Assessment, Competition and Reform

Brainstorming

Paris, 30 January 2015
Model of impact
Write for readers – imagine a focus group

BIG BOSS
LITTLE BOSS
BUSINESSWOMAN
CITIZEN
APPLEBY
Thinking forward to October 2015

A new report appears ... what is new?
The strategic challenge

Information is not in short supply. What we lack is the **human attention** to make sense of it all.
Reports and impact

A  Attention
I  Interest
M  Motivation
A  Action
The scarcest of resources for decision makers
Even *if* we read, we forget almost everything
Writing to be remembered
Memory only works if we see *meaning*

FQAOKNYCZEPÜÖWQUKONWWRSÖPQ
HEADSANDSHOULDERSKNEESANDTOES

8303175924181435 (random)
1706197023101970 (2 birthdays)
„Seven-plus/minus two“ rule

Three criteria
Three fundamentals
Four freedoms

but
29 principles?
We remember what is *concrete*

Memory places and how memory works
Economic governance: either abstractions ...

Accountability
Transparency
Effectiveness
Efficiency
... or concrete institutions

Institute of Standardisation
Institute of Accreditation
Metrology Office
State Market Inspectorate

...
Meaning requires *context*

Cereal A contains 31 milligram more sodium than Cereal B

My cousin earns 45,000 Euro less this year than last

The local football club wins 120 percent more often this season

Average vs. Median (Bill Gates problem)
Clustering: compare List A ...

Key areas – solid methodology
Comparability – impact
Easily understandable
Credibility
Expert missions
Checklists of requirements
Relevance of indicators
When is a country „ready“?
... List B ...

IMPACT - easily understandable - comparability

SOLID methodology - expert missions

CREDIBILITY - relevance of indicators

KEY AREAS - checklists of key requirements

When is a country „ready“?
... and List C

**IMPACT** depends on

**METHODOLOGY** and on

**INDICATORS**

Focus on

**KEY AREAS - CHECKLISTS**
ECONOMIC CRITERIA in progress reports
What is a FU-MAR-E?

*Functioning Market Economy:* an economy with the capacity to cope with competitive pressure

or

a competitive economy
Focus on *results* of competitiveness

A track record of *catching up*

GDP / capita
Employment rate
Export per capita
Strong indicators are those where ...

*Methodology* of measurement is clear

*Data* is credible

It is *obvious what is better*  
(higher GDP, higher employment rate, more exports)
Good economic governance: where ...

... economic policies lead to catching up

A straightforward definition that directs attention towards the results of policies.
Implications:

Only use *numbers (statistics) you trust* – *improving these is priority*

To identify *structural* change short term trends are uninteresting

If there are technical terms, explain them

Every table should be self-explanatory
Functioning market economy:

Instead of *defining* a camel, show one! Concrete, not abstract.
2005-2015

Bulgaria, Romania are FU-MAR-E
Turkey is a FU-MAR-E

Macedonia, Serbia, Albania are not (still falling behind)
TRUST IN NUMBERS

Chapter 18 (Statistics) is key
Assessment, Competition and Reform

Brainstorming

Paris, 30 January 2015