

## **Visionary leadership: the missing ingredient in economic transformation**



**Henry Ford had a dream to make a car almost anyone could afford to buy. What are the dreams of our entrepreneurs? This article explores the transformative impact of visionary leadership in industrial and economic development. It criticizes the lack of long-term planning and innovation among local leaders.**

The piece underscores the necessity for visionary leadership to foster competitiveness, innovation, and sustainable economic growth in Pakistan, and advocating for comprehensive reforms to break free from dependency on foreign aid.

Henry Ford had a dream: to make a car that almost anyone could afford to buy, drive, and repair. His vision revolutionized the automobile industry when Charles Sorenson developed the moving assembly line, and it was introduced at the Ford Motor Company.

The moving assembly line significantly reduced production costs and made cars accessible to the masses. This innovation not only transformed the automotive sector but also set the stage for mass production in various industries.

At its peak, Ford was manufacturing up to 10,000 Model T in a day in 1925. Ford's Model T became a symbol of this transformative era, demonstrating how economies can be revolutionized through innovation and efficiency. Ford tried any number of ways to become competitive and gain an edge. Some ideas failed, others took hold, but the drive to keep trying persisted. Ford was even able to adapt this development for producing a bomber aircraft every 63 minutes in World War II.

Taiichi Ohno, the father of the Toyota Production System, aimed to eliminate waste and inefficiency in manufacturing. His focus on continuous improvement (Kaizen) and just-in-time production enabled Japan to compete globally with the US and Europe, showcasing the power of process innovation to boost economic growth.

The Toyota Production System became a benchmark for manufacturing excellence worldwide, influencing countless industries and leading to the development of lean manufacturing principles.

Elon Musk is another example of a transformational leader who is pushing the boundaries of technology and industry.

Through companies like Tesla, SpaceX, and The Boring Company, Musk is not only advancing electric vehicles and space exploration but also inspiring a new generation of entrepreneurs and engineers to dream big and innovate boldly. His ambitious projects, such as the Mars colonization plan and reusable rockets, represent the kind of visionary thinking that drives economic progress and societal advancement.

These examples highlight how visionary leaders and their innovations have propelled economies forward. They broke away from conventional practices and ushered in new eras of productivity and growth.

Without such transformative visions, economies risk stagnation and continued reliance on foreign aid. The economic miracles seen in countries like South Korea and Singapore can be attributed to similar visionary leadership and strategic planning. These nations transformed from low-income economies to high-tech industrial powerhouses through focused investment in education, technology, and infrastructure.

In Pakistan, the question remains: What are the dreams and goals of our industrialists, entrepreneurs, and policymakers? Where do they envision the country in 50 or 100 years?

Do they see us trundling along behind all other countries of the world, or do they want to see us at the front, leading others rather than following them? But how can we, when our assemblers cannot produce one vehicle in less than a month (on average)?

When we cannot see beyond the outdated concept of localization? Compare that to how global companies perform – they are globally integrated and they produce at least as many vehicles in a month as we do in a year. How can we dream, when our leaders look to the outside for inspiration and help rather than to someone from the 220 million plus population in the country?

Unfortunately, it often appears that short-term gains and personal interests overshadow long-term planning and innovation in Pakistan. This shortsightedness has hindered Pakistan's ability to achieve sustained economic growth and has kept it reliant on foreign aid and loans.

Institutions like the Pakistan Institute of Development Economics (PIDE) and the ISLAAH initiative advocate for comprehensive economic reforms to break the cycle of dependence on foreign lenders. PIDE emphasizes the need for visionary leadership to chart a sustainable path forward.

The initiative focuses on structural reforms in key sectors such as agriculture, manufacturing, and energy to enhance productivity and competitiveness. Policymakers must realize that their reluctance to implement necessary reforms consigns our own future generations to a life of indebtedness and limited opportunities.

**“To change this bleak future, we must foster competitiveness, innovation and economic growth, Pakistan must cultivate an environment where visionary ideas can flourish. This requires a commitment to education, investment in research and development, and a culture that celebrates and supports entrepreneurial endeavors. The success stories of Silicon Valley and China's rise in computer chip manufacturing provide valuable lessons on the importance of creating ecosystems that nurture startups and technological innovation. By leveraging its human capital and strategic location, Pakistan can position itself as a hub for innovation and trade in the region.”**

Ultimately, the journey towards economic innovation and transformation requires collective effort and a shared vision. It demands that leaders at all levels—government, business, and civil society—commit to long-term goals and work collaboratively to achieve them. By learning from our successes and the successes of others adapted to our unique context, Pakistan can break free from the chains of the past and forge a prosperous future.

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USMAN QADIR

Usman Qadir is Senior Research Economist at PIDE. Twitter Handle:  
@UsmanQEconomist