Donald L. Stevens

Donald L. Stevens, Ph.D. is assistant vice chancellor for academic affairs at the University of Colorado at Denver. He is also director of the university's Institute for International Business, and director of the Institute's Center for International Business Education and Research. He is a founder and president of the Economic Club of Colorado and president of Global Education, Inc., an international executive education consulting firm. He is president of the Association for International Business Education and Research, and is a member of the Academy of International Business, the Financial Management Association, and the Pacific Asian Consortium for International Business Education and Research. He received his Ph.D. in Business Administration/Finance from Michigan State University.

Can the competitiveness of countries be defined? Can it be measured? Don Stevens, managing director of the Institute for International Business presented the Forum with an overview of the World Competitiveness Yearbook, which is published annually by IMD, a business school in Lausanne, Switzerland, in conjunction with the World Economic Forum in Davos, Switzerland.

The yearbook measures the extent to which a nation's environment sustains the competitiveness of its companies, and paints a picture of how effectively countries compete in international markets, said Stevens.

Forty-six countries are covered in the yearbook: two-thirds of the data are regional and country statistics; one-third of the data comes from a survey of approximately 4,000 executives who attend the Davos economic forum. Rankings are based on 259 criteria grouped into eight categories: domestic economy, internationalization, government, and finance are illustrated in the sidebar below. The four others include:

- Infrastructure (30 criteria): extent to which natural, technical and communication resources are adequate to serve the basic need of businesses;
- Management (34 criteria): extent to which companies are managed in an innovative, profitable and responsible manner.
- Science & technology (20 criteria): scientific and technological capacity.
- People (44 criteria): availability and qualifications of human resources.

"It's a macro approach," said Stevens. "My sense is that what's happening here in the U.S. is so dynamic that much of it is missed in this macro view."

A micro view of competitiveness, said Stevens, would start at ground zero and base its conclusions on how ideas, resources and people combine to create opportunities and build value, jobs and wealth.

The U.S. has been No. 1 for five or six years in a row in terms of competitiveness," said Stevens. In the government rankings for 1998 and 1999, the U.S. is No. 13 and 15, respectively. "We had a lot of debt when the statistics were created; Singapore and a half dozen other countries have none." For 1999, the U.S. ranks No. 1 in the categories of infrastructure, management, science & technology, and No. 6 in people.
Global competitiveness: How does the United States rank?

Donald L. Stevens

World Competitiveness Yearbook

1999 (1998)

Top 10 of 46 countries according to input factors*

<table>
<thead>
<tr>
<th>Domestic Economy</th>
<th>Internationalization</th>
<th>Government</th>
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<td>1. USA (1)</td>
<td>USA (1)</td>
<td>Singapore (1)</td>
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<td>2. Ireland (11)</td>
<td>Singapore (2)</td>
<td>China Hong Kong (2)</td>
<td>Luxembourg (5)</td>
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<td>3. Luxembourg (9)</td>
<td>Luxembourg (4)</td>
<td>Malaysia (3)</td>
<td>Netherlands (2)</td>
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<td>4. Finland (5)</td>
<td>United Kingdom (5)</td>
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<td>5. Iceland (19)</td>
<td>China Hong Kong (3)</td>
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<td>Denmark (4)</td>
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<td>6. China Mainland (24)</td>
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<td>7. Netherlands (4)</td>
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<td>Belgium (9)</td>
<td>New Zealand (4)</td>
<td>Singapore (10)</td>
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Domestic economy (28 criteria): macro-economic evaluation of the domestic economy
Internationalization (40 criteria): extent to which the country participates in international trade and investment
Government (43 criteria): extent to which government policies and practices are conducive to competitiveness
Finance(20 criteria): performance of capital markets and quality of financial services

Ranking Russia 1999 (98)
Domestic economy: 47 (46)
Internationalization: 30 (30)
Government: 46 (37)
Finance: 47 (46)
Infrastructure: 47 (45)
Science & technology: 23 (19)
Management: 47 (46)
People 39 (33)

USA rankings 1999 (98)
Domestic economy: 1 (1)
Internationalization: 1 (1)
Government: 15 (13)
Finance: 1 (1)
Infrastructure: 1 (1)
Science & technology: 1 (1)
Management: 1 (1)
People 6 (8)

Domestic Economy 1998 top 10 countries*
1. USA
2. Singapore
3. China Hong Kong
4. Netherlands
5. Finland
6. Norway
7. Switzerland
8. Denmark
9. Luxembourg
10. Canada

*Note the impact of the Asian financial crisis