Bringing Development Strategy Back In: New Insights from China, South Korea and Singapore

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Abstract

This paper examines the economic development experiences of China, South Korea and Singapore from the lens of strategy. It attempts to answer the following question: can countries’ economic success be attributed, even partially, to a well-designed and effectively implemented development strategy? The paper presents a framework for what I term “Grand Strategy of Development”. It is the overall direction that a country takes to achieve economic development, and it provides the big picture reference, guidance, and direction for the development policies and plans of the country. It consists of four elements: economic objective, development strategy, tactics, and operations. Alignment and consistency between the four elements of Grand Strategy of Development are critical for countries’ development outcomes. Each of the studied countries pursued a different Grand Strategy of Development. Hence, Grand Strategy of Development is context specific. It must fit with the local context and development phase of each country.

Keywords: Development Strategy, Development Policy, Development, Strategy, China, South Korea, Singapore

JEL Codes: O10, O20
# Table of Contents

<table>
<thead>
<tr>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Introduction</td>
<td>2</td>
</tr>
<tr>
<td>2. Literature on Development Strategy</td>
<td>5</td>
</tr>
<tr>
<td>3. Three Economic Development Stories</td>
<td>8</td>
</tr>
<tr>
<td>3.1 What happened in China?</td>
<td>8</td>
</tr>
<tr>
<td>3.2 What happened in South Korea?</td>
<td>11</td>
</tr>
<tr>
<td>3.3 What happened in Singapore?</td>
<td>13</td>
</tr>
<tr>
<td>4. What is Strategy?</td>
<td>15</td>
</tr>
<tr>
<td>5. What is Grand Strategy of Development?</td>
<td>23</td>
</tr>
<tr>
<td>5.1 The Framework</td>
<td>23</td>
</tr>
<tr>
<td>5.2 China’s Grand Strategy of Development</td>
<td>27</td>
</tr>
<tr>
<td>5.3 South Korea’s Grand Strategy of Development</td>
<td>31</td>
</tr>
<tr>
<td>5.4 Singapore’s Grand Strategy of Development</td>
<td>32</td>
</tr>
<tr>
<td>6. Strategy from Thought to Action</td>
<td>33</td>
</tr>
<tr>
<td>6.1 State Capability</td>
<td>34</td>
</tr>
<tr>
<td>6.2 Cultural Change</td>
<td>36</td>
</tr>
<tr>
<td>6.3 Alignment of Interests</td>
<td>38</td>
</tr>
<tr>
<td>7. Conclusion</td>
<td>39</td>
</tr>
<tr>
<td>Acknowledgments</td>
<td>43</td>
</tr>
<tr>
<td>References</td>
<td>44</td>
</tr>
</tbody>
</table>
1. **Introduction:**

Why some countries managed to achieve significant economic development and others failed to do so? Can this success be attributed, even partially, to a well-designed and effectively implemented “development strategy”? But what is “strategy” in the first place? And what is “development strategy”?

This paper examines three successful economic development experiences from the lens of strategy and presents a framework for what I term “Grand Strategy of Development”. It is the overall direction that a country takes to achieve economic development, and it provides the big picture reference, guidance, and direction for the development policies and plans of the country. It consists of four elements: economic objective, development strategy, tactics and operations. The paper builds on frameworks from military and national security strategy (as the origins of strategic thinking). It examines whether adapting such frameworks can help us unpack economic development.

The paper is not an attempt to provide one big unified theory to explain how economic development happens. I believe there are many factors that impact the development paths of countries. I am specifically focusing on one factor without claiming it as the only factor: strategy. It is not a predetermined destiny as geography, history or, to a certain extent, culture. Strategy is a human endeavor (Gray, 2010). Hence, I am hoping that reviving the discussion about development strategy can provide practical lessons, and ways of thinking for policy makers in developing countries to help in their quest for development.

In choosing the three studied countries, I used the same criteria used by Rodrick (2013), countries with income per capita that grew by at least 4.5 percent a year over a period of 30
years or more. I added two conditions. First, the country is not a resource rich country, to exclude success related to natural endowments. Second, its economic growth started no earlier than the 1960s, to focus on more recent development experiences. I was left with a handful of countries! China, South Korea, Singapore, Malaysia, Indonesia and Ireland. I choose to focus on the first three in this paper. Their growth rates were the highest among these countries (see data in Rodrik, 2013).

I examined economic development and strategy literature. More specifically, I studied many development theories that explain the drivers of economic growth. I examined literature on the development experiences of the three studied countries, as well as other countries which had less successful development experiences. Furthermore, I reviewed literature on military and national security strategy as well as business strategy.

My research was also informed by my personal experience as a business and development lawyer, and as a graduate student and later a research fellow at Harvard university. I visited China as a lawyer and had various meetings with business communities and state-owned enterprises, where we had discussions on China’s global investments. In Singapore, I was part of a cohort that included Singaporean mid-career public officials in a public policy program at Lee Kuan Yew School of Public Policy. During my time at Harvard, I had the chance for thorough discussions with colleagues (research fellows, graduate and mid-career students) from China, South Korea, and Singapore. We discussed many aspects of the development experience of each country, as well as many of the ideas presented in this paper. My colleagues represented government, private sector, and civil society in each country. Through these experiences, I had a chance to learn more about the three countries.
This paper contains 7 sections:

1. **This Introduction:** It aims to explain the research question and identify the scope and context of the research.

2. **Literature on Development Strategy:** A brief overview of key literature related to development strategy.

3. **Three Economic Development Stories:** A brief overview of the main economic direction taken by each of China, South Korea, and Singapore to achieve their economic development. It is not an exhaustive or comprehensive account. It is meant to give a sense of such economic direction before I present my strategy analysis. For more details about the development experience of each country, I refer to the references I cited in this paper.

4. **What is Strategy?** It presents an explanation of the meaning and function of strategy. In this section I am using two frameworks from the military and national security strategy literature. Such literature is rich in strategy concepts and frameworks. In the next section, I will connect these frameworks to economic development.

5. **What is Grand Strategy of Development?** It presents a framework that I propose for studying, designing and implementing Grand Strategy of Development. I explain the framework and apply it to China, South Korea, and Singapore. I provide a more detailed analysis of China’s Grand Strategy of Development.

6. **Strategy from Thought to Action:** It discusses key requirements for translating the development strategy into a reality on the ground. Mainly state capability, cultural change, and alignment of interests.

7. **Conclusion:** It presents a summary of my main arguments and conclusions.
2. **Literature on Development Strategy:**

Lewis (1954) suggests that in developing countries, two main economic sectors coexist. The first is a traditional sector where labor are earning low wages and performing low productivity jobs. The other is a modern sector which is characterized by higher productivity and higher wages. Economic growth happens through expanding the modern sector, and moving labor from the traditional sector to the modern sector. A process that became later known as structural transformation (Gollin, 2014).

Lewis (1955) provides a more comprehensive view of the factors that lead to economic growth. These include a role for government in: maintaining public services, encouraging attitudes and behaviors that favor growth, influencing the use of resources, and influencing the levels of investments. Lewis (1955), however, is clear in his opposition to central planning. He prefers that governments focus on few strategic economic matters and leave the rest to supply and demand adjustments.

Hirschman (1958) provides an economic development strategy. Development will happen if investments are made in sectors that have a multiplier effect and ability to create new economic activities connected to such sectors. In this regard he distinguishes between backward linkages, and forward linkages.

Backward linkages refer to the connection between a sector and another economic activity that provides the inputs required for that sector (for example, as Hirschman notes, beer has a backward linkage with the bottles industry). Forward linkages refer to the connection a sector will have with another activity that consumes the output of that sector (for example, beer has a forward linkage with the hospitality industry). The more linkages the sector has, the more
investments in such sector will lead to economic growth. In this regard, Hirschman (1958) is clear that manufacturing is superior to agriculture as the former has linkages to more economic activities.

Rostow (1959) provides a historical analysis of economic growth and distinguishes between five stages of growth. First, the traditional society. Second, the preconditions of take-off, which include the evolution of modern sciences and increased innovations and discoveries. Third, the take-off where a limited number of economic sectors that employ latest technologies lead the economic growth of countries (for example, the cotton textiles in Britain). Fourth, the drive to maturity where new leading industrial sectors driven by new technological innovations and possibly by government policies gain momentum and supplement the old sectors of take-off. Fifth, the age of high mass consumption, where mature economies face important and strategic choices about the best use of the national wealth created.

Following the rise of a number of East Asia economies, scholars tried to analyze the role of governments in achieving such economic growth. Johnson (1987) talks about the developmental state in Japan, South Korea, and Taiwan where the state creates national goals, guides and cooperates with the private sector to achieve these goals. The development process involves the creation of a competent economic bureaucracy, staffed with high calibers, and insulated from the political process, to oversee the country’s development goals (Johnson, 1987).

Wade (2004) emphasizes how successful East Asian countries focused on export promotion, and created business environments that supports productive economic activities. Governments played an active role in shaping and influencing the market (Wade, 2004).
Rodrik (2005) discusses how the set of policy principles known as “Washington Consensus”, which call for privatization, deregulation, and trade liberalization became the conventional wisdom for achieving economic growth. However, Rodrik (2005) shows how the reality is different, and how a number of countries which achieved significant growth followed unconventional and context specific economic paths, not in line with those policy principles.
3. **Three Economic Development Stories:**

3.1 What happened in China?

In 1979, China had one of the lowest GDP per capita in the world. It was lower than Bangladesh, Chad and Malawi (Ang, 2016). A new political leadership represented by Deng Xiaoping decided that after decades of communist policies, China needs new economic policies to address the poverty challenge. The Chinese leadership did not have a specific economic plan. Only a general direction that China needs more economic open up, and needs to give a space for individual incentives in order to drive economic growth (Schell et al., 2014).

China started experimenting with gradual steps in this new direction. In the words of Deng, it was like “crossing the river by touching the stones” (Ang, 2020, p.57). He meant we do not know what is the solution to the poverty problem. Hence, we will take gradual and calculated steps to experiment a number of solutions. Deng also said that he believes China needs to open up more its economy to the outside world, but he does not know how to implement this (Schell et al., 2014).

Among the steps that China experimented was changing the pricing system of agricultural products (Qian, 2003). The old system obliged farmers to sell all their crops to the government at a predetermined price. Under the new system, farmers were required to sell a minimum quantity of their crops to the government at the predetermined price. Any excess production can be sold by the farmers at market price (Qian, 2003). The results were significant increase in the quantity of agriculture products and higher incomes for the farmers (Qian, 2003).

The Chinese leadership believed that achieving economic development in a big country as China, with its massive population, requires a degree of economic and administrative decentralization. Economic and administrative decentralization incentivized local governments to adopt and
implement local policies to achieve economic growth (Qian, 2003). Among the steps that China took was allowing local governments to retain part of the tax revenues collected, to be used by local governments in financing projects and services in their regions (Ang, 2020). China also allowed local governments to establish and own for-profit projects, known as township-village enterprises (TVEs), and retain all the revenues of such projects (Qian, 2003: Ang, 2016).

On one hand, the central government sets the general economic direction of the country and the macroeconomic policies. On the other hand, local governments have autonomy in designing the specific economic and social plans required for developing their regions (Ang, 2020). In this regard, local governments have the power to determine the economic activities to promote in light of the comparative advantage, resources and characteristics of each region, and have the power to experiment local policies to attract investments (Ang, 2016). The central government evaluates local governments based on the results, which means the economic performance of each region, not based on a predetermined economic plan set by the central government (Ang, 2016). Hence, the central government is setting the overall economic direction, and local governments are experimenting local development policies in light of such direction. A strategy Ang (2016) calls “directed improvisation” (p.48).

In addition, and as part of experimenting new policies, since 1979 China started creating special economic zones open to foreign and private investments. Gradually foreign investments to these zones increased, attracted by low labor costs and a massive domestic market. “Nearly every multinational felt obligated to be in China” (Vietor, 2007, p.64).
During the 1980s, the central government applied a new system for the salaries of government employees to create incentives to achieve economic development (Ang, 2016, 2020). As the case in many developing countries, the salaries of government employees in China are low. The new system allowed employees to obtain bonuses and allowances in addition to their basic salary. Such bonuses and allowances are determined according to two criteria: i) the overall economic performance of the county (local region) of the employee, measured based on the amount of local tax revenues; and ii) the economic performance of the department or the organization of the employee measured based on the fees collected from citizens and investors (Ang, 2016, 2020).

Chinese employees realized that increasing their bonuses and allowances on the long term depends on achieving economic growth in their counties. Such growth will mean higher tax revenues, and higher revenues from government fees. Bonuses and allowances represent the largest portion of government employees’ income. China is one of the few countries where the income of government employees is linked to the overall economic performance of their counties (Ang, 2016, 2020).

In conclusion, in making its economic transformation, China experimented dual track economic policies, and created a hybrid system combining government intervention and market forces (Qian, 2003). Gradual steps were taken towards a market economy (Qian, 2003). This contradicts for example the direction that Russia adopted for its economic transformation following the fall of the Soviet Union. Russia followed a “shock therapy” approach aiming for a swift transformation from communist policies to a market economy (Colton, 2016, p.101). It tried to imitate the institutions of western states, with little success (Krastev et al., 2019).
3.2 What happened in South Korea?

South Korea started its significant economic growth in the 1960s. The regime of President Park Chung Hee used both government interventions and the private sector to achieve the growth (Han, 2014). Under this direction, local private companies are the main engine for economic activity. Such companies are supported and nurtured by the state through cheap loans from state banks, and through protective measures (Kim, 2013). However, the support and protection were conditional upon what Studwell (2013) calls the “export discipline”, where each company will report its exports to the government on monthly basis (p.76). Access to cheap credit and other government subsidies are then determined based on the level of the company’s exports (Studwell, 2013).

This “export discipline” meant that Korean companies had to compete globally. This put constant pressure on such companies to improve the quality and competitiveness of their products to retain and grew their international customers. It is worth noting how different this is from the model adopted by countries such as Egypt and India during the 1950s and 1960s, to support their local industries. These countries adopted an import substitution model which meant limiting importation, and promoting local industries domestically (Amin, 2012; Lamba et al., 2020). Hence, their local industries were shielded by the state from competition, and therefore did not have the same urge as their Korean counterparts to improve their quality and competitiveness globally.

In addition to the export discipline, the government adopted an industrial policy under which financial incentives were granted to local private companies investing in certain strategic sectors favored by the state (Kim, 2013). The Korean government established the Economic Planning Board (EPB) in order to set and implement its economic plans (Han, 2014). EPB determined the industrial sectors the country will focus on, and created mechanisms for receiving and reviewing the export data of the local companies (Schuman, 2009; Studwell, 2013).
EPB launched a major program for investments in heavy and chemical industries. Incentives were granted to investors in a number of industries including shipbuilding, electronics, steel, metals, machinery and chemicals (Schuman, 2009; Studwell, 2013).

President Park visited the EPB frequently (some accounts suggest daily) to follow up closely on implementing the country’s economic plans (Studwell, 2013). Also, the president maintained close relation with a group of businessmen who represented the most successful Korean companies at the time, including in particular Chung Ju Yung the chairman of Hyundai (Schuman, 2009).

The approach adopted by South Korea can be perceived as “picking winners” (Schuman, 2009, p.38) or actively creating “national champions” (Kim, 2013, p. 214). This approach resulted in developing major conglomerates as Hyundai, Samsung and LG. All started as local private companies, became major multinationals, and played significant role in the country’s economic growth.
3.3 What happened in Singapore?

Singapore started its significant economic growth in the 1960s. After unsuccessfully attempting an import substitution approach, the economic direction adopted by Prime Minister Lee Kuan Yew and his team was attracting foreign investments, and making Singapore a hub for multinational corporations in East Asia (Vietor, 2007).

Lee pointed out in his memoirs (2000) that third world leaders believed that foreign investments and multinational corporations are continuing the colonial pattern of exploiting developing countries. But according to Lee (2000) Singapore could not afford these theories:

> We had a real-life problem to solve… Our duty was to create a livelihood for 2 million Singaporeans. If MNCs (multinational corporations) could give our workers employment and teach them technical and engineering skills and management know how, we should bring in the MNCs (p. 58)

Singapore established the Economic Development Board (EDB) as the main public agency in charge of attracting foreign direct investments (Vietor, 2007; Schuman, 2009). The government believed that achieving economic development relies heavily on the effectiveness of the public agencies, including EDB (Schein et al., 2017). Therefore, the government invested heavily in its human capital and sent its employees to study abroad at world leading universities (Lee, 2000). The government also paid competitive salaries to its employees comparable with private sector salaries, to attract talents to government jobs. Singapore is particularly known to pay very generous salaries to its ministers (Vietor, 2007).
Lee (2000) asserts: “[t]he key to success was the quality of people in charge” (p.67). He further explains “[a]fter several years in government I realized that the more talented people I had as ministers, administrators and professionals, the more effective my policies were, and the better the results” (p.136).

The government ensured that EDB is staffed with the best talents who attended the finest education programs abroad (Lee, 2000). EDB communicated effectively was multinational corporations to convince them that Singapore can offer them lucrative investment opportunities (Vietor, 2007). Other public agencies worked on building the infrastructure and delivering the public services required for attracting new investments (Lee, 2000). The government was turned into a “foreign investment promotion machine” (Schuman, 2009, p. 59).

Despite many setbacks at the beginning, in three decades, Singapore attracted high rates of foreign investments, and achieved significant economic growth (Schuman, 2009). Among the main reasons of Singapore’s economic success is its ability to build and develop competent and effective public organizations as EDB (Vietor, 2007).

As shown above, the economic direction that Singapore adopted was different from, and in some aspects contradicting, the one adopted by South Korea. Singapore relied on attracting foreign direct investments, while South Korea actively nurtured national champions. However, both directions led to significant economic growth.
4. **What is Strategy?**

Strategy is one of those terms which mean different things to different people. Some use it to refer to a specific plan or policy. Instead of providing a theoretical definition to the term strategy, I will focus in this section on the practical function a strategy is supposed to perform. I will explain this using two frameworks from military and national security strategy literature. As mentioned in the introduction, such literature is particularly rich in strategy concepts and frameworks. In the next section 5, I will connect these frameworks to economic development.

**Ends, Means and Ways Framework:**

Strategy is a function of three elements: ends, means and ways (Gray, 2015). The ends refer to the political objectives a country is trying to achieve. The means are all the resources available to the country to achieve the ends. The ways refer to how the country will utilize its means in order to achieve the ends. A successful strategy creates an alignment between the three elements. The ends are pursued using sufficient means, and in the most effective way to achieve the ends (Gray, 2015; Gaddis, 2018). The strategy is the bridge which connects the means to the ends (Gray, 2010). Strategy scholars point to the fact that goals and aspirations of countries can be unlimited (consider, as an example, the sustainable development goals). Whereas means (resources) will always be limited. Hence, strategy is the art of connecting limited means to unlimited ends and aspirations (Gaddis, 2018). For other scholars, the art of strategy is not only finding and allocating adequate means to achieve desired ends, but also “identifying realistic and desirable ends” (Freedman, 2013, p. 137).
The following framework can be used by a country to formulate a strategy:

**Table 1  Ends, Means and Ways Framework**

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ends</td>
<td>What is the political objective?</td>
</tr>
<tr>
<td>Means</td>
<td>What are the power tools that the country has?</td>
</tr>
<tr>
<td></td>
<td>Usually it is military power, diplomacy, information &amp; intelligence, economic power and culture &amp; soft power</td>
</tr>
<tr>
<td>Ways</td>
<td>How will the country use the means it has (its power tools) to achieve the ends?</td>
</tr>
</tbody>
</table>

To illustrate, in 1967, Israel occupied Sinai Peninsula in Egypt. Sinai is separated from mainland Egypt by the Suez Canal, which is a waterway connecting the Red Sea and the Mediterranean Sea. Following 1967, the Egyptian army was positioned west of the Suez Canal, in mainland Egypt, and the Israeli army east of the Suez Canal in Sinai. The canal was separating the two armies (Shazly, 2003). In October 1973, the Egyptian army launched a war in order to recapture Sinai. Using the above framework, what was Egypt’s strategy in 1973 war?
Table 2  Egypt’s Strategy in 1973 War

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Question</th>
<th>Egypt’s Strategy in 1973 War</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ends</td>
<td>What is the political objective?</td>
<td>Liberating Sinai</td>
</tr>
<tr>
<td>Means</td>
<td>What are the power tools that Egypt has?</td>
<td>- Military force; and</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Diplomacy</td>
</tr>
<tr>
<td>Ways</td>
<td>How will Egypt use its power tools to achieve the ends?</td>
<td>- Use military force to cross the Suez Canal and control only 12 km of Sinai, while inflicting major losses on the Israeli army, in order to create a new balance of power.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Based on the new balance of power, use diplomacy to negotiate a settlement with Israel under which Israel will completely withdraw from Sinai.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Shazly, 2003; Mearsheimer, 1983)</td>
</tr>
</tbody>
</table>

The main reason Egypt decided to control only 12 km of Sinai is that this represents the coverage range of the Egyptian air defense missiles stationed in the western side of the Suez Canal. Hence, this is the range where the Egyptian troops can be protected from attacks by Israeli air force (Shazly, 2003). The above example is showing the essences of strategy: i) a clear political objective; ii) an understanding of the means (resources and capabilities) available and their limitations; and iii) determining the best way to utilize the available means to achieve the political objective.
The Four Levels of War Framework:

The four levels of war is another strategy framework used in military literature. It distinguishes between four levels as follows (Gray, 2010, 2015; Dubik, 2016)\(^1\):

*Table 3 The Four Levels of War Framework*

<table>
<thead>
<tr>
<th>Level</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- Political objective</td>
<td>The political objective pursued by a country</td>
</tr>
<tr>
<td>2- Strategy</td>
<td>How will the country use all its resources either military, diplomatic, economic, information &amp; intelligence or cultural to achieve the political objective?</td>
</tr>
<tr>
<td>3- Tactics</td>
<td>Movement of armies and troops to achieve the military aspect of the strategy</td>
</tr>
<tr>
<td>4- Operations</td>
<td>Management of particular military campaigns and specific military actions, according to the tactics, to achieve the military aspect of the strategy</td>
</tr>
</tbody>
</table>

\(^1\) I simplified the framework and adopted a sequence where tactics comes before operations, which I think is logical based on how I defined each of them. This sequence is also more accessible when I use it to create a framework for development strategy inspired by this framework.
Applying this framework to the example of 1973 war used above:

*Table 4  The Four Levels Framework Applied to 1973 War*

<table>
<thead>
<tr>
<th>Level</th>
<th>Meaning</th>
<th>Egypt’s Strategy in 1973 War</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- Political objective</td>
<td>The political objective pursued by a country</td>
<td>Liberating Sinai</td>
</tr>
</tbody>
</table>
| 2- Strategy   | How will the country use all its resources either military, diplomatic, economic, information & intelligence or cultural to achieve the political objective? | - Use military force to cross the Suez Canal and control only 12 km of Sinai, while inflicting major losses on the Israeli army, in order to create a new balance of power.  
- Based on the new balance of power, use diplomacy to negotiate a settlement with Israel under which Israel will completely withdraw from Sinai.  
(Shazly, 2003; Mearsheimer, 1983) |
| 3- Tactics    | Movement of armies and troops to achieve the military aspect of the strategy | - Air campaign against important Israeli military targets in Sinai, followed by:  
- cannon fire, to cover  
- special forces crossing the Suez Canal in boats, who will  
- create bridges connecting the two shores of the Suez Canal;  
- tanks and soldiers will cross the canal using the bridges  
(Shazly, 2003) |
| 4- Operations | Management of particular military campaigns, and specific military actions, according to the tactics, to achieve the military aspect of the strategy | Managing each of the above campaigns described under the tactics |
Using the four levels framework, there are two important features of strategy:

1- **Order of hierarchy:** The levels are listed in this framework based on their order of hierarchy (Gray 2010, Dubik, 2016). The political objective is the highest level, and it must be defined before all other levels. Then strategy comes second: the strategy is the critical question of how will the country use its resources, including military power, to achieve the political objective. Then comes the tactics: in order to realize the strategy, how will the army and troops be deployed and positioned. Finally, the operational questions: what specific actions and operations need to be done in order to deploy and position the army according to the tactics, to realize the strategy (adapted from Gray, 2010).

A successful strategy requires staying focused on the ultimate political objective, and ensuring that the strategy, tactics and operations are all serving such objective. Talking about his political objective during the American civil war, Abraham Lincoln, celebrated as one of the great strategists, once said:

My paramount objective in this struggle is to save the Union, and is not either to save or destroy slavery. If I could save the Union without freeing any slave I would do it, and if I could save it by freeing all the slaves I would do it; and if I could do it by freeing some and leaving others alone, I would also do that (Gaddis, 2018, p. 242)

Lincoln is reflecting here one of the essences of strategy. The political objective comes first as it represents the ends the strategy is trying to achieve.

2- **Continuous dialogue between the four levels:** These levels involve different actors. There is the political leadership of the country, senior army leaders, leaders of smaller army units, and the boots on the ground. A successful strategy requires continuous dialogue
between the actors in the four levels (Gray, 2010; Dubik, 2016). This is to ensure alignment and consistency between the four levels. The operations are done according to the tactics. The tactics are realizing the strategy. The strategy is providing the best way to achieve the political objective. The dialogue is particularly crucial because the facts on the ground are always subject to change. Hence, a revision and change to the operational and tactical levels, and sometimes the strategic level, might be required in order to achieve the political objective (Gray, 2010; Dubik, 2016).

One of the clear examples of misalignment between the four levels is Japan’s attack on pearl harbor. It can be seen as a tactical success and a strategic failure (Gray, 2012). Or as an operation without strategy. The attack was a tactical and operational activity according to the four levels framework. But it is not clear what exactly was the political objective and the strategy, and how the tactics and operations were aligned with them:

Table 5 Japan’s Pearl Harbor Attack through the Four Levels Framework

<table>
<thead>
<tr>
<th>Level</th>
<th>Meaning</th>
<th>Japan’s Attack on Pearl Harbor</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- Political objective</td>
<td>The political objective pursued by a country</td>
<td>?</td>
</tr>
<tr>
<td>2- Strategy</td>
<td>How will the country use all its resources either military, diplomatic, economic, information &amp; intelligence or cultural to achieve the political objective?</td>
<td>?</td>
</tr>
<tr>
<td>3- Tactics</td>
<td>Movement of armies and troops to achieve the military aspect of the strategy</td>
<td>Move air force to attack pearl harbor</td>
</tr>
<tr>
<td>4- Operations</td>
<td>Management of particular military campaigns and specific military actions, according to the tactics, to achieve the military aspect of the strategy</td>
<td>The operation of attacking pearl harbor</td>
</tr>
</tbody>
</table>
In conclusion, a strategy is meant to give a country a “sense of chosen direction” to achieve a specific political objective (Gray, 2015, p.25). Strategy is not used in military literature to mean the detailed plans for achieving the objective. The detailed plans are reflected in the tactics and operations. Strategy is before and above the detailed plans. It is the general and big picture direction that the country will take to achieve its objective. Strategy provides direction and guidance for the tactics and operations (Gray, 2015).
5. **What is Grand Strategy of Development?**

5.1 The Framework:

I will build this framework based on the meaning and function of strategy presented in the previous section. I define “Grand Strategy of Development” as the overall direction that a country takes to achieve economic development, it provides the big picture reference, guidance, direction for the development policies and plans of the country. It consists of four elements: the economic objective, the development strategy, the tactics, and operations. I propose the following framework for analyzing and designing Grand Strategy of Development:

**Table 6  Grand Strategy of Development Framework**

<table>
<thead>
<tr>
<th>Level</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- Economic Objective</td>
<td>Achieving economic development and growth</td>
</tr>
<tr>
<td>2- Development Strategy</td>
<td>-How will a country use all its resources: economic, institutional, cultural, social, and diplomatic to create the conditions needed to achieve the economic objective?</td>
</tr>
<tr>
<td></td>
<td>-How will a country connect the means it has (resources and capabilities) to the economic objective?</td>
</tr>
<tr>
<td></td>
<td>-What direction will the country take to achieve the economic objective?</td>
</tr>
<tr>
<td>3- Tactics</td>
<td>What movements need to be made by the political leadership and the administrative apparatus to achieve the strategy?</td>
</tr>
<tr>
<td>4- Operations</td>
<td>What specific actions need to be taken, and by which actor, to translate the strategy and tactics into a reality on the ground?</td>
</tr>
</tbody>
</table>
I added here one more column to elaborate on the meaning of each level:

Table 7 Elaborations on the Grand Strategy of Development Framework

<table>
<thead>
<tr>
<th>Level</th>
<th>Meaning</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- Economic Objective</td>
<td>Achieving economic development and growth.</td>
<td>Depending on the context of the country, it could be other objectives as reducing inequality or making growth more inclusive.</td>
</tr>
</tbody>
</table>
| 2- Development Strategy| - How will a country use all its resources: economic, institutional, cultural, social, and diplomatic to create the conditions needed to achieve the economic objective?  
  -How will a country connect the means it has (resources and capabilities) to the economic objective?  
  -What direction will the country take to achieve the economic objective?                                                                 | I use the term “create the conditions” because I believe in the statement that: “Farmers do not grow crops. They create the context for crops to grow”.  
  In the same sense, development is not a top-down decision. Governments can only try to create the conditions or the context that enable development to happen. |
| 3- Tactics             | - What movements need to be made by the political leadership and the administrative apparatus, to achieve the strategy? | Movements refer to a movement from certain point (A) to a new point (B), it refers to advances, changes to the status quo, change of position and taking a new position.                                             |
| 4- Operations          | What specific actions need to be taken, by which actor, to translate the strategy and the tactics into a reality on the ground? | The operational actions required to:  
  - move from point (A) to point (B),  
  -make an advancement,  
  -change the status quo,  
  - take a new position                                                                 |
Notes on the Framework:

1. I use the term “Grand Strategy of Development” to refer to the four levels combined: the economic objective, the development strategy, the tactics, and the operations. The term is presented through the above framework. I use the term “development strategy” to refer to the development strategy element, which is the second level of this framework.

2. The development strategy is not the detailed economic plans. The detailed economic plans are reflected in the tactics and operations. Development strategy is before and above the detailed plans. It is the general direction that a country will take to achieve its economic objective.

3. Order of hierarchy: The economic objective is the highest level, and it must be defined before all other levels. Then the development strategy that can lead to this objective is crafted. The tactical level needs to be subordinated to the strategy. The overall direction is set first, then after that the tactics (movements) that are needed to take this direction. The operational level is subordinate to the tactical level. The operational level is the implementation of the actions required to make the moves (that are determined by the tactics) in the direction (that is determined by the strategy) to achieve the economic objective.

4. Dialogue between the four levels: There are different actors in each of the four levels. There is the political leadership of the country, senior bureaucratic officials, frontline officials and others. A successful Grand Strategy of Development requires continuous dialogue between the actors in the four levels. This is to ensure alignment and consistency between the four levels.
5. The economic objective and development strategy are both created and designed at the level of the political leadership (the decision makers), or what we can call the “strategist”.

6. The development strategy is what gives the tactics and operations their meaning and purpose. Without the strategy, the tactics and operations are just movements and actions not taking any purposeful direction (Gray, 2010, 2015). Hence, they are unlikely to lead to achieving the economic objective.

7. It is possible that the development strategy will not fully achieve the economic objective. This is because the relationship between cause and effect in development is not always clear, and may be impacted by many factors other than the strategy. Therefore, development strategy is not a linear function or a conclusive theory of change. However, what the development strategy does is to ensure that the tactics and operations are taking a country to a certain direction that might get it closer to the economic objective. This is rather than just moving in many different, and may be contradictory, directions that can lead to nowhere.
5.2 China’s Grand Strategy of Development:

Using the Grand Strategy of Development framework, the first decade of China’s economic transformation that started in 1979 can be presented as follows:

*Table 8* China’s First Decade of Economic Transformation

<table>
<thead>
<tr>
<th>Level</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1- Economic Objective</td>
<td>Achieving economic development and growth</td>
</tr>
<tr>
<td>2- Development Strategy</td>
<td>Experiment dual track economic policies, hybrid system combining government intervention and market forces (Qian, 2003). Gradual open up depending on the results. Local governments to play key role in development. “Directed Improvisation” (Ang, 2016, p.48)</td>
</tr>
<tr>
<td>3- Tactics</td>
<td>-Dual prices for agriculture products: quantities of agriculture production in excess of government mandated quantity can be sold at market price. -Economic and administrative decentralization. -Create incentives for local governments to achieve economic development through: i) ownership of investments through township-village enterprises (TVEs); and ii) retaining part of local tax revenues. -Open up for foreign direct investments (FDI) and private investments in certain locations of the country. -Align the financial interests of government employees with the new economic direction.</td>
</tr>
<tr>
<td>4- Operations</td>
<td>-Set the price and government mandated quantities of agriculture products. Issue decrees permitting the sale of excess quantities at market prices. -Establish and manage TVEs. -Establish and manage special economic zones (SEZs) for FDI. -Local governments and frontline officials to experiment ideas on how to create and attract investments to their counties. -Implement new salary system for government employees linking their income with economic growth in their counties.</td>
</tr>
</tbody>
</table>
The Economic Objective

Reflecting his focus on economic growth as the ultimate economic objective, Deng Xiaoping famously said “it does not matter whether it is a black or white cat as long as it catches mice” (Ang, 2016, p. 79; Schell et al., 2014, p. 268). Meaning that it does not matter whether China adopts economic policies based on government interventions, or based on market economy, as long as the policies can help to achieve economic growth. Deng in this sense is reflecting one of the main essences of strategy. The economic objective comes first, and all other levels should serve such objective. Deng statement echoes Lincoln’s quote (see section 4 of this paper). They were both strategists, who were able to stay focused on the ultimate objective, and employ the strategies that helped them in achieving such objective.

What happened on the Strategic Level?

The central government set the development strategy, which is the overall economic direction of the country that aims to achieve the economic objective. However, the central government did not just set the development strategy, and asked local governments and frontline officials to directly implement the strategy. The central government had to translate the development strategy into tactics and operations.

What happened on the Tactical Level?

The central government decided to make a number of moves to achieve the strategy. These moves cannot be decided by local governments or frontline officials. The moves include:

- having dual price for agriculture products;
- allowing local government to own investments;
-allowing local government to retain part of the tax revenue; and

-allowing the establishment of SEZs.

**What happened on the Operational Level?**

The central government took certain actions to translate the tactics into reality on the ground. These included for example setting the dual price of agriculture products and establishing SEZs. On the other hand, local governments established and managed TVEs, and improvised to attract investments to their counties.

**Experimentation and Improvisation as a Strategy:**

The central government did not just say to local government and frontline officials we have a poverty problem, experiment and try solutions until we resolve it. This could have led to nowhere. What happened in fact is that there was strategy, tactics and operations from the central government. Many of the tactics and operations were meant to create a space and empower local governments to find solutions on the operational level. After setting the strategy, tactics and operations from the central government, local governments had a space and capacity to navigate local solutions to the local problems of each county, within the development strategy.
Second Decade of Economic Transformation:

Following a decade of experimentation strategy, the second decade of China’s economic transformation witnessed more steps towards market economy, and modernizing the administrative apparatus (Schell et al., 2014). Hence, a new Grand Strategy of Development was followed by China during this period, and it can be presented as follows:

Table 9 China’s Second Decade of Economic Transformation

<table>
<thead>
<tr>
<th>Level</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- Economic Objective</td>
<td>Achieving economic development and growth.</td>
</tr>
<tr>
<td>2- Development Strategy</td>
<td>More firm direction towards market economy. Modernize the administrative apparatus. Exercise control over public funds and reduce corruption in government. Retain the role of local governments in development. (Schell et al., 2014; Ang 2020)</td>
</tr>
</tbody>
</table>
| 3- Tactics | -Privatize TVEs and many state-owned enterprises (SOEs).  
- Allow more private investments.  
- Grant more protections to private property rights.  
- Acknowledge the role of private sector in development.  
- Public financial management reforms.  
- Retain economic and administrative decentralization. (Schell et al., 2014; Ang 2020) |
| 4- Operations | -Initiate, regulate and manage a privatization process.  
- Issue laws to protect private property rights.  
- Issue Communist Party statements, and amend the constitution to acknowledge the role of private sector in development.  
- Centralize public financial management and create the required systems and procedures for that. (Schell et al., 2014; Ang 2020) |
5.3 South Korea’s Grand Strategy of Development:

Using the Grand Strategy of Development framework, South Korea’s experience can be presented as follows:

*Table 10 South Korea’s Grand Strategy of Development*

<table>
<thead>
<tr>
<th>Level</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- Economic Objective</td>
<td>Achieving economic development and growth.</td>
</tr>
<tr>
<td>2- Development Strategy</td>
<td>Export led growth based on creating and supporting local private companies (national champions) in specific sectors.</td>
</tr>
</tbody>
</table>
| 3- Tactics | - Review companies’ export reports, grant cheap credit and other government subsidies to companies based on their exports level “i.e.: export discipline” (Studwell, 2013, p.76). The export discipline will force companies to compete globally, and hence they will be under pressure to increase their competitiveness and quality.  
- Protectionism measures to give space to local companies to grow and develop. The export discipline will ensure that these measures do not lead to inefficiency and low competitiveness.  
- Grant financial incentives to investors in certain sectors which have strong export potential.  
- Bet on certain companies which have strong potential for success and develop close ties with them “i.e.: picking winners” (Schuman, 2009, p.38.) |
| 4- Operations | - Establish the Economic Planning Board (EPB) to:  
i) enforce the export discipline; and ii) set the economic plans of the country and identify the sectors of focus.  
- Set import restrictions and high tariffs on certain products.  
- Take the actions needed to grant cheap credit and other financial incentives to certain private companies.  
- Facilitate the export process. |
5.4 Singapore’s Grand Strategy of Development:

Using the Grand Strategy of Development framework, Singapore’s experience can be presented as follows:

Table 11  Singapore’s Grand Strategy of Development

<table>
<thead>
<tr>
<th>Level</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- Economic Objective</td>
<td>Achieving economic development and growth</td>
</tr>
<tr>
<td>2- Development Strategy</td>
<td>Position the country as a regional hub for multinationals. Export led growth based on attracting foreign direct investments (Vietor, 2007, p.55)</td>
</tr>
<tr>
<td>3- Tactics</td>
<td>Making Singapore a “first world oasis in a third world region” (Lee, 2011, p.58). This entails: strong rule of law, taking measures to fight government corruption, and making Singapore a remarkably clean city.</td>
</tr>
<tr>
<td></td>
<td>- Open for foreign workers especially high skilled.</td>
</tr>
<tr>
<td></td>
<td>- Invest in the civil service.</td>
</tr>
<tr>
<td></td>
<td>- Invest in education to prepare the labor force to work for multinationals.</td>
</tr>
<tr>
<td>4- Operations</td>
<td>Create the Economic Development Board (EDB) whose main function is to attract foreign investments. Staff it with competent officials.</td>
</tr>
<tr>
<td></td>
<td>- Grant scholarships for studying in world class universities, in particular for government employees.</td>
</tr>
<tr>
<td></td>
<td>- Pay competitive salaries to government employees.</td>
</tr>
<tr>
<td></td>
<td>- Issue legislations to facilitate foreigners’ work permits and residency.</td>
</tr>
<tr>
<td></td>
<td>- Clean the city and apply tough penalties on violations.</td>
</tr>
</tbody>
</table>
6. **Strategy from Thought to Action:**

Strategy is an intellectual activity (Gray, 2015). It reflects the thinking about the best direction and way that can be taken to achieve the objective. While tactics and operations are strategy in action (Gray, 2015). In order to move from thought to action, the strategist needs to think carefully how to align the tactics and operations with the development strategy. The tactics and operations are the levels where the strategy will get implemented, usually through the administrative apparatus.

In this respect, military strategy has two obvious advantages over development strategy. The first is the tight command-and-control structure. Second is the moral aspect reflected in the belief that people might sacrifice for something bigger than themselves. In order to align the tactics and operations with the development strategy, the strategist needs to consider three main critical questions:

1. How to build the state capability needed to implement the development strategy (“State Capability”)?
2. Does successful implementation of the development strategy require influencing or changing some aspects of the culture (“Cultural Change”)?
3. How to align the interests of the main actors at the tactical and operational levels, in particular the administrative apparatus, with the development strategy (“Alignment of Interests”)?
6.1 State Capability:

In China, local governments were empowered by the central government to pursue economic growth in their regions through two main ways: i) allowing local governments to build their own financial resources by retaining part of the tax revenues and owing investment vehicles; and ii) giving local governments the space and discretion to experiment development policies that fit their local context, within the development strategy adopted by the central government.

In South Korea and Singapore, specific agencies were created for the purpose of implementing the development strategy. These were the EPB and EDB respectively. The main mandate of each of these agencies was translating the development strategy into tactics and operations.

To perform its mandate, the EPB in South Korea was entrusted with significant powers. It was responsible for the country’s budget planning and managing foreign capital and foreign loans. Hence, it had the power to direct resources to achieve its policy goals (Han, 2014). The head of the EPB served as the deputy prime minister. The EPB exercised power over other ministries and acted as a “super ministry” considering the entire economy as its exclusive territory (Kim, 2013).

From 1963, South Korea introduced competitive and meritocratic process in order to appoint competent civil servants (Kim, 2013; Han, 2014). EPB recruited the top calibers who studied at Korea’s best university, Seoul National University, or studied abroad at world renowned universities (Han, 2014). Many managers at the EPB were alumni of Seoul National University, who passed a highly competitive civil service exam, and mainly studied business and economics (Kim, 1992). This common background contributed to creating a cohesive bureaucratic elite at the EPB and fostered their group identity (Kim, 1992, 2013).
In 1971, Korea Development Institute (KDI) was established to act the main national think tank on economic policy issues (Han, 2014). KDI was staffed was research fellows who studied economics in the US and other developed countries (Han, 2014). The EPB fully utilized KDI and its expertise to inform economic policy (Han, 2014).

EPB was subject to less laws and regulations compared to other agencies in order to give it more autonomy and flexibility to respond to changes in the policy environment (Kim, 2013; Han, 2014). Its organizational culture was more open and creative, and not based on a top-down approach (Han, 2013). The dominant mindset was “result oriented” more than “process oriented” and there was strong emphasis on the efficient implementation of policies (Han, 2014). Considering its responsibility for managing foreign capital and foreign funding, EPB officials were “internationalists” who had global mindsets (Kim, 2013; Han, 2014). EPB became a platform for producing statesmen, and many ministers and vice ministers in South Korea were former EPB officials (Kim, 2013; Han, 2014).

In Singapore, as indicated under section 3.3, the EDB recruited top calibers many of whom received high quality education abroad, and paid them competitive salaries. EDB invested in the training and development of its employees, accommodated their needs, and considered them its most valuable asset (Schein et al., 2017). EBD officials were intrinsically motivated as they believed they are on a critical mission for building their country (Schein et al., 2017). The enjoyed a level of autonomy in performing their jobs (Schein et al., 2017). All this created an organizational culture fostering innovation, knowledge sharing, commitment to learning, and building trust and partnerships with international investors (Schein et al., 2017).
6.2 Cultural Change:

China’s development strategy contradicted the conventional beliefs and values of a communist system. Hence, the development strategy required gradual introduction of new beliefs and values. These beliefs and values were reflected in the statements and slogans used by Deng Xiaoping and the Chinese leadership in the early years of the economic transformation: “Let some people get rich first”, “Poverty is not socialism”, “Markets are good”, “Reform and Opening” (Schell et al., 2014, pp. 261, 280). A new belief was created in China: “To get rich is glorious” (Schell, 1986). The new slogans reached their peak later in a slogan in the county of Hubei that reads: “Investors are Gods, prospectors of investors are heroes, bureaucrats are humble servants, and those who harm corporate interests are sinners” (Ang, 2020, p. 17). These new beliefs are the real cultural revolution that China experienced!

In South Korea, the main cultural trait that was created along with the development strategy is competitiveness. To receive government support and subsidies, Korean companies had to compete with companies from different parts of the world for a global market share. Also, Korean companies had to compete among themselves to determine who will be the national champion of each strategic industry that will receive the most government support (Kim, 2013). Competitiveness became an important part of the organizational culture of Korean firms and even became part of the culture of many public organizations (Im, 2019). Although this requires further research, I propose that this competitiveness might have been channeled from the corporate culture to the Korean society at large. This can be seen in the news reports that address the stressful competition between Korean students that may reach unhealthy and suicidal levels (e.g. Park, 2021).
In Singapore, there is a core belief that is fundamental to its development story. Singapore is a small country (city state) that is facing existential threats, complacency is not an option and development is the only way forward. This belief can be traced back to the famous 1965 interview with Lee Kuan where he announced, with tears, that Singapore is no longer part of the Federation of Malaysia and has to face the world alone (Lee, 2000). The leaders of Singapore developed other critical beliefs. Government should play an entrepreneurial role in economic development, a competent civil service is a prerequisite for development, and the main recourse of Singapore is its people (Schein et al., 2017).

A further critical belief was developed along the way that contradicts the conventional wisdom of developing countries during the 1960s, and was fundamental to the development strategy. Foreign direct investments are good for Singapore. Attracting such investments is the country’s path to development (Lee, 2000).
6.3 Alignment of Interests:

In China, the incentive structures designed for local governments and government employees (as explained under section 3.1 and section 5.2) are aligning the operational level performed by the administrative apparatus with the development strategy. The more economic growth is achieved through strategy of experimentation and gradual open up, the more financial rewards the administrative apparatus will receive. In South Korea, EPB officials were granted a distinguished status among Korea’s bureaucracy. They received various privileges, enjoyed job security, and were offered significant promotion opportunities by becoming ministers and vice ministers (Kim, 2013). Also, in South Korea, as indicated before, the main growth engine was private companies. Linking the government support to those companies with their export performance was the main tool to align private corporate interests with South Korea’s development strategy. And Singapore did not just rely on the sense of mission and purpose that public servants should have. A competitive financial compensation, scholarship opportunities at top universities, and a rewarding career path attracted talents to civil service and to the EDB.
7. **Conclusion:**

In this paper, I termed and defined “Grand Strategy of Development” as the overall direction that a country takes to achieve economic development, it provides the big picture reference, guidance, and direction for the development policies and plans of the country. I propose the following framework for analyzing and designing Grand Strategy of Development:

**Table 12: Grand Strategy of Development Framework**

<table>
<thead>
<tr>
<th>Level</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- Economic Objective</td>
<td>Achieving economic development and growth. Depending on the context of the country, it could be other objectives as reducing inequality or making growth more inclusive.</td>
</tr>
</tbody>
</table>
| 2- Development Strategy | -How will a country use all its resources: economic, institutional, cultural, social, and diplomatic to create the conditions needed to achieve the economic objective?  
                      -How will a country connect the means it has (resources and capabilities) to the economic objective?  
                      -What direction will the country take to achieve the economic objective?                                                                 |
| 3- Tactics | What movements need to be made by the political leadership and the administrative apparatus to achieve the strategy?                                                                                      |
| 4- Operations | What specific actions need to be taken, and by which actor, to translate the strategy and tactics into a reality on the ground?                                                                            |

I use the term “Grand Strategy of Development” to refer to the four levels combined: the economic objective, the development strategy, the tactics, and the operations. The term is presented through the above framework. I use the term “development strategy” to refer to the development strategy element, which is the second level of this framework.
The development strategy is not the detailed economic plans. The detailed economic plans are reflected in the tactics and operations. Development strategy is before and above the detailed plans. It is the general direction that a country will take to achieve its economic objective.

The levels in the Grand Strategy of Development framework are arranged based on their order of hierarchy. Each level must follow the preceding level. A successful Grand Strategy of Development requires alignment, consistency and dialogue between the four levels. The operations are done according to the tactics. The tactics are realizing the development strategy. The development strategy is providing the best way to achieve the economic objective. The dialogue is particularly crucial because the facts on the ground are always subject to change. Hence, a revision and change to the operational and tactical levels, and sometimes the strategic level, might be required in order to achieve the economic objective.

China, South Korea, and Singapore each followed a different Grand Strategy of Development.

Table 13  The Development Strategy of China, South Korea and Singapore

<table>
<thead>
<tr>
<th>Country</th>
<th>China</th>
<th>South Korea</th>
<th>Singapore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Strategy</td>
<td>Experiment dual track economic policies, hybrid system combining government intervention and market forces. Gradual open up depending on the results. Local governments to play key role in development (Qian, 2003; Ang, 2016)</td>
<td>Export led growth based on creating and supporting local private companies (national champions) in specific sectors (Schuman, 2009; Studwell, 2013)</td>
<td>Position the country as a regional hub for multinationals. Export led growth based on attracting foreign direct investments (Vietor, 2007, p.55)</td>
</tr>
</tbody>
</table>
Their development strategies were implemented through different tactics and operations, and involved different types of institutions with different mandates that fit each development strategy (compare for example the mandate of the EPB in South Korea as explained in sections 3.2, and 5.3, with the mandate of the EDB in Singapore as explained in sections 3.3 and 5.4).

The three countries were successful in aligning the four levels of the Grand Strategy of Development. They created powerful “strategy-implementing institutions”, gave them formal authority, staffed them with high calibers, and created incentives aligning their interests with the development strategy. These institutions enjoyed autonomy and had the power to improvise to perform their mandate. However, such improvisation was happening within the boundaries of the development strategy of each country. Implementing the strategy involved a cultural change, by introducing new beliefs and values that fit with the development strategy.

At a later phase of its economic development, China adopted a new development strategy:

**Table 14 The Development Strategy of China**

<table>
<thead>
<tr>
<th>First Decade of Economic Transformation</th>
<th>Second Decade of Economic Transformation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Experiment dual track economic policies, hybrid system combining government intervention and market forces. Gradual open up depending on the results. Local governments to play key role in development. (Qian, 2003; Ang, 2016)</td>
<td>More firm direction towards market economy. Modernize the administrative apparatus. Exercise control over public funds and reduce corruption in government. Retain the role of local governments in development. (Schell et al., 2014; Ang 2020)</td>
</tr>
</tbody>
</table>

The new development strategy was implemented through new tactics and operations.
Therefore, development strategy and all the other elements of the Grand Strategy of Development are context specific. They need to fit with the local context and development phase of each country. The purpose of analyzing countries’ Grand Strategy of Development is not to replicate it. It is rather to advance the capacity of “strategists” to design and navigate alignment and interaction between the four levels of the framework successfully, each in their own local context, to achieve development. This alignment and interaction, in my view, is critical for determining a country’s development outcomes. Based on understanding how the four levels interact, each country can design a Grand Strategy of Development in accordance with its specific situation and circumstances.
Acknowledgments

I am deeply grateful for all the support I received from my advisor Professor Michael Woolcock. His profound knowledge guided me through this research. I also appreciate the valuable opportunity given to me by both Professor Ricardo Hausmann and Professor Dani Rodrik to discuss this research with them. It is such a privilege to receive feedback and insights from this distinguished community of scholars.
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