

Learned Nations: Seeking National Competitive Advantages Through Knowledge Strategies

Philippe BAUMARD, published in *Open Source Solutions*, Falls Church, VA: OSS, Novembre 1993

Economic intelligence — the ability of using knowledge as the basis of economic advantage — has become over the past three decades a key-factor of national competitiveness. As world development and international relations shift from geopolitics to geoeconomics, competitive advantage of nations lies in their abilities to strategically handle strategic knowledge, for their administrations, their industries, their people, their economic wealth and social welfare.

The main change that has occurred in the Post-Cold War era is the importance of open sources. Ability to manage a culture of openness, and to cash out on it, has become as important as were the ability to manage a culture of secrecy during the Cold War. Uniqueness of the knowledge that organizations possess and its discretionary use, is their main competitive advantage. However, the process of building this knowledge is no longer systematically held behind close doors. First movers, alertness, reactivity and wide-open awareness have become the factors that make successful strategic management of knowledge.

A few nations have proven better in the use of knowledge as a competitive advantage. A recent work from a commission of the French Office of Planning has investigated the reasons of such gaps between the world leading industrial nations. My purpose in this paper is to introduce some commonly forgotten elements of economic intelligence policy making, and their consequences on national competitiveness and economic intelligence efficiency.

This paper investigates current assumptions that lie behind "clichés" and "doctrines" of national knowledge advantages, or "economic intelligence systems". This paper is not intended to reflect domestic cultures as they are, but as they are perceived. Working on domestic self-perceptions and foreign perceptions of informational behaviors allows to analyze recent developments in strategies at large. We identify a few factors that have been "taken for granted" in the analysis of national competitive advantages : intelligent and dense coordination, a collective or individualist culture of information, and finally government-corporations cooperations. The extent to which these propositions could be applied to real life settings, is indeed, left with the reader.

First key-factor: intelligent coordination

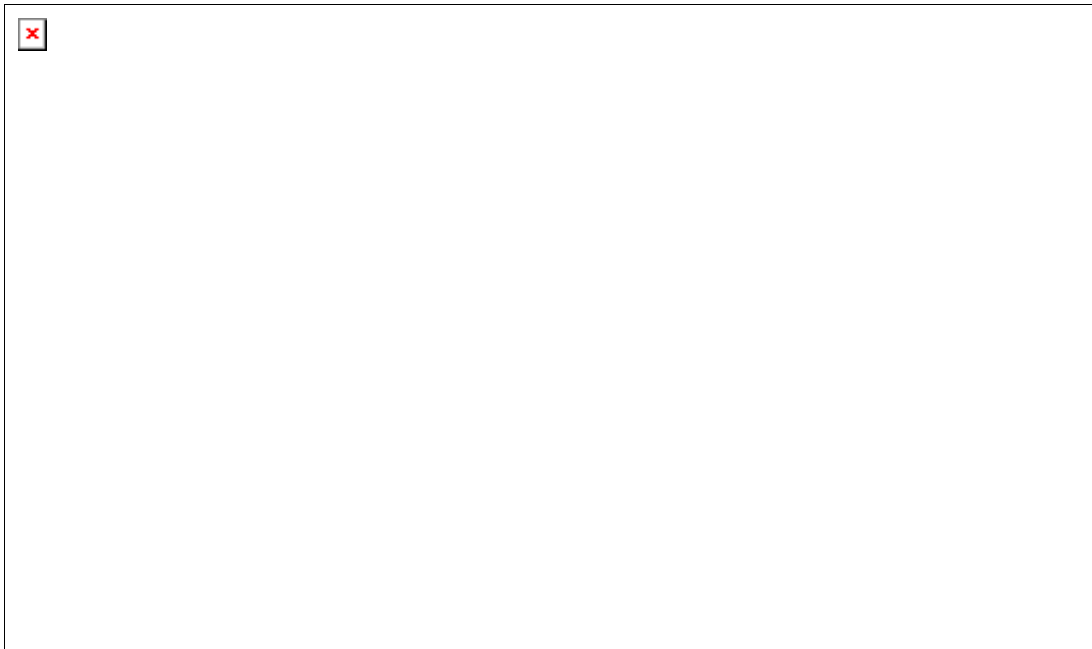
This idea can be found in the German concept of "Haus-Bank": common home, common fate. The German banker is concerned with his clients' business. He doesn't intrude. Social distance and discipline in relationships would not allow such a behavior in Germany. Though, they have a common understanding that coordination and shared thinking on the critical issues affect both successes of the bank and the corporation. The German economy is historically based on a principle of strategic unity of its main decision centers : banks (with a close partnership between corporations and banks with the concept of "haus-bank"), transport companies, trading companies, administration and insurance companies (for example, German reinsurance companies which dominated the European market in pre-World War II disclosed plans of factories and industrial plants for the WWII bombing campaign of Germany) . When the young German state of 1870 is in financial difficulties, acceleration of capital concentration and bank-industry trusts were accelerated, despite many bankruptcies. On the contrary of France or the United-Kingdom, the banking industry, understanding the threat to Germany itself, was aware of the necessity of sparing financial resources by a greater coordination with their clients. Forming a tacit syndicate, German bank raised the level of play by acknowledging general interests of Germany, adopting industrial plans, leading the placement of capital, managing colonial expansion, involving themselves in a close partnership with the commercial success of their clients . This strong coordinated trilogy (banks-industry-insurance) is still valid in the Germany of 1993. Once again, this practice is culturally-driven. The German "perceptual filtering" about the role of citizens in the economy differs from those of France, UK, or other European countries. It constitutes a German-specific "economic intelligence system" that proved its efficiency in the past three decades. The key-factor of this German efficiency is an *intelligent coordination*, that produces non-porous industry front (e.g. German presence on all segments of the machine tools industry), and a great ability of targeting competitive industries rather than competitive products. This would not be possible without a shared awareness that the German mutual interest is above the particular interest of a single company (see graph below).



Second Key Factor : intelligent intrusiveness

The case story of the success of German industries in Eastern Europe gives a good example. German industries didn't wait for the Eastern European countries to re-open in the early 1990's to pursue industrial, economic, scientific and cultural partnerships. Today, Germany is first client and first supplier of every single Eastern European country. How was it made possible ?

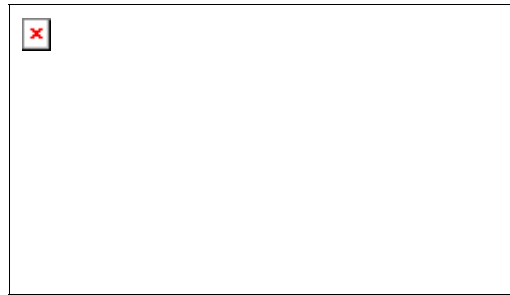
First of all, German industries, länders and Federal State developed over four decades an intelligent coordination, that is to say a coordination that focus on optimization of resources, synergy of offers, and balance of reciprocities (knowledge interlocks). This would have not been possible if German intrusiveness in Eastern Europe won't have been "intelligent" as well. Intelligent intrusiveness can be defined as an optimization of intrusions based on shared competitive knowledge (economic intelligence). The graph below shows how this intrusion develops through bank branches, global economic partnerships, German Diaspora in Eastern Europe and insurance companies. While other countries were approaching the Eastern European markets in disperse, discontinuous intrusions, German industries developed over the past four decades a real competitive advantage based on their know-how of coordination and intrusiveness.



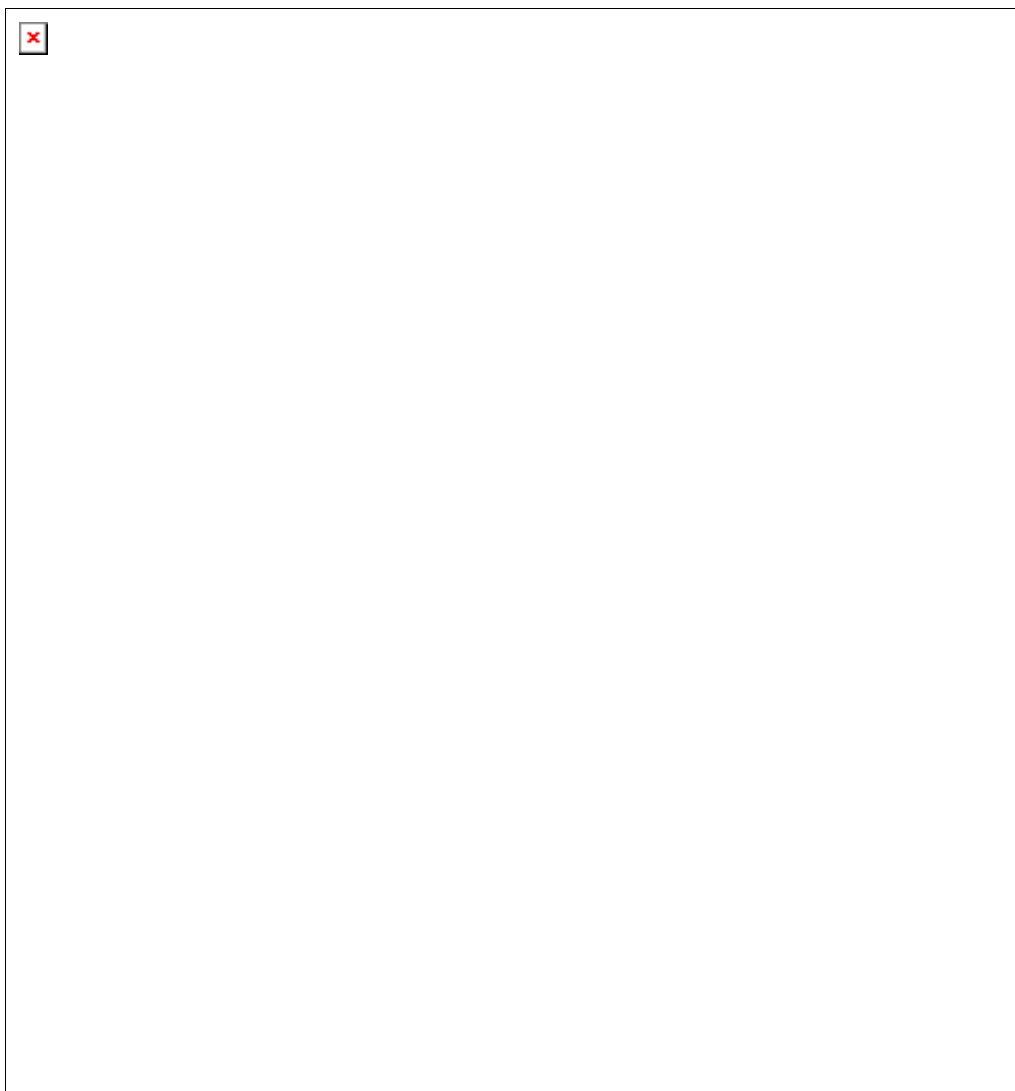
Towards a construct of national competitive advantage based on knowledge strategies

The Japanese banks and German industries examples lead themselves to the hypothesis that intelligent coordination and intelligent intrusiveness are core factors of national competitive advantages. Economic competition between nations is fierce and it is now widely accepted that knowledge plays a major role in acquiring and defending competitive advantages at both national and industry levels. Until now, concerns on knowledge were separately handled when concerning nations, industries, organizations and individuals. This paper attempts to introduce a more global approach of both national competitiveness and competitive advantages based on knowledge. In other words, what is proposed is to replaced the usual "organization of

learners", by the wider concept of "country of learners". National competitive advantage will thus be resumed by the following "formula" (below)



The graph below describes knowledge strategies that have been developed by countries like Japan and Germany while accessing to their world economic leadership. It raises the issue that economic success is not only based on models of management, or models of organizations, but on a wider base that includes national and supranational levels. National competitive advantage lies in the ability of nations to coordinate these three levels of economic intelligence.



We will advocate in this paper that this coordination has two grounds : structural and cultural. While the structural ground can be managed, changed, improved by national, regional and corporate policies' implementations ; the cultural ground has its roots in history of nations on a scope of several centuries, and there is little that can be done on the short and middle terms.

Why do some share and coordinate... And why others don't.

Two kinds of knowledge can be differentiated in this approach. The explicit knowledge, the very one that can be put in files, books, manuals, techniques, know-how, and that can be shared in a low-context interaction mode. The tacit knowledge, the very one that Greek philosophers denominated by *phronasis* (practical wisdom about social practice) and which is made of socially constructed comportments (e.g.: the fact that information sharing and consensual decision-making are inscribed in the Japanese culture).

The second is the very one that is mostly forgotten by the literature. Competitive advantage of nations, regions and industries are indeed based on both *tacit* and *explicit* knowledge. While there has been much discussed about hard knowledge in general, and explicit knowledge in particular (technology, shared databases, executive information systems, etc.), little has been discovered about the role of *tacit knowledge* in both genesis of strategies and competitive advantages .

Economic intelligence is both made of *explicit* and *tacit* knowledge. The explicit part of it are proven facts, competitive abstracts, moves of the economic agents, continuous flows of information that feed corporations, regions and nations. The tacit part of it is this *intangible* know-how, this *hidden dimension* of the competitive dynamics that fosters, for example, German intelligent intrusiveness in Eastern Europe.

Another missing link in the literature is the restrictive definition of *culture*. Culture spreads far beyond the level of organizations. It is not only *socially constructed*, but comes as the basic component of every economic exchange, inherited from the history of Nations. If Japan won't have been a small island with a lack of resources, but a vast territory with stable, friendly, climatic conditions, the face of the world might not be the same today. When Japan opened itself to the "world" at the end of the Meiji Era, the need to learn from the world stood as an evidence. Unfriendly environments (wars with neighbors, climatic disasters, compartmentalized and conflictual regions) fostered the Japanese eagerness to learn, and might well be part of the Japanese culture today.

A similar reasoning can be applied to other countries. As Alfred Chandler suggested in *The Visible Hand*, the American capitalism is historically based on speed and racing. Racing between the two railroad companies for the East-West junction, speeding up the construction of roads, schools, and judiciary control on the top. Speeding up the exploitation of a vast and rich economic space, in a race between capital, men and ideas. This American predilection for speed can be found today in the case of the "information highway". The objective is now to reach the "ultimate" in speed: the speed of light. A devoted faith is put in the speed of communication between economic players as a guarantee of future economic wealth.

Such a reading can also enlighten on a century scope where America stands today, and where it comes from. In three movements, the American continental space was discovered, exploited and saturated. Then came the time of external expansion, in the same philosophy of eternal quest of economic space. This quest of "new frontiers", of empty space to build capital and novelty are to be compared with the very lack of space and resources that Japan had to face over the same period.

The way knowledge is perceived, how it has been used in social and economic development is a component that stands above the organizational level, because it lies in every one of us. Individual awareness is not distinct from the same social and cultural roots. In Japan, at times television, radio broadcasts and radar were not yet invented, people in small villages were sharing their time in the surveillance of the sea. Unfriendly climatic conditions were rising five stories waves that were destroying the coasts. When waves were raising up, runners would relay each other to alert the closest villages, because their fate were mutual, because survival was dependent upon this collective awareness. The literature often invoked the role of "group mind" in performance of organizations without questioning its cultural roots. Numerous works have been led on models of "knowledge management" in general, and on Japan in particular, without questioning their historical roots, or daring to go beyond the inter organizational level. Hedlund and Nokana (1991) were thus among the first to compare strengths and weaknesses of the Japan and Western industries on the basis of knowledge management . Management seems to develop under the naive assumption that itself alone fosters the representation of the world, just like if representations of the world were not existing outside the organization. Such a concept as "corporate culture" tacitly denied other forms of representations for years without any disturbing finger to point out the reality of national cultures and representations of the world. Since, attention has been brought on critical differences between nations in :

- the extent to which a society accepts the fact that power in institutions and organizations is distributed unequally (Hofstede , 1980),
- the extent to which a society feels threatened by uncertain and ambiguous situations "by providing career stability, establishing more formal rules, not tolerating deviant ideas and behaviors, and believing in absolute truths and the attainment of expertise (Hofstede,

Op. Cit.)

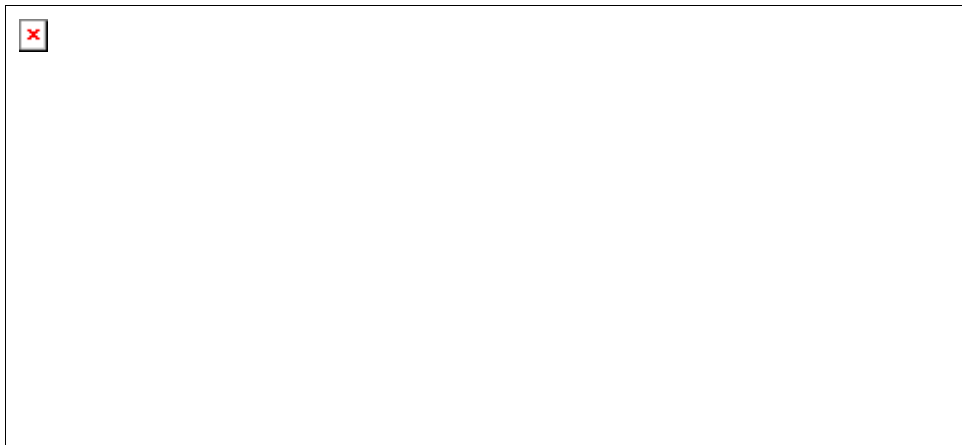
- the extent to which people distinguish themselves as part of a group, or other forms of social framework, or as individuals (Hofstede, Op. Cit).
- the extent to which the dominant values in society are acquisition of money, assertiveness, and not caring for others, the quality of life or people (Hofstede, Op. Cit.).

These critical differences interfere with the development of organizations (Jaeger , 1986), but to which extent do they shape the use of knowledge as a strategic asset ?

The answer might be more simple that the question suggests. If people are caring for others, if they feel as "belongers" and "believers" in the social framework, if awareness to learning is stronger that belief in absolute truths, then knowledge in general, and intelligence in particular, is likely to be more circulated and shared for the benefits of all, instead of the benefit of few.

.Knowledge-based strategies are more likely to be efficient as both collective involvement and intrusiveness are developed simultaneously. When knowledge is sought collectively, according to group values, rather to individualistic aspirations, the learning gained by each individual is greater.

Along the same lines, when intrusions in the environment are led by group values, and well coordinated (*intelligent intrusiveness*), benefits for all will be greater than in a disperse approach. The construct is represented on the graph next page.



In this configuration, national culture participates in the development of a *collective awareness* that puts mutual interest above personal interest and contributes, with the ability of organizing intelligent intrusiveness, to the competitive advantage of nations. Therefore, cultural factors can explain why do some *share and coordinate... And why others don't*. Why Japanese competitive strategies so often show better results than European ones, and why in Europe itself, German industries show higher performances and export figures than their neighbors. On both organizational and national levels, cultural *attitudes* participate in the process of a better coordination and intrusiveness of economic agents :

- Conflict of interests vs. Mutual interest
- Individualism vs. Group awareness
- Personal profit vs. Social responsibility
- Rigidity vs. Flexibility
- Information retention vs. Information sharing

Validation of the core hypothesis

Ground observation and expert pools were required to validate the core hypothesis of the role played by culture in the development of competitive advantage on a national level based on knowledge. Visits to experts in Japan, Germany, Sweden, the United States, and calls for experts contributions in France, lead to the compilation of two years collection of data. Observation focused in particular on circulation of knowledge within countries, cooperation between public and private sectors in handling competitive strategies, and the

specific use of information and economic intelligence sharing for successful foreign market approaches.

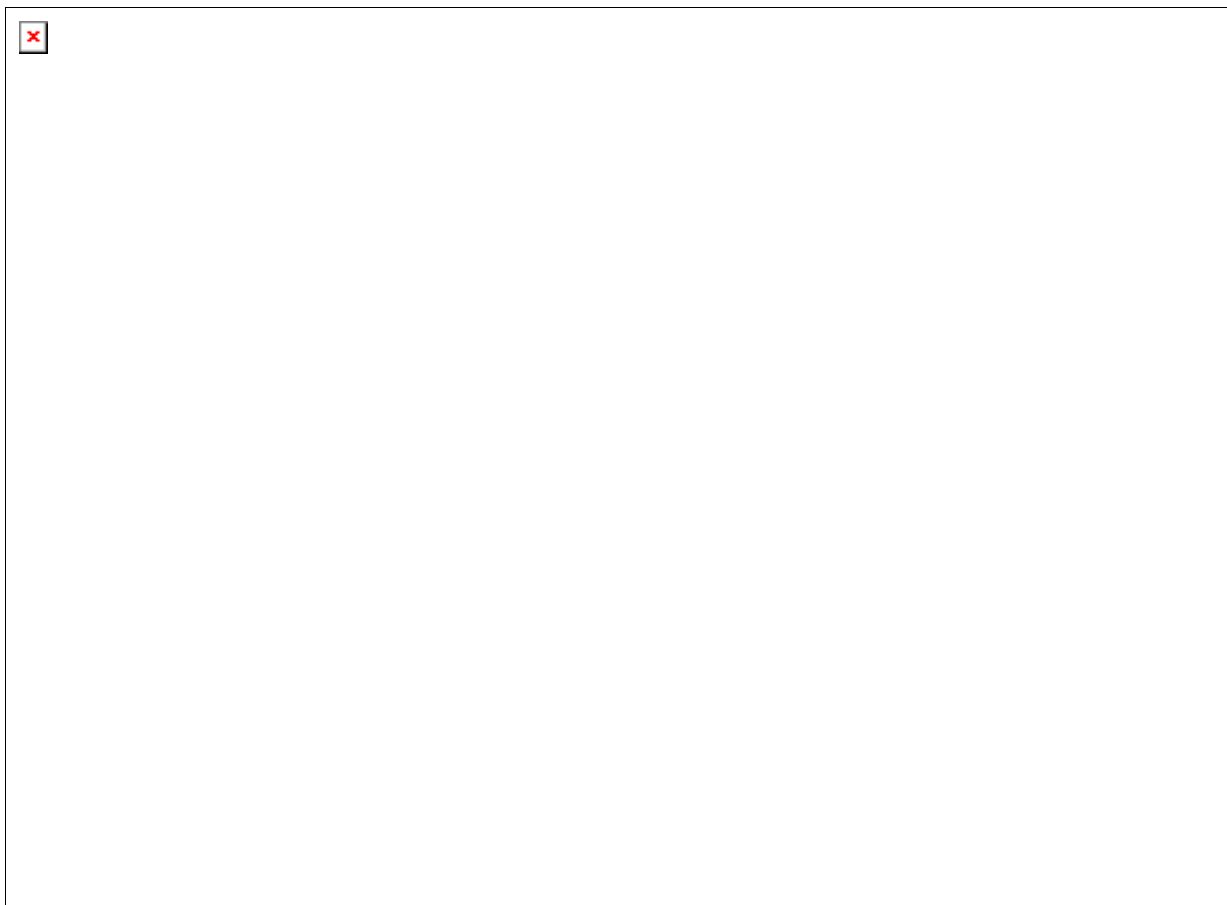
Case studies such as the negotiation of aeronautical contracts in Northern Europe, the failure of the French fast train (TGV) in Korea, the success of Japanese cars on the American market from the late 1970s through the early 1990s, the continuous presence of German industries in Eastern Europe, the building and the expansion of the Swedish group ABB world-wide, among others were used to achieve the following results.

The works of S. Dedijer , G. Hofstede , I. Nonaka , and C. Harbulot were particularly helpful in providing frameworks for the interpretation of observations. Dedijer on the use of intelligence for economic development, and his several propositions for a more "holistic" approach of knowledge and intelligence issues since the early 1970s. Hofstede's works were helpful in bringing valid criteria for the analysis of cultures, while Nonaka's findings on knowledge management at individual, organizational and inter organizational levels puts particularly in light the role of *tacit knowledge*. Harbulot's works, though overly offensive in some aspects, raise the issue of the role of history of Nations in the building of competitive advantage based on collective culture of information.

Sharing knowledge for national competitive advantage in Germany

German decision-making is widely known as precise, scheduled and ordered. German economic intelligence sticks to the rule, and has been so discreet that few data are available on the topic as compared to the United States or Japan.

The German pace of doing business, organizing life, social structures, and economic dynasties is both slower and more consistent than anywhere else, with maybe the exception of Japan. Knowledge and intelligence are carefully sought and tracked down, with high compartmentalization of roles, strict respect of each partners' attributions and high coordination of goals. In such a culturally homogeneous country, this rigor does not represent a constraint for the circulation of knowledge, as it has been so often misunderstood. Geography has a significant impact on the way knowledge is circulated, and thoughts and deeds are shaped. Industrial organization, housings, neighborhoods are dense, and tightly linked as a net, that makes any *Auslander* easy to identify.



Sharing knowledge for national competitive advantage in France

Comparison of Germany and France makes the role of culture in handling and managing knowledge and intelligence even more obvious. While both countries are particularly compartmentalized, reasons for compartmentalization are totally opposite. Social distance in Germany is based on a sense of high-context order. As order is a shared aspiration of (mostly) all Germans, German compartmentalization still works toward the mutual interests of Germany. Collective awareness is more lower in France, and compartmentalization is not based on an aspiration for order and respect of personal spaces, but issued from the institutionalization of French social groups. Educational background, social and family backgrounds do trace the lines of compartments in the French society. Elitist national schools (*Grandes Ecoles*) ENA, Polytechnique, Ecole des Mines produce most of France executives, in State, Administrations, public and private sectors. Knowledge does circulate through personal and elitist networks, which signify if necessary that there won't be such phenomenon as a "collective awareness" in France. Even the "Elite awareness" is improbable, as elites themselves are divided according to political opinions.



With redundant structures, unnecessary compartmentalization, France does not possess the cultural ground that fosters intelligent coordination of economic players in Germany. As the above graph suggests, channels of knowledge exchange are complex, divided and loosely coordinated. Lack of coordination of agendas (political, social, economic) of the different "social groups" that makes France today, constrains information flows within closed networks. Inherited from Colbert, France has a tradition of compartmentalizing knowledge, as it does for its social structures. With more than 6 millions users, the penetration of the Minitel in the French society has fostered the development of knowledge-intensive services accessible through a modem. Everything that is needed to know is available, from sales, shareholders, financial ratios of private and public companies, to statistics about every square inch of the territory, on any topic. Such an availability of knowledge does not seem to relate, however, to a national competitive advantage. The main reason is cultural. French attitude towards the relationship of knowledge and personal power is not to share, not to disseminate. Such a cultural background costs billions of French Francs to the country every year because of redundancies. A same survey might be done ten times in a company, without anyone being aware of the existence of others. Technological studies in Public Institutions might as well exist in 50 versions, without any of the versions being known by others. People would learn by the press what is going on in their companies. When it comes to the approach of external markets, lack of coordination is obvious.

The best way to reduce complexity, is to suppress it. No French would understand such a principle. Social habits are complex and high-context. Simplicity, non-dialectical, unilateral thinking sound doubtful to a French. Consequences on knowledge dissemination are easy to imagine. Knowledge won't be shared outside a high-context interaction, when this interaction is made possible by absence of threats on each participant's territory, or when interlocks are strong enough to avoid every uncertainty about the perennial of the power

distance between partners. In other words, personal fate comes first, common fate comes second.

Sharing knowledge for national competitive advantage in Japan

Japanese individuals would work together in a quite opposite way. The habit of consensual decision making (*ringi*) makes *personal decision* a hard task. Information is a *collective resource* in Japan. "Appropriation of knowledge from customers, suppliers, subcontractors, and competitors is critical, and resources and systems are directly geared to this purpose" . But, then the West becomes confused, and begins to mislead itself, by associating *structures* alone to the high intrusiveness of Japan in the world economy. If sogo-shoshas had a significant role in the appropriation of knowledge in the seventies, if the MITI played such a role intensively in the 60s, since their role has most declined. Beside, it's an occidental perception to believe in organizations as the explanation for everything. Japanese competitive advantage on knowledge lies in Japan's inherited wisdom of social practice (phronasis) in managing *tacit knowledge* on top of *explicit knowledge*.

Knowledge is not seen as a *commodity* in Japan, but as *connoting the group purpose*. Much interest is put in organizations in learning programs, in retaining knowledge on a long-term scope for the benefits of the group. This *collective awareness* can be meaningfully compared to the high-priced individuals that sell themselves for the knowledge they possess in the West. On one side, knowledge hardly exist without a group purpose. On the other, knowledge is hardly traded outside a personal interest.



Presenting my first graph to Japanese colleagues, where I had put "strategy at the center", I have been promptly invited to research more the contradictions of the Japanese society, and the several forceful interlocks, not quite shared strategy, that are linking executives in political parties, business, and the "parallel worlds" of the Japanese society. At least, instead of the "strategy coordination" assumption, the "information sharing" assumption was successfully validated. Whatever are the relationships between the different economic and social bodies (interlock, silent control, partnership, belonging to a same social group, etc.), the exchange of knowledge is here and sounding. A complementary visit to Japan led me study the path of a confidential World Bank report in the Ministry of Finances. The report was brought to the copy room with a distribution list of more than 60 names, including large Japanese corporations, MOFA, MOI and other administrations, the very same day the document was received.

Independent large corporations such as Matsushita, Hitachi, Toyota or Sony lead a knowledge "dance" that follows the steps of tradition, while opportunistically breaking with them. Harmony with Japan is not dismissed, and will never be, but the existence of singular knowledge strategies for their groups is accepted, when not imposed. Many changes occur in Japan today, and will have important consequences on the way Japan will use knowledge as a national competitive advantage in the future. It is not rather sure that group values will have the exact same meaning for Japanese of the new generations, that it had for their fathers. In an other hand, the shift of culture are long, painful and progressive process. Japan will certainly benefit from *its collective awareness* for more than half a century.

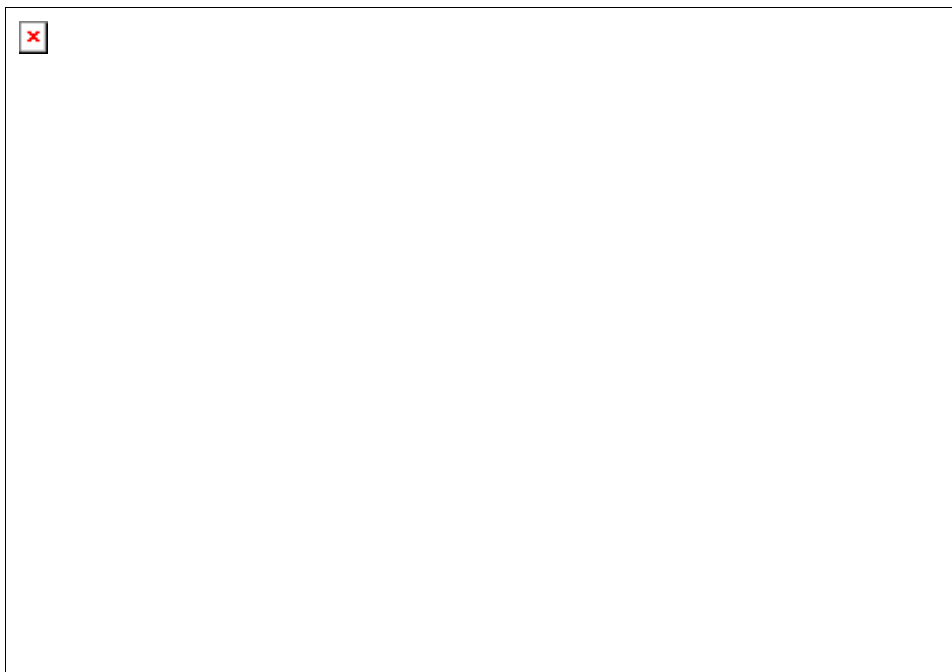
Contrasting the models

The interest of models construction is to reach a minimal understanding of reality and act on it. As *economic intelligence* — the use of knowledge for competitive advantage — becomes at the center of international competition and national competitiveness, our comparison of previous models will focus on the definition of **the driving forces** of economic intelligence.

The analysis focuses particularly on the cultural aspect of economic intelligence deployment, and for each country a social / cultural global focus is placed in the middle. This "global focus" is derived from writings and speech analysis of policy makers, or findings from scholars such as Edward T. Hall . These "global focus" must be taken with precaution as they much rely to a "hunch" rather than on validated findings.

The squares that contain the "driving forces" are based on collection of facts, data, industry analysis and experts contributions. The whole purpose of these graphs is to draw attention on dimensions of national competitiveness that are often forgotten.

The cases presented are respectively Japan, Germany, France, Sweden and the United States.

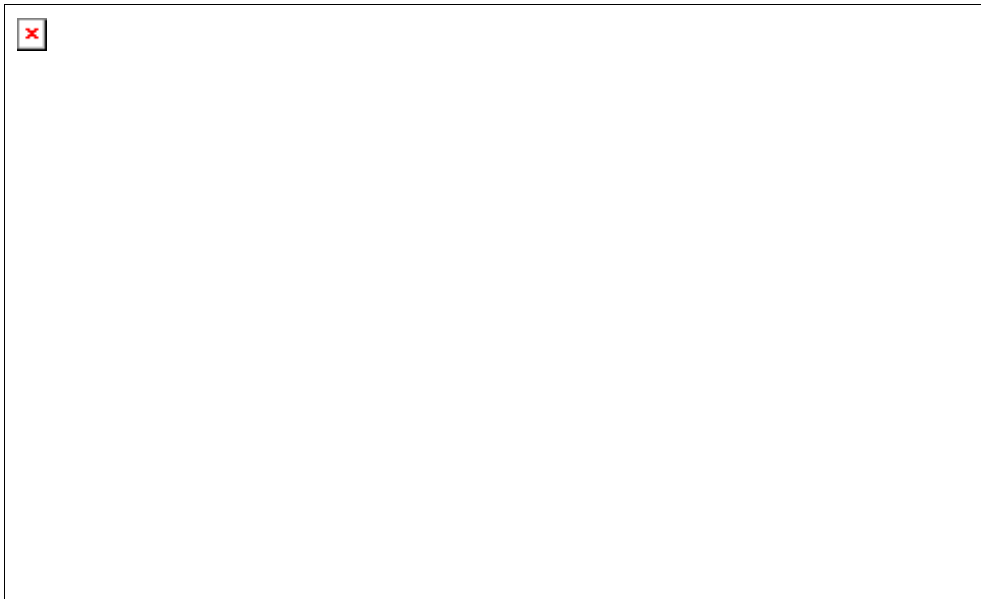


Japan: High compatibility of focus

The driving forces of the Japanese economic intelligence works together in a precise harmony. As the use of knowledge for the offensive acquisition of competitive advantage is *tacit*, the defensive use of knowledge is *tacit as well*. Penetration of the Japanese markets are more efficiently protected by "cultural locks" than any legalistic barrier could do.

These "cultural locks" go far beyond the simplistic approach of "buying Japanese". Every offer, every product, is part of a wider system interlocking social duties, social responsibility and employment. Japanese workers would drink a different brand of liquor according to the group they belong to. On the organizational level, incentives to use the constellation of services of the Group are impressive (development of films, car repairs, insurance, travels, etc.). *Collective awareness* is well channeled both on the cultural and structural levels. The question is:

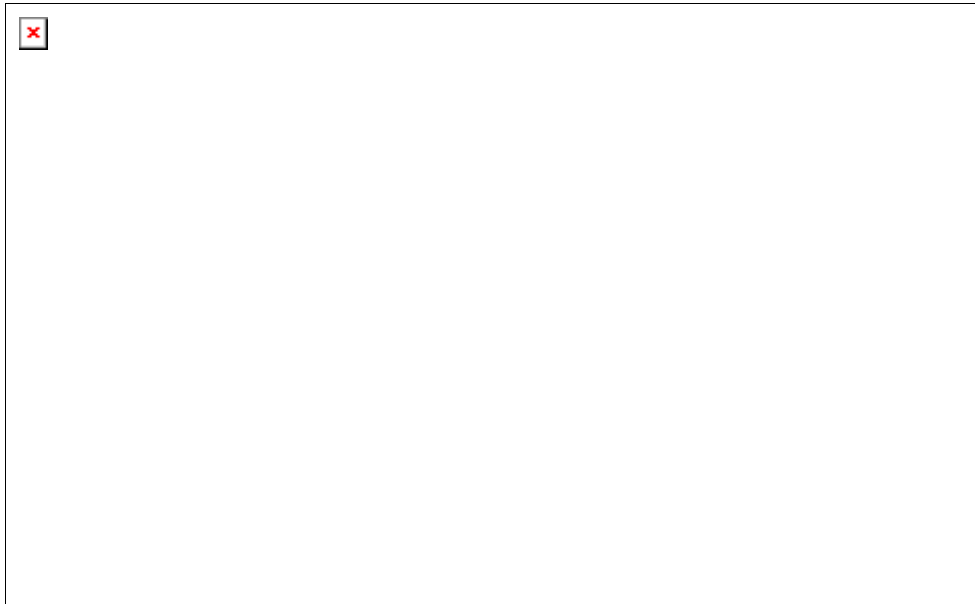
How could be a Japanese not aware that he has to be aware ?



Germany: scheduled and organised "harmony" of focus

Paradoxically, the efficiency of the German intrusiveness is based on a non-intrusive principle : the respect of privacy, role attribution and social distance. Within the borders of organised plans, knowledge exchange will be high-context, high-profiled. Without plans, in the disorder of Latin cultures for example, heavy doors will automatically be closed on any hope of knowledge exchange. If coordination and cooperation are well the main forces, they are rather "cold cooperation", ruled to over-ruled, rather than the "disperse warm and chaotic cooperation" that could be found in Latin cultures, France included.

In terms of knowledge strategies, and acquisition of competitive advantages, one has just to visit a German chamber of commerce to understand what "organizing knowledge" means. While in France, the State intrude and draw the policy lines for the life of the private sector, the German Federation provides support, through knowledge and expertise, with a careful avoidance of being too intrusive. Lander, city councils, along with industries, cooperate within the framework of a plan, to share knowledge to acquire a competitive advantage, or a market share beneficial for all.

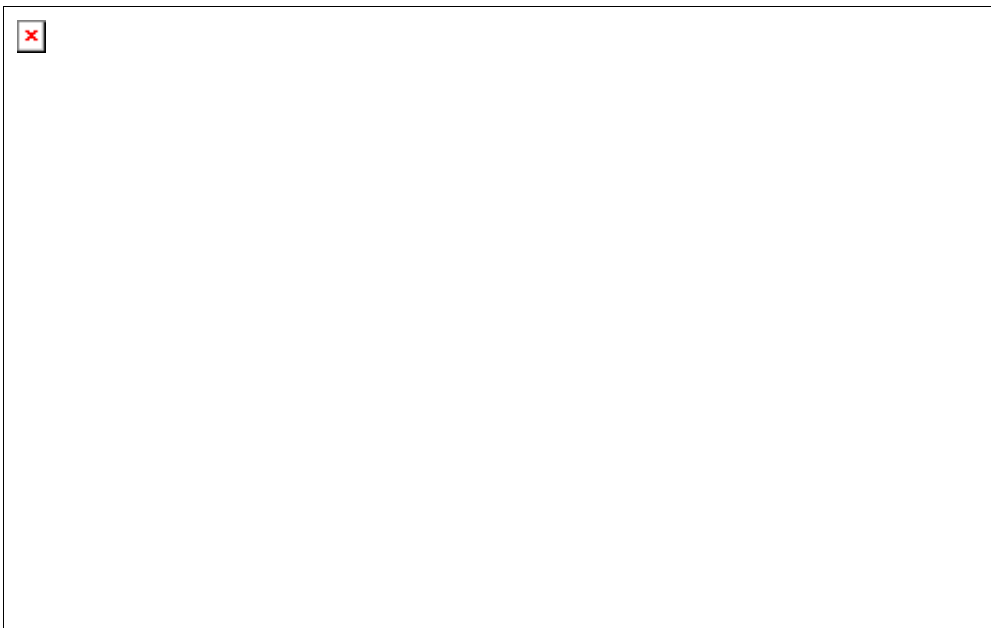


France : sharp driving forces, disperse directions

Personal networks are both the strength and weakness of strategic knowledge circulation in France. They represent a strength when knowledge is circulated among the elitist technostructure, which is made of the same perennial components for more than a century. French leaders, both from private and public sectors share the background (Grandes Ecoles) that their fathers were sharing, tightening the links and increasing intimacy in strategic knowledge sharing. They represent a weakness by splitting the French society in distinct social groups, whose coordination is a hard task to achieve. The dominant place of hard knowledge (engineering, mathematics, science, administrative studies) leaves a small place to soft knowledge in management. Institutional authorities (ENA, Ecole des Mines, Ecole Polytechnique) dictate the rules of an "adequate management" that leaves little flexibility to social innovation. Quest of technical perfection (Fast train that goes at 300 miles/hour, Concorde, etc.) goes along the lines of the domination of the rational over the irrational. Independence of thought, within the boundaries of the respect of social belonging, is appreciated, as far as personal territories remain untouched. "Sovereignty" is a word that can easily be applied to the State, as well as organizations and individuals. The result is the existence of sharpness in the driving forces, without a common direction.

The United States : preserving an identity in an heterogeneous society

On the opposite, the perception of citizenship in the United States is different from the Swedes, for citizenship is not taken for granted in the USA. On a vast territory, with an heterogeneous population, *identity* is a valuable asset that must be permanently protected and renewed.



The "social contract" is attached to the respect of a set of freedom, on which everyone has agreed not to disagree. This set of freedom may concern individuals and their right of free speech, companies and their right of free entrepreneurship, or citizens and their right to complain. The defense of this sacred set of freedom makes interactions between organizations and individual sometimes rather *legalistic*. The American society is thus fairly socially and structurally encoded. As a sign of this agreement on a set of freedom, the social ID. number is the very single element you can't avoid to possess, as one will be tracked through this number in an ultimate respect of bearing names, surnames, social habits in the latitude one wants, within the boundaries of the accepted rules.

"Fairness of the rules" is a guiding principle that will regulate from interpersonal relationships to General Agreement on Trade and Tariffs negotiations. Agreement on a set of freedom has dramatic consequences on national competitiveness based on knowledge, as it has been agreed that privacy of corporate operations must be respected by the Government. Administration is then likely to be perceived as an intruder in private business, rather than a partner. Along the same lines, corporations do not hold themselves responsible for the far-away future of their personnel. On their side, individuals do not want organizations to be held fully responsible for their future, in a complete opposition for example, with the Japanese approach to learning and social belonging.

In the boundaries of these rules of the game, very long term planning is rather difficult as one cannot fully count on the availability of today's human resources and skills tomorrow. The substitute to "common fate" and long-term sharing of apprenticeship, is the use of competitive bids on the work market. In this game, advantage is given to the first movers. American business have thus developed unique skills in tactics and reactivity to fast competitive dynamics.

As knowledge is much more attached to individuals that embodied by organizational long terms strategies, strategic knowledge circulates through networks of expertise. A culture of specialists has developed, confining economic intelligence production in niches of expertise.

Consequences for national competitive advantage are similar to those in compartmentalized societies. Fierce competition between corporations, and search for expertise leadership of the individual rather than shared knowledge strategies might constitute a disadvantage when competing with South East Asia countries, especially Japan.

Implementing new competitive dynamics

Traditional strategy formulation consider economic players as providers of competitive or cooperative offers, substitutes, threats of entry into domestic industries and markets. Focus on competitors' products/segments strategies often miss the overall cultural dimension. When assessing competitors' intents and capabilities, impact of knowledge management and perception of knowledge, cooperation and knowledge-intensive intrusiveness are taken for secondary phenomenon.

An in-depth understanding of Japanese knowledge strategies could have avoid many failures in competing with Japanese new entrants on domestic markets. A classic example is the virtual "takeover" of the American automotive market by Japanese competitors in the early 1970s and 1980s. "The Japanese entered the automotive market with not only better intelligence about their competition but a *greater understanding* of how US companies competed" (Herring , 1992). The Japanese strategy was not only targeting the automotive markets, but the long-term learning curve that could be derived from the potential market shares on these markets.

Assessing knowledge praxis in competitive dynamics

"Know yourself and know your enemy", such was the oracle of Sun Tzu, centuries before the Judeo-Christian culture was even started. Culturally inherited models of thought play a dominant role in knowledge enacting and knowledge *praxis*. Some competitive dynamics are culturally driven.

A whole unexplored research field opens itself to the daring researchers who wants to acknowledge the role of *knowledge praxis* in competitive strategy formulation., on all national, regional, inter organizational, organizational and individual level.

Enacting grounds for knowledge circulation

In the comparative analysis of knowledge strategies in Japan, France, Sweden, the United States and Germany, some key factors has been identified as enacting a ground for knowledge circulation. They are :

- Collective awareness (Japan, Germany)
- Mutual concern and interest above personal interest (Japanese group values)
- Existence of a shared knowledge *praxis*, beyond the borders of social compartmentalization (Japan, Sweden).
- Intelligent coordination in formulating knowledge strategies, approaching markets, distributing tasks and sharing advantages (Germany, Japan).

Other factors were identified as blocking / freezing the development of a ground for knowledge circulation. They are :

- Individualistic values, prevalence of personal strategy and expertise over strategies of shared knowledge (France, USA)
- Absence of knowledge strategies on a national level (France, USA).
- Social distance and high compartmentalization of society (France, Germany)

Organizations, and policy makers on a national level can work on implementing policies that would introduce changes were they are required.

Enacting intelligent intrusiveness

Intrusiveness in the literature is too often measured as an intensity by discussing more or less intrusive organizations (Daft and Weick , 1984), or by assimilating intrusiveness as a series of actions, like "sending agents to the fields (Wilensky , 1967), or "subscribing to monitoring services" (Thomas , 1980).

Intrusiveness deserves to be studied as a cultural component of competitive strategies. Further investigations could measure intrusiveness not quantitatively, but *qualitatively*, while assessing both its structural and cultural dimensions.

It might be worth to try to correlate imaginative skills, fantasy, creativity, collective awareness to the *nature of intrusiveness* developed by organizations, and — why not — to develop the concept of the "curious organization", rather than the misleading concept of the "intrusive organization". One hypothesis, not yet validated, that may support this assumption is that an organization can be *quantitatively* intensively intrusive ("everywhere"), while being very *qualitatively* poorly intrusive ("missing the point everywhere").

At last, intrusiveness *without purpose* and *coordination* makes no sense. The strength of Japanese and German intrusiveness in our above examples was relying upon a shared understanding of the purpose of the intrusions, with shared benefits.

Conclusion

Coordination and intrusiveness play a major role in knowledge strategies. The latter themselves enhance national competitive advantage.

When investigating the *knowledge praxis* of different industries in different countries, we discovered that collective awareness — which is grounded in culture — is a critical factor for developing successful knowledge strategies.

The literature provides many analysis on organizational intrusiveness (organizational scanning, competitive intelligence, ect.), but fails to provide a qualitative understanding of this intrusiveness from the ethnographic, historic and cultural point of view.

We attempted to do so. It would require much more research — much more collective efforts from various disciplines (history, social sciences, psychology, organizational behavior, political science) — to validate the few hypothesis here presented.

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