

Books That Are Noteworthy

Mark M. Michalski

“I am certain that after the dust of centuries has passed over our cities, we, too, will be remembered not for victories or defeats in battle or in politics, but for our contribution to the human spirit.” JOHN F. KENNEDY (1962)

Modernizing China Investing in Soft Infrastructure by Raphael W Lam, Markus Rodlauer, and Alfred Schipke, 2017, pp.372, ISBN 9781513539942, IMF.

For the last four years I have been privileged to teach in China innovative entrepreneurship and management (a one-month intensive courses) at various universities during months of May and December. It has been amazing, highly stimulating, rewarding experience. China incessantly innovates. Deliberately modernizes its economic and social infrastructure. The country is developing dynamically and diligently; there is a discipline of culture and culture of discipline. Though I usually visit only an eastern part of China, it is clear that the country is intently innovating and introducing new, better solutions for the benefit of our daily life. In short, China leads a modern model of change. The country is visibly improving its economy – and effectively affecting our global economy. One of my students upon returning from one year of studying in the US remarked to me with surprise: “I am just amazed how many new high rise buildings popped up in Xiamen during my one year of my studying abroad”. So, physical changes surprise even young Chinese. But do they keep up with - soft - institutional, social and cultural changes?

This new book published earlier this year by the IMF with some two dozen of Fund’s con-

tributing authors provides timely and useful analysis of China neglected soft infrastructure. China has been leading while moving from its intensive industrial transformation to intentional soft infrastructure modernization. An old pillar industries such as: state owned enterprises (SOEs), steel, chemical, cement, have reached overcapacity. Emerging and new pillar industries comprise: growing and expanding private sectors, e-commerce, information communication technologies (ICT), banking and financial services, semiconductors and biotechnology. Will China achieve a balancing equilibrium? It depends on good enforcement of soft infrastructure, what Lam, Rodlauer and Shipke (the book editors) call a balanced investment in “soft” infrastructure and political economy and “overcoming institutional challenges” with greater emphasis on “soft areas”. Another important issues comprise external anchors to world trade (in post WTO accession of 2001), fostering competition and enterprise restructuring. Institutional voids existed and still do exist. Premier Li emphasizes need to address these issues urgently.

About three decades ago it was not uncommon to assess or analyze economic development across countries without much reference to international trade. The rise of China as a second global power is changing that. China owes much of her success to trade, especially exporting more and more sophisticated, innovative, newer and better quality goods and commodities. Yet, China is still at a critical crossroads as it undergoes escalating modernization and transformation to an (incomplete still) open market economy. The government through its consecutive five year plans aims to reform, rebalance and refocus, what has gen-

erally been dubbed as an expansive growth model so far. An underlying refrain for these reforms and continuous transformation is that it may not be achieved by purely increasing the levels of physical investment. Government policies for resource allocation are creating new frameworks to allow established and emerging markets function better, more effectively, and also work efficiently, in an interconnected global world.

So, as China is building its soft infrastructure: the institutional interdependence, that reinforces and guides the smooth operation of markets - the main challenge is toward achieving sustained economic and social progress.

While China strives and pushes toward a more price-based allocation of resources -- until December 2016 it was granted for the US and EU, by the WTO a nonmarket economy (NME) status – the country is strengthening its monetary policy frameworks and financial sector regulation. These efforts are of particular importance to channel resources to the strategically important sectors. At the same time, improving its soft statistical reporting frameworks and infrastructure may be the most practical policy the Government can do for its future growth and development.

With this background, the book produced by the team of experts should be of use to policymakers, academics, and general public. There is lots of relevant statistics, charts, graphs, valuable information about policies and institutions in China today. The book also takes a look at the road ahead and outlines a roadmap for addressing some of the systemic weaknesses. The book outlines key issues critical for the country's transformation. Among the chief ones are: tax policy, public administration, social safety nets and security, state-owned enterprise reform, medium-term expenditure frameworks, the role of local government finances, capital account liberalization, and renminbi internationalization.

Cybersecurity Leadership: Powering the Modern Organization, by Man-

sur Hasib, 2014, pp. 174, published by Tomorrow Strategy Today, LLC, ISBN: 1502312115.

To most people cyberspace and cybersecurity invokes images of identity theft and/or information theft. Some consider it as an extension of information assurance. Dr. Mansur Hasib takes yet another (larger and broader) view on this issue: he considers cybersecurity as servant leadership prudently utilizing information technology. It is an apt blend of human and ethical service harnessing technological innovation for public good.

Last semester, in early 2017, Dr. Hasib invited me to teach the graduate course on Cyberspace and Cybersecurity at the UMUC. He provided me - and students - great support and guidance (videos, youtube and relevant cases) ensuring to make teaching the course both educational and entertaining. Mansur is a visionary teacher, leader and constantly learning student of cybersecurity management and ethical leadership. In disruptively changing world, where ideas have to be tested, and remain guilty until proven innocent, while individuals remain innocent until proven guilty, the book by Dr. Hasib provides an excellent set of balanced principles. He demonstrates great passion for his research, writing and teaching students to be the best during engaging lab sessions and learn to draw right conclusions.

William Gibson, science fiction author, coined cyberspace to describe a global linkage of computers. This idea was also described a globally interconnected network of networks (hence the word Internet) which linked techno-culture, where we now find ourselves in the 21 century. Thus, cyberspace might be called non-physical domain of flow of information and communication among people, computer systems and networks. It can be used by any device connected to the internet for sending or receiving email, or paying bills, or for any purchase and transaction. Commercially, cyberspace is a platform where global video conferencing takes place, where businesses can collaborate, overcoming the geographical

space and different time zone barriers. Therefore, large amounts of data and information can be accessed instantly in various parts of the globe. Thanks to this technologies we can have access to information 24/7.

Cybersecurity on the other hand is the process of ensuring that information, assets or confidential communication is contained in cyberspace. Since most of lay people do not have a full appreciation for the complexity of information flow nor its process, this role is performed by the Chief Information Officer (CIO) of the company. It is a chief role of the CIO to provide best defense against the identity theft, phishing scams, hacking or deliberate destruction of data and all the all other potential cyber-attacks.

The author in the outset recognizes the complexity and increasing commonality of potential cyber-crimes and in his book develops and effective cybersecurity programs and strategies to link them with business and organization mission, to best manage risks and ensure resilience in the sensitive areas of information systems. Cybersecurity is continuously growing area. Individuals, business organizations,

non-profits need to invest in protecting sensitive information against growing threats of disruptive cyber-attacks.

In an environment where technology drives not only vision, mission and values of every organization, technology is pervasive in our professional and private lives. With plethora of new technological advancements and innovations, its ubiquitous impact is felt everywhere. In this new environment, confidentiality, integrity and availability (CIA) of information technology becomes critical to our effective and enjoyable life styles. The author shows that managing cybersecurity is a multifaceted field, which requires holistic business approach. Many of the approaches are based on an outmoded models of cybersecurity, focusing and treating it as a technology issue. Dr. Hasib demonstrates that it is really a leadership and social-moral issue: leadership of truly servant nature is essential because culture governs behavior. He shows how time tested principles ensure and enhance success in personal and professional life. I highly recommend this book.