new treatments and devices usually do the last thing in that trio, sometime the second but rarely if ever the first”^[56].

- Unemployment (youth): a time bomb!

- Inequality

- Cybercrime. National security. Many countries have nuclear materials in installations that are not safe. Sophisticated technology is not yet in the hands of terrorist organizations, but it might be one day in the future.

- Addiction, dependence, and distraction: today, all facets of the information age lead to overwhelmingly negative interruptions. In the end, a person requires a method. He must be able to distinguish between creative and destructive distractions by the sort of taste they have, whether they feel depleting or fulfilling. Moreover, this can work only if he is in good communication with himself — an artist of his own life.

- Quality of life, stress?

A Word of Caution: “Often people get what they could get, but getting the wrong thing is not necessarily the right thing to do. In medicine, for example, there is always a risk of being satisfied with delivering sub-standard care in resource-limited settings, assuming that offering some care is better than no care, or that reaching a larger number of people with sub-optimal care is preferable to reaching fewer people with more sophisticated and therefore more expensive care”^[57].

Quo Vadis? In developing countries, government officials and their population have to decide where they are heading:

- “For the sailor who does not know where it goes, there is never a favorable wind”

- “Para o marinheiro que não sabe para onde vai, nunca há um vento favorável”

- “Para el navegante que no sabe adónde va, nunca hay vientos favorables”

Lucio Seneca (4 BC - 65 AD)

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