

# Economic strategic plan business plan

[Business](#), [Strategy](#)



## I. Introduction

The US is still trying to recover from the global economic crisis that began in 2007. Some of the recovery measures initiated by President Barrack Obama in his first term have improved the economy but at a slower rate than desired. The economy still suffers from a persistent liquidity trap. Lenders are unwilling to lend while borrowers are reluctant to ask for loans. The euro debt crisis coupled with the continuing global economic slowdown has affected overall economic growth for the US.

The economic stimulus plan approved by congress in 2011 will expire on the first of January in 2013. When the obligatory budgetary cuts come into effect crucial areas such as defense and health will be affected. This will result in a “fiscal cliff” which the economy may be unable to recover from without receding into recession.

## II. Mission

The mission of the new president will be to save the economy from the impending fiscal cliff and place the country's economy on a firm path towards recovery.

## III. Vision

The vision will be to create a sustainable model of growth for the economy. The president will require a strong governance to develop capacity while relying on innovation to steer the country out of its economic rut.

## IV. Objectives

# Strategy

## V. Driving forces

The economy has been in a vicious economic cycle. The fiscal cliff is an example of a problem caused the tax cuts which were a short term solution for the economy. The new strategy will deviate from this cycle and adopt visionary approach to the economic issue. This is in line with Sun- Tzu recommendations that a leader should be flexible and intelligent enough to devise new effective strategies that will have the least destructive force on the economy (Tzu\_ Sun 1963).

#### VI. Assumption

The first assumption is that the new strategies will be able to replace the other short term strategies that are currently being used to correct the economy. The second assumption is that the strategies will provide the best alternative solutions for economic recovery.

#### VII. SWOT

##### **Strength**

The benefit of experience from previous failed solutions

Strategy innovation and capacity building in the key aspects of the economy.

The most of the strategies can be implemented together with other short term economic solutions .

##### **Weakness**

The strategy required time to be effective. The economy's state does not afford the government much time to employ solutions.

## Opportunities

The country is prime for a paradigm shift towards innovation and sustainable growth

The strategies will reposition the US as an economic super power if properly implemented.

## Threats

The economy may not recover from present economic threats, more specifically, the Fiscal cliff and the possible monetary cliff in 2014.

## VIII. Strategic Issues

The main strategic issue is in compiling a strategic approach that the success of the plan requires a concerted effort over a long period of time.

Educating the next generation will require time while building state of the art infrastructure will require huge financial investments and time. For the strategy to work, the president will have to rally the nation behind the vision. According to Clausewitz (ed. 2002) a good leader should be courageous, intellectual and strong enough to pursue a strategy to the end.

## IX. Strategic Alternatives

One alternative for the strategy will be to implement to concentrate on promoting innovation in the market place. This will ensure that the economy records some growth and the citizens get the much needed jobs. This strategy could fail because it is hinged on the success of individual entrepreneurs who are known to fail

The other alternative is to set the strategy the strategy as it is but by setting it in policy and making its implementation a priority. Clausewitz contends that force is important for the successful implementation of any strategy. This will make the strategy a national goal, at the same time; it will require more resources to implement. This may not be available in the present economic times.

#### X. Recommended Strategy

Considering the present hardships and the desperation among the people, the government should implement the first alternative since it produces faster results with readily measurable results.

#### XI. Implementation

The first stages of the strategy lay the ground by improving information technology, speeding up patenting processes and aligning the education system to the needs of an innovative economy. The subsequent stages will build on the strategy by strengthening leadership and providing the necessary infrastructure for growth.

### **Evaluation and Control**

The strategy will be evaluated every 5 years for the next 20 years. The strategy will be adjusted to fit with the prevailing economic needs and to correct for the pace of economic growth.

**Clausewitz , Carl von. (2002). On War. Ed and trans. Michael Howard. New York: Oxford University Press**

Tsu, Sun. (1963). The Art of War. Trans Samuel B. Griffith. London: Oxford University Press.