

# Bringing the benefits of globalisation home

## The core values of Britain's liberal democracy are vital foundations for commercial success, UK prime minister **David Cameron** told the World Economic Forum

**T**he key challenge for politicians and business leaders in Europe is how we make a success of globalisation ... If we engage in the right way, if we get the fundamentals of our economies right, sort out our debts, maximise our competitiveness and build on our strengths, then globalisation offers our businesses the chance to win new contracts to export into markets that were previously closed and create jobs fulfilling the demands of new consumers thousands of miles away.

Indeed, if we make the right decisions, we may also see more of what has been a small but discernible trend where some jobs that were once offshored are coming back from East to West ...

All of this is about the same purpose. Securing sustainable, well-paid jobs. Giving people pride in using their skills. Offering workers a chance to make world-beating products. Bringing more of the benefits of globalisation home and ensuring those benefits are felt by hard-working people in terms of security, stability and peace of mind.

### Getting the fundamentals right

Let me start with what we are doing in Britain. We have set out a long-term economic plan to secure our country's economic future. It has five parts. First, getting the fundamentals right – cutting the deficit so we deal with our debts, safeguarding our economy for the long term and keeping mortgage rates low. Second, reducing taxes to help hard-working people become more financially secure. Third, capping welfare and reducing immigration so our economy delivers for people who want to work hard and play by the rules. Fourth, delivering the best schools and skills for young people so the next generation can be best placed to win the jobs of the future. And fifth, driving job creation by backing small business and enterprise with better infrastructure and lower jobs taxes.

Each part of this plan is already producing results.

The deficit we inherited was the biggest in our post-war history – but already it is down by a third. Our economy is growing. Just this week, the International Monetary Fund upgraded its growth forecasts for Britain by more than any other G7 country and we have also seen the largest quarterly increase in employment since records began.

There are now more than 1.6 million new private sector jobs since early 2010 – and around 400,000 more small businesses. We have cut taxes for over 25 million people, reformed welfare so that it pays to work and created more apprenticeships than at any time in our history.

And we have taken unprecedented steps to back enterprise, scrapping £1.2 billion of red tape – including pushing for the removal of the most problematic European Union regulations and investing

billions in our infrastructure – in roads, rail and what is set to become the best superfast broadband network in Europe.

Ernst and Young now say Britain is the best place in Europe for new entrepreneurs. This has not come automatically; it is because we have chosen to build our long-term economic plan on Britain's great strengths. We have chosen to play to our strengths as an open, trading economy, championing the vital EU trade deals with America, Canada and Asia that can add millions of jobs to our economies and billions of pounds to the value of our businesses.

Rather than trying to pull up the drawbridge and shut ourselves off from globalisation, we have chosen to embrace foreign investment ... And we are proud that in the first half of last year, the United Kingdom became the world's largest recipient of inward foreign direct investment ... I think there is a chance for Britain to become 'the re-shore nation' ... As we do so, we should never forget one of our most important strengths. We should never undersell the core values of our

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liberal democracy: the rule of law, the freedom of speech and freedom of the media, property rights and accountable institutions – all vital foundations for long-term stability and commercial success.

But for re-shoring to happen we need to build on those foundations. That means settling once and for all two key arguments that risk undermining our competitiveness. First, on the overall business environment. And second, on the need for cheap and predictable sources of energy ...

All of us here in Davos know what it is that businesses need if they are to choose to locate in Europe. Macroeconomic stability. European economies with their debts and deficits under control. Strong finance – like that provided by the City of London. Consistent support for free trade – especially the vital trade deal with the United States. And above all, we need an unashamedly pro-business regulatory environment – with labour market flexibility, low jobs taxes and a willingness to pave the way for new business and new business models ...

### **An enterprise-friendly Europe**

We are making progress in the battle for an enterprise-friendly Europe. The eurozone crisis has focused governments on the need for structural reform. The accession to the EU of countries that experienced state socialism and the progress of sensible pro-enterprise governments. All these things have helped. But the fight is not yet won ...

There are still people who think that the key to success is ever greater social protections and more regulations. Let's be clear. We don't protect workers by piling on the regulations and directives to such an extent that they become unemployable. We have to maintain the flexibility for companies to grow and expand. Incredibly complex and overwritten directives that take this flexibility away, that make life difficult for temporary workers, or that stop firms moving people

UK Prime Minister David Cameron says that an “unashamedly pro-business regulatory environment” with labour market flexibility is needed in order for businesses to locate in Europe



AMMAR AWAD/REUTERS

between plants, just mean that companies who want to re-shore will re-shore somewhere else ...

The same is true of energy. To relocate in Europe, businesses will be encouraged by cheap and predictable sources of energy. Yes, we need renewables – these are a vital part of our future. That is why Britain had made itself one of the best places for green investment anywhere in the world, with the world’s first dedicated green investment bank and the largest offshore wind market in the world.

We need nuclear as part of that energy mix too. And I am delighted that in Britain last year we agreed the first new nuclear build for a generation, with £16 billion of investment and 25,000 new jobs. That will ensure safety of energy supplies.

But we also need to explore the opportunity represented by shale gas ... We need the right regulations, such as ensuring that well casings are set at the right depths with tight seals. And governments need to reassure people that nothing would go ahead if there were

environmental dangers. But if this is done properly, shale gas can actually have lower emissions than imported gas ...

We should be clear that if the European Union or its member states impose burdensome, unjustified or premature regulatory burdens on shale gas exploration in Europe, investors will quickly head elsewhere. Oil and gas will still be plentifully produced, but Europe will be dry ...

European countries face a choice. If we act now, we can ensure our businesses, our peoples and our societies can benefit from the next phases of globalisation.

The security, stability and peace of mind that those we serve yearn for can only be delivered by facing the difficult choices. We must not fail them. ■

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*Excerpts from UK prime minister David Cameron’s speech to the World Economic Forum (Davos) on 24 January 2014*

# A commitment to developing healthcare in the emerging markets

GE Healthcare's focus on localization and capacity building is contributing to more sustainable healthcare in developing nations, one partnership at a time



## Skander Malcolm

President and CEO of GE Healthcare's Eastern & Africa Growth Markets Region, covering Russia, Central Asia, Turkey, the Middle East, Saudi Arabia and Africa

In the developing world and indeed across Africa, Russia, Turkey and the Middle East, the demand for better healthcare and education is greater than ever before.

Indeed, if emerging market healthcare challenges can be solved, this will contribute to a more stable economic recovery and faster growth, presenting a much more attractive profile for investors including the G7 and global companies, such as GE.

In a very global economy, it makes sense for G7 countries to support financially – and through technology, education and infrastructure – the development of emerging market healthcare. For G7 members and global institutions like GE,

this represents a huge opportunity to invest and solve. It is therefore time to double-down our efforts on the emerging markets.

At GE, our approach to solving this is called healthymagination – it is about driving up quality, lowering cost and increasing access in healthcare.

### Differences in systems and populations

Despite advances, government healthcare spending per capita remains low versus the West and infrastructure is often poor. Across many parts of sub-Saharan Africa, for example, access to appropriate healthcare facilities and qualified healthcare expertise remains a challenge.

Recognising that health and socioeconomic prosperity are inextricably linked, governments in these emerging markets understand that they must aim for a fast-changing healthcare agenda where increasing access to primary healthcare services, educating the predominantly young population on key health issues and ensuring adequate training and critical skills for the healthcare workforce rank among the top priorities.

Already we see significant investments being made across the region in the establishment of a more modern healthcare infrastructure. In addition to revised legal frameworks and healthcare policies, the focus too on capacity building in these developing nations is unprecedented.

Of course, not all healthcare systems are created equal. As many emerging nations mobilise to transform health, leverage

innovation and consider more holistic, system-wide approaches to fixing gaps in the system, we observe some countries even begin to leapfrog their counterparts in the West – a significant sign that progress is being made.

Moreover, governments in the emerging markets are today seeking a system-wide approach to tackle several healthcare issues. They want the guarantee of improved connectivity across the hospital network, smarter hospital design, broader financing options, better patient throughput and productivity and improved patient care. They want tailor-made solutions that address these critical needs.

At GE, we see that it takes all different perspectives and approaches to solve a problem and we are helping by providing medical technologies, consumer education, training, financing and software – in short, all the collective experience we have – and deploying it in a way that works in the emerging market context.

### Innovation in healthcare development

We see that healthcare innovation has a different meaning depending on where you are in the world. What is consistent is that it has to be economically and clinically relevant. Most importantly, given the varying healthcare challenges, is that it is most effective when aimed at fixing a specific healthcare gap.

At GE, we see that innovation comes in different shapes and sizes: from big iron systems to small handheld scanning devices. For example, we found that GE's portable mobile ultrasound, which fits in the palm of your hand like a smartphone, is a great product that has potential to improve maternal and infant care in rural settings. Through our focus too on reverse innovation, GE is bringing a new way of thinking in product development, based first on specific emerging-market needs and then scaling these for resource-rich settings.

In parallel, several new technologies with the potential to help emerging healthcare systems leapfrog the West are also very

## About

GE Healthcare (NYSE: GE), one of the world's leading healthcare companies, provides a range of technologies, services and solutions that cover the spectrum of care, from medical imaging, software and IT, patient monitoring and diagnostics to drug discovery, biopharmaceutical manufacturing technologies and performance-improvement solutions. GE Healthcare helps medical professionals around the world deliver better healthcare to their patients.



encouraging. For example, tele-radiology and tele-pathology are two pieces of software development that will allow care to be optimized. Better data-management tools will also enable governments and care providers to understand in more depth disease patterns, treatment outcomes and care provision, so that their spending can be used more productively. Further, emerging manufacturing techniques will give us reliable, low-cost devices and allow us to put scans in place in remote and rural settings.

Naturally, technological innovation is just one aspect of the paradigm. We also see innovation in processes, productivity and leadership practices that ensure a holistic approach to innovation that is both tangible and intangible, but one that healthcare providers and ultimately patients will feel.

#### **A 100-year commitment to developing healthcare in the emerging markets**

GE has a long history in the emerging markets. Since arriving in Africa over 100 years ago, we have been at work to deliver healthcare solutions that address real areas of need led by a commitment to building sustainable long-term partnerships. Today, we are scaling up and localising our operations, our people and our offerings across the region.

We believe that helping our partners fix their problems is where we can add the greatest value, and nowhere is there greater demand for this than in the emerging markets where GE is actively bringing its expertise, technologies and innovations to the region.

Through our experience in the region, we see a profound need for training and education. Moreover, through our work we are helping hospitals reduce inefficiencies and eliminating waste; scaling service capabilities to optimise product performance and patient safety; increasing general knowledge to help populations make better-informed decisions about their health; supporting human-capital development; professionalising the region's healthcare workforce; and leveraging big iron and

big data to connect machines, people and information to improve outcomes.

Our approach is simple: we strive to listen to and understand our customers and work with our partners to develop solutions aimed at addressing specific needs.

Here are just a few examples of our most recent work across the region:

**In Algeria**, GE was selected as a strategic partner to support the government's plan to improve healthcare services, with a performance-improvement programme. In 2013, with an emphasis on knowledge transfer and human-capital development, GE Healthcare launched the Advanced Applications Centre to provide vocational and continuous education.

**In Egypt**, GE is supporting the Ministry of Health with the deployment of the country's first centralised image-exchange repository, providing clinicians with real-time access to patient images.

**In Iraq**, with more than 100 local employees, GE launched the Healthcare Service Centre, customising its global service systems and processes specifically to scale the service needs of the Ministry of Health.

**In Kenya**, GE, USAID and the Kenya Commercial Bank are collaborating to support SMEs, with \$10 million in local financing for the development of private health facilities including doctor partnerships, diagnostic centres and hospitals.

**In Nigeria**, working with the Nigerian Federal Ministry of Health and USAID, GE launched the \$20 million healthymagination Mother & Child Initiative at the World Economic Forum in May 2014, aimed at reducing preventable child-maternal deaths in Nigeria.

**In Russia**, GE partners with local technology manufacturer Meditsinskii Technologii Ltd on the assembly of its hi-tech Computed Tomography and Ultrasound technology for the Russian market.

**In Turkey**, GE is contributing to the delivery of sustainable public-private partnerships, providing project financing and know-how in design and technology integration to build

capacity in the healthcare system, in line with the vision of the Ministry of Health.

**In Saudi Arabia**, with the Saudi Ministry of Health, GE launched the Healthcare Skills Training Institute to provide technical, clinical and healthcare management courses across the region. Globally, GE Healthcare trains more than 10,000 customers across 120 classroom courses annually, and in the Kingdom has trained more than 5,000 healthcare professionals since 2009. In other work in the Kingdom to enhance hospital efficiencies, GE also helped to eliminate 9,000 hours of administrator paperwork and 36,000 patient waiting hours across 12 emergency departments.

**In Tanzania**, GE's handheld portable ultrasound, in combination with education and training of midwives, is demonstrating a higher rate of antenatal visits at clinics with ultrasound. Therefore, this has the potential to have a meaningful impact on UN Millennium Development Goals 4 (reducing child mortality) and 5 (improving maternal health) in a rural setting.

Through our partnerships in the region, GE Healthcare is striving to bring the best of its expertise, technologies and solutions to support real healthcare transformation and deliver better clinical and patient outcomes for the region's governments, healthcare providers and their two billion citizens.

**Global Headquarters:**  
**GE Healthcare**  
**Chalfont St Giles**  
**Buckinghamshire, United Kingdom**  
[www.gehealthcare.com](http://www.gehealthcare.com)  
**EAGM HQ: +90 212 3980 902**

