

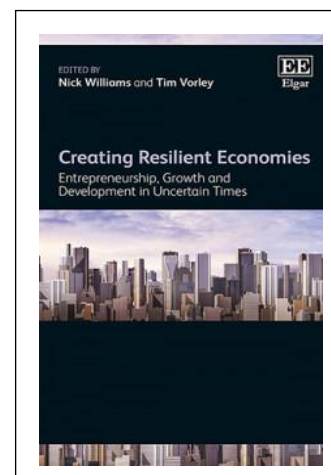
Book Review

Reviewing How ‘Creating Resilient Economies’ can Help Developing Countries in Uncertain Times

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Abstract This paper reviews the work of William and Vorley (2017) on the creation of more resilient economies, and then apply it to developing countries. The literature reviews, along with the synthesis of the book, help to explore the latest developments of resilience economy (RE) in relevance to the accumulated human experience and global developments in the absorbance of shocks. The motivation of RE is measured on developing countries in general. Finally, the implications of the book for developing countries is put forward before closing on general recommendations.

Keywords Resilience, Resilience Economy, Recovery Strategies, Developing Countries

1. Introduction

This review focuses on the definitions of RE and how it evolved, especially in the last two decades. Then, RE is introduced as a discipline of requirements that have techniques, methods for each specific condition. The relation of RE on entrepreneurship, or small and medium enterprises (SMEs) are discussed, as part of the role of RE in absorbing challenges, or dealing with technological developments, or knowledge economy requirements. Buheji (2018).

After the review, the importance of the book to the developing world, especially the Arab, is discussed. This would be based on the motivation for RE and its ways of dealing with the different crisis as synthesised from the work of William and Vorley (2017) on ‘resilient creation economies’. Then the author of this paper set forward the implications of this book, for all the countries with more focus on developing countries.

2. Literature Review

2.1. Definitions of Resilience Economy

Resilience economy is about the ability to transform and change to the circumstances without degrading the aim or the function targeted. Economic resilience is still an emerging field in the social sciences. The rationale for such work is to develop the capacity of organisations and communities’ tolerance in uncertain economic times. It is a field that depends on adaptation and proactively embracing change.

Hence RE is about the prospect of bouncing back or bouncing forward. It is a field that helps the organisations, the communities of the countries to accommodate change and withstand systemic interruptions or discontinuities and to do so without disrupting the majority of the system.

2.2. Evolution of Resilience Economy as a Discipline of Requirements

Resilience has evolved from natural and physical sciences until it was adopted recently more in social sciences. This has taken many phases of transformation until it became essential to social thinking. Today RE is has become today as a proactive for how social systems are constructed and to be understood, besides how to influence any potential shocks.

Resilience Economy requires us to understand the underlying dynamics. This means we need to understand, absorb and realise: the dynamics of the economic growth, the recession and the recovery. RE focus on understanding the factors that shape and determine the nature of economic change and performance over time, instead of focusing on economic cycles only.

Buheji (2018) mentioned how RE as a concept comes from multi-disciplinary backgrounds as management, psychology, ecology, social psychology, socio-economy, sociology. Recently, RE was also joined by economic geography. RE focuses on bringing in communities from different sectors to work together to design and deliver strategic priorities and develop competitiveness.

2.3 Techniques/Methods of Resilience Economy

The techniques of resilience economy depend on monitoring systems under observation and externally induced disruption or crisis. RE try to come back to business as usual, but this not necessarily always the best solution.

Resilience has become a key concept how governments, organisations and communities should deal or prepare for external or internal shocks be it political, economic, social, technological or even legal and environmental. Also, RE helps in mitigating and eliminating the effects of such shocks or crisis.

The review of the book provides an evaluation of whether the collections of papers in this study provide academic insights. Besides the review target to investigate what implications this book carries for the future governments, organisation and communities' policies and practices.

2.4. Learning from Physiological Resiliency

The mechanics of the human body is an excellent example of resiliency. The body works on duplicating the essential components of the body to ensure there is some redundancy in the system. Buheji (2018).

Buheji (2015) on reviewing the work of Andrew Zolli and Ann Healy (2013) coincides with the work of William and Vorley on seeing that the system of the body and its cells is based on diversity where specific cells would overlap the responsibility of the other cells. The system of the body is modular, i.e. each system can almost work independently from the other. Hence, it is like a fool-proof system, or what the Japanese call poka-yoke lean system design.

The system is also adaptive and prudent (wise), besides being harmony with other basic or advanced systems. William and Vorley, illustrated this by the accident of Toyota valve factory, where the factory became on fire and made a complete halt stop to the company production of valves stopped Toyota from car productions only for five days. This was due to Re capacity that came from the strong network of Toyota with car valves suppliers, which was due to modularity and redundancy, besides adaptation in its system.

William and Vorley believe that mechanical non-disruptive systems which are based on set goals and plans to solve problems is not sufficient any more where business becoming more dynamic and work in an unstable environment. We need more biological thinking than mechanical thinking, i.e. to shape challenges, rather than to control challenges.

Instead of asking 'how good our game?' (mechanical thinking), need to think now more about 'how long our game would last, before we need to shift to another one?' (biological thinking).

3. Methodology

The research question of this book and literature review is 'how can the creation of more resilient economies help the developing countries in uncertain times?'

Based on the literature reviewed and the synthesis of the work of William and Vorley (2017), a motivation of 'how resilient economies are created'. Then, this work is reflected in how it would be created in developing countries and especially in the weakness known for these countries as the effectiveness of entrepreneurship programs and culture.

4. The Motivation for Creating Resilient Economies

4.1. Introduction to the Rising Importance for Creation RE

Through RE people, organisations and communities are all motivated to create resources and optimise utilising them or conserving them during times of crisis or post-crisis.

With RE, the motivation would not be for people, but in dealing with energies, social relations, knowledge, conditions and physical or natural assets.

4.2. Role of RE in Defining How to Deal with Crisis

RE focus on how we deal with the crisis. For example, riots are a social, human-induced crisis that increases conflicts and make it difficult to make proper or effective decisions in ambiguity and fussiness.

Besides the known diversity, the RE also encourage the organisations and especially the entrepreneurs to have a plan B to deal with traumas or sudden disruptions. i.e. to be both healthy and profitable, resources for this status need to be identified before and be ready for utilisation aftermath of the crisis. Buheji (2017).

RE also define other ways of dealing with the crisis to be able to bounce backwards or forward by encouraging on means that would raise the capacity to conserve on the resources utilised or considered to be essential.

The book uses experiential learning from those who managed to survive or been victimised during riots. For example, part of RE is to study how the strategies of certain small businesses helped them to survive or manage the crisis.

4.3. Role of RE on Sustaining an Effective Entrepreneurship Environment

The book focuses on the vulnerability of the entrepreneurs and small business, especially during the crisis, taking the last crisis of Greece as an example.

Studies of RE now focus on the extent of crisis and shocks on the entrepreneurs and what would differentiate their ability to resist or recover from shocks. The RE try to integrate both human capital, with innovation and entrepreneurship and creativity to enhance the readiness of the entrepreneurs. Buheji (2017).

The book shows the differentiation of knowledge economy based jobs where their ability to bounce back is better than other jobs. This raised the intersection between innovation and resilience.

5. Implications for Creating RE in Developing Countries

5.1. Importance of RE Creation in Uncertain Time

This book is highly essential for re-evaluating the micro-economic policies in developing countries, specifically about socio-economic structures with the local entrepreneurs' empowerment policies.

Depending on positive growth, William and Vorley (2017) emphasis that the developing countries may vanish quickly when the immediate opportunities expire, or when a crisis occurs. This means more middle-class families in these developing economies could be vulnerable, and their initiatives would be less cost-effective. Smith (2013).

The book gives a direction to socio-politically congested developing countries, as in the Arab World, to re-invent its resilience by bringing the political and the business communities together. If this synergy achieved, it would bring to the communities in these developing countries to realise developments and sustain the economic growth that would lead to a differentiating resilient economy.

5.2. How RE Creation Would Enhance Developing Countries Adaptability?

One of the most chronic problems in developing countries is their rigidity in accepting change. RE as per the work of William and Vorley (2017) could ignite the capacity of the different sectors in the developing communities to remodel itself towards being more adaptable and flexible for engaging the stakeholders in its service. This very important in a current complicate delicate socio-political environment where many locations around the world and especially Arab developing countries. Since many of the developing countries trying to shift to be emerging economies, they are more competing today to attract investors and to show their resilience capability across different sectors. RE could offer this gradual convergence towards the betterment of realistic, sustainable economic performance in a short time.

5.3. Role of RE in Fostering a Realistic Innovative Environment

RE would help in fostering an economy that is based on the real innovative and entrepreneurial spirit that meet the demands for dynamic and diverse conditions. The drive to establish tolerance and resilience stimulates the competition and drive towards more innovation that creates more sustainable employment opportunities, specifically for youth in the Arab and developing countries. These attempts should lessen the impact of intrinsic and extrinsic sudden shock and reduce total socio-economic dependency on the specific type of sector or activities or resources. Buheji (2017), William and Vorley (2017).

RE is thus seen as a renewal stimulator for new paths that prevent our communities mindset from being in 'lock-in' state. This stimulation not only should encourage diversification of the products or the services, but also bring the inappropriate dynamic partnership between private, non-profit and public sectors. This would make the communities mindset shift from scarcity to an abundance of opportunities and differentiated competitiveness resources. The key performance indicators or the outcomes measures for such economies would shift towards gauging the amount of flexible and adaptable businesses created rather than several start-ups established, or amount of loans or seeds investments disbursed. Antoniadis (2017).

5.4. Role of RE in Evaluating and Calibrating Developing Countries Policies

Through RE projects, the developing countries decision-maker can determine the adaptive ability of the different sectors and the different policies, including those controlled by the political economy. RE projects help to define where to invest more in relevance to the business environment, the future capital profile, including the type of human capital needed, the

institutional arrangements and type of infrastructure, which are trusted criteria is highly needed post-corrupted countries. Antoniades (2017), Buheji (2017), Smith (2013).

Thus, RE can be a tool for exploiting where re-engineering or restructuring are needed most and when and for how long. Williams and Vorley (2017) of the opinion that getting involved with RE projects inspires the stakeholders to get engaged with setting a 'resilience agenda'.

5.5. RE Role in Checking the Integrity of Developing Countries Labour Funds

RE found to be very important for checking the integrity of developing countries different labour funds clusters. RE would help to shift LF measures in its capacity to conceive the beneficiaries' businesses survival, or growth following a crisis, rather than just disbursements of loans.

This is again very important for developing countries where many different clusters of labour funds either not effective or it is corrupted, or its return on investment could not be traced yet.

6. Discussion

6.1. Uniqueness of 'RE Creation' Book

William and Vorley (2017) work have much uniqueness that is not easily clear or available in other RE books. The editors used 'bottom-up approach' and in creating the common thread of the papers in the book. Therefore, RE is presented here from different backgrounds and different disciplines.

The book introduces the resilience economy as a means for raising the capacity of resilience thinking and enhancing its strength as a conceptual model, through responding to external shocks and potential threats. However, the editors show how the different RE theorists and practitioners agree that there is standard rhythm about managing the capacity of the business, the community, or the country to enhance its capability to 'bouncing backwards' or 'bouncing forward'. Buheji (2019).

Besides the book brings in three types of 'recovery strategies' that represent a holistic approach to dealing with any crisis. These recovery strategies are social, economic and personal.

6.2. Implications of the Book Specifically on Developing Countries

The book focuses on how people, organisations, governments and communities could impact the economy and make it more resilient.

The book shows that RE could have its influence on many sectors, despite being focused on the public sector. The book sets a clear direction for establishing both cultural and social base for the best conditions that enhance the adaptability, the responsiveness and the flexibility to the different potential types of crises. This is highly important for resilience economy audit that would be highly beneficial for developing countries.

The book is very suitable for think-tanks to the world leaders, but specifically again complicated economies as the developing countries. It is a piece of reference that is even suitable for policymakers and academics of multi-disciplines.

6.3. RE Creation and Communities Mindset Change

Despite that the editors William and Vorley (2017) confirm that there are 'no one size fits all' RE programs and that each program needs a particular measurement or be approached based on the conditions of the targeted beneficiary, or on the context in which they are applied in, the book carries many holistic approaches that are suitable for serious countries that want to change. Besides, the book encourages static countries as in the developing Arab countries to adopt resilient solutions based on the external challenges which come through experimentation only. Antoniades (2017).

7. Recommendations & Conclusions

Creation of economic resilience is not any more a crisis management program, but in a future growth and development path framework that is related to the capacity and the will to survive and differentiate.

This theoretical analysis of resilience creation fosters resilience thinking and the opportunities it carries to re-frame and reform any economy and especially the economies of the developing countries. The comprehensive approaches offered in the work of William and Vorley (2017) are highly suitable for further research and development for many different sectors not mentioned in the book and provides an excellent base for cultures and communities that have the clear intent to improve their adaptability and responsiveness to external or internal challenges.

Academics and practitioners could benefit from this reviewed book as it would help to bring their collective efforts and could create a common language for those that need to respond to the crisis more effectively.

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