

1 – The success of a corporate entity can be based on the firm’s successful management, historic corporate track-record, product innovation as well as on its ability to differentiate from its peers and deliver quality products and services.

How can these “success drivers” be applied to the economic management and governance of a sovereign entity?

Governing a nation or a country (the public sector) is a very complex undertaking and effort. The deeds and actions affect and apply over a wide variety and groups of population, economically and socio-economically diverse groups with different backgrounds. The principal accountability is towards the public and the aim is, among other things, towards economic growth and public benefit in a sustainable matter (long term). Here you are serving the best interest of the general public (although it is often debatable on what is really the best interest for the general public).

Governing and managing a corporate entity (listed or private company), is a less complex mission from the view point that a corporate entity/ company is driven mostly by commercial and economic goals and objectives, including a corporate mission. In managing a company you are accountable not only to their owners and/or shareholders, but also to the interests of employees, customers, suppliers as well as the interest of the local community where the corporation is operating. Your mission is to help expand the company, help it grow profitably, but also in a way so that its growth can be sustainable over the long term in line with interests of the mentioned stakeholders.

As you see in both cases, there is need for strong and sound governance driven by principles such as: accountability; honesty, integrity, transparency and excellence. I would say these are all common in both cases. Without these key principles, governance of either sectors would be susceptible to failure.

In the governance of country (sovereign entity) we often see the borrowing and adaptation of successful corporate practices in their government, especially with regards to setting clear vision, establishing short-, medium and long term objectives; inviting experienced and professional managers in vital industrial and economic areas to manage complex economic or financial matters and implementation of objectives. The selection of experienced and credible managers to supervise and run the public finances with a medium and long term perspective is a important requirement here. In fact a large number of success governments have borrowed a lot of governing and management principles from the private sector.

A lot of the western nations (Australia, US, UK and others) that have adopted policies and/or management / governance and management and, I would go as far as saying corporate culture from the private sector (the successful examples), have managed to prosper economically or be more resilient during crisis situations.

I have had the pleasure of advising public and government officers/bodies (South Africa, Croatia, Greece) on large scale complex infrastructure projects, and I was able to see how detrimental sometimes can be the delaying of important decision or lack of a decision making process or effective

leadership and the loss of value time. These some are some of the lessons I gained from this extremely intense experience.

This need to be done, completely away from any personal interest, or political ideologies or any other matters that may confuse their judgment and interfere with the commonwealth of their population or communities.

I believe the time has come to bring on board not only with experienced managers with the proven skillsets and requisite success track record in their fields of expertise but also with the passion to help their country and willingness to work hard and collectively (away from any personal interests and self-promotions).

2 – When (Greek) politicians repeat the notion of “development” what do they mean. Can this be a key driver for corporate entity and how can this term apply to a sovereign entity?

Development, for me, based on my experience, means creation all the way from the inception of an idea or specific goals, driven by clear vision to the conversion or realization of these ideas into successful practice. Development for a corporate entity (the definition may include growth, expansion, new product lines or services, increased sales) may have again a different meaning from that of a public sector/government (economic / industrial development; construction activities; implementation infrastructure projects). In both cases development is a lengthy and complex process that requires strong leadership, capable management, strong expertise in the target areas of growth, efficient coordination, strong team work, continuous input from various areas vital for the growth.

This requires a lengthy, possibly over a many year time horizon, and carefully designed process. Implementation of strategy and creation is not the product of sudden change (from one day to another); development is the product of clear vision; teams of experts, carefully selected, who understand and can cope with the technical complexities of the specific sector, whether it has to do with energy, agriculture, food, or other matters,... who are ready to work together, in an un-selfish manner, without their egos interfering with the decision making process and the team leadership.

in terms of the recipe for success on development, here are the lessons I learned –

- clear vision along with realistic goals that are achievable. It is ok to aim high, but we have to be realistic in what we are aiming to achieve
- team of top experts
- continuous hard work
- effective policy to create an attractive economic and commercial environment to attract capital
- certainty (key ingredient) – capital markets need certainly because their investment horizon can be anywhere from over 10 years to 20 years or more
- a supportive environment from the government
- laws working well and not against the .... Sector and efforts

In terms of people who are leading such efforts as well as their team members, their commitment to success is very important, for example patience, perseverance, positive attitude and towards find solutions (instead of devising problems and obstacles), taking “no for an answer” ... just to mention some.

The teams and system should be driven by the goals on the commonwealth and not by personal commercial goals or self-promotion and egos. The later points can easily become the worst enemy to success. I see that also in business, how people’s egos and personalities can impede or hinder their success. Sometimes stepping back and accepting another person’s view can be a major victory. It may sound strange, but in business, being humble can take you a long way. Accepting and acknowledging what you do not know, and letting other people lead you takes courage. The welfare or success of a

company some time requires on letting go and allowing others to take charge who can be more capable of driving the process. At the same time you need to reward talent and the successful contributors to success. This is a fundamental guiding human principle, rewarding good performers and good team players. This is how we differentiate the stars or top performers from the people who are not as driven.

Overall you have to look at development on a 5 to a 10 year time horizon. This is from the time you set goals and communicate your vision to the point in time that you see concrete development and results, for example the development of a particular economic sector that results in a profitable corporate operation with job creation and economic prosperity for a specific region, or when it comes to an infrastructure project, to the completion of the project (think of a major road or a bridge being completed and open to the public). The bottom line this for Greece should be a matter of national policy beyond any specific party ideology and beyond the limited 4-year term government term.

The most important element for this is team work and unity, for development to be successful. Look at our national teams, soccer for example, people with different backgrounds, ideologies and under the same national shirt they work in unison (as one unit). The result is ypervasis – we did it in 2004 Euro, basketball.

Along the same line, our greek-born talent is bulding major corporate entities abroad, doing successful IPOs under the most economically challenging times. The point is that one commodity that are nation is not short of is excellent talent and human capital. Why should we waste all this talent and not put it to use towards development in our country? Opportunities are plentiful is a number of sectors: energy, software technology applications; agriculture, etc.

3 – How would you deal and manage development if you were to assume a major or senior governmental assignment or if you were to advise the government (a sovereign entity)?

For developmental strategy in Greece, you need the following:

1 - the right target sectors where we, Greece, has a competitive advantage and where we have achieved excellence. I would underline the important of promoting companies with export oriented activities and international presence.

2 – Government long term planning in support these sectors. This can be done through policy / legislation and various incentives that allow companies to become strong and profitable over the long term (we should put emphasis in achieving sustainability).

3 – Engage in genuine, open and transparent dialogue with private sector leaders (representing key economic sectors, e.g. tourism, shipping, agriculture, steel, etc.) listening to their views, input, requirements and having their input over their needs in terms of reviving / resuscitating the economy and promoting economic growth and development. It is important to challenge the private sector leaders set ambitious, yet realistic goals especially for export oriented service and activities. The idea is not to fraternize with capital but to engage in a genuine “problem solving” and “red-tape” cutting conversation in helping these companies expand and grow. Such discussions require careful manage and full transparency to avoid any complains over creating potential bias or favoring certain sectors or companies over others.

4 - Bring professional managers / invite people from the private sector to come in and work for the government under a 1 year secondment program. Similar programs have been successfully implemented in other parts of the world (e.g. UK, specifically one of my former managers in London was assigned to the Treasure for a period of 6 months to help them set up a procurement process over a complex infrastructure transaction). Such program would allow a potentially strong and useful bridge between the public and private sectors and the transfer of knowledge between the two sectors. At any rate having competent people, who are very capable , could lead to streamlining services and reducing inefficiencies while maximizing the performance in various parts of the government. Offer people the latitude to take initiative, can lead to significant efficiencies. After all we have absolutely nothing to lose so taking certain risks in “cleaning up / exygianoume” the government may lead to pleasant surprises.

5 - Unfortunately during this financial crisis our access to capital (national and international) has become from minimal to inexistent. It is therefore important for the present government to seek and negotiate funding allocations, political risk insurance (against the so-called country risk) and credit from EU governmental / world organizations for economic development, and not just for the servicing of existing debt. Such credit support may become available through export credit agencies as well as multilateral banks and multilateral organizations. Such credit would be very useful for large infrastructure projects including the energy renewable space (for instance solar PV or wind projects). At the present it is very

challenging to find commercial debt for the implementation of such projects and without such credit the economic activity in the renewable sector has slowed down considerably.

6 – Mobilize the Greek and powerful diaspora, including Greek born as well as Greek heritage people living abroad, focusing on those successful entrepreneurs and seasonal business leaders. Why not invite them to offer ideas and views on ways that Greek domestic economic development could be achieved. The international network through our embassies and consulates could be very useful here.

We have to keep in mind that the economic game and in a way the corporate survival is no longer a local play but a global game. The survival of a company does not rest on it just being strong in its national market but in the global arena. As such companies need to be strong in terms of expanding abroad, building a presence and

Areas and sectors that we Greeks are good at include tourism; agriculture; fish farming; shipping - this sector has its own dynamics; energy; software / services; steel...

The words of Mihalis Dertouzos keep coming back to my mind that, we Greeks make great software programmers, given our adaptability, resilience and ability to be lateral thinkers and function in challenging environments. To build software you need strong capable clear thinkers that are solution providers. You do not need a major industrial establishment or major facilities / factories to produce excellent software. You can start a business from your garage or your apartment basement.

#### 4 – What are the key characteristics of a modern political leader who can empower people and lead them towards a new era of growth and economic development?

The profile of the modern leader is the one who bring people together (this is what I believe we need right now, work together), rebuild and regain their trust (we need this right now), one who inspires them and motivates them to work together. May be I am applying corporate management characteristics here. However I do think, it is important to be able to motivate people towards development and creation.

On the character side, I would want to see someone, with a strong work ethic, integrity and honesty, a character that cannot be influenced by special (commercial or political) interests, and most importantly who manages by example – you cant preach one thing to people and in your personal life do something completely different.

We need a true and genuine leader who has the ability to unite and not divide people. Whose ultimate goals is to succeed for the commonwealth of the people and his country, not just to “prove a personal bet” or “a selfish dogma” away from past ideologies. I believe in good leadership and my experience in South Africa with Nelson Mandela’s example has reinforced that a strong and genuine leader who knows his people can always find ways to unite them instead of divide them. One the other hand, we do not have to go too far to find good and genuine past leadership models for modern Greece, what about our first president elect Ioannis Kapodistria?

5 – How do you see the creation of a think tank of successful corporate leaders who may be able to provide input and guidance towards the governance of a country;

Very positively, in fact I would say this is almost an imperative – a “must do”. The present administration need to reach out to, connect with and mobilize bright, capable, successful businessman, nationally and internationally to step in and contribute views and input regarding development and economic growth in Greece. I also think, there are people out there with a genuine interest and passion in helping their country or in giving something back to Greece at this crucial moment. This of course needs to be carefully explored further, addressing questions such are: would they be prepared to leave behind their current jobs if they were to be invited; or would the environment be conducive to new ideas and change or will the people surrounding would attempt to undermine them or slow them down.

I see them having a consulting/ input role during this process rather an executive role (which requires long commitment away from their responsibilities). How could they help? some ideas (not a full list)

- Contributing ideas, strategy and vision in their areas of leadership and expertise
- long/medium term planning
- ways that growth and development can be sustained over the long term
- helping setting priorities and offering valuable input
- offering credibility in terms of approaching, key challenges we are facing with our EU partners
- possibly assisting the negotiations of vital matters (economic or otherwise)

It is important that the surrounding “system” and interacting environment is such that it does not kill or sabotage their initiative and input. They can assist with strategy, visionary thinking, setting goals and, in the negotiations with external parties.

They can help drive policy clearly that promotes job creation and economic excellent in areas where we, Greeks, have a competitive advantage. Can help find solutions and overcome major challenges (commercial, policy or otherwise). Could mobilize additional resources and become catalysts in making things happen.

The question is how ready are the politician to share management and control with people who are not driven by the same objectives and drivers –

We have to think outside the box – away from the standard conventional thinking – this has not worked in the past and most likely will not work in the future...

The bottom line is that our country is in grave danger (have been under the spotlight non-stop over the past nearly 2 years), driven by this unprecedented economic and financial crisis. It is therefore our last chance to tot eh right thing and find effective means and ways to bring the country back on the right track by using the right people. Without credible and proven managers and professionals, it would be very difficult to find the right solution. However, given our history and ...