

TOWARDS AN ECONOMIC INTELLIGENCE SYSTEM IN SPAIN?

Eugenia Hernández* & Ana Isabel Páramo**

Abstract

Spain lacks an SIE (Economic Intelligence System). An integrated and operational system that unifies the efforts of public agencies and companies with national interests. But there are the bases to generate a functional SIE. Although it is true that the CNI is the body responsible for producing the intelligence needed for the Government of the nation, specifically in Article n. 4 of the LCNI establishes the functions of the National Intelligence Center, regarding Economic Intelligence, which is to “obtain, evaluate and interpret information and disseminate the intelligence necessary to protect and promote the political, economic, industrial, commercial and strategic interests of Spain, being able to act inside or outside the national territory”. This is so, without less end of not being the only producer of Economic Intelligence; besides not being constituted, as organizer or dynamizer of the Spanish economic intelligence system.

Key words: Economic intelligence, Economic Intelligence System, Competitive Intelligence, Business Intelligence, Fourth Industrial Revolution, Big Data.

Resumen

España carece de un SIE (Sistema de Inteligencia Económica) entendido como un sistema integrado y operativo que unifique los esfuerzos de los organismos públicos y de las empresas con intereses nacionales, aunque existen las bases para generar un SIE funcional. Si bien es cierto que el CNI es el organismo responsable de producir la inteligencia necesaria para el Gobierno de la nación, específicamente en el artículo n.4 de la LCNI establece las funciones del Centro Nacional de Inteligencia, respecto a la Inteligencia Económica, que es la de “obtener, evaluar e interpretar información y difundir la inteligencia necesaria para proteger y promover los intereses políticos, económicos, industriales, comerciales y estratégicos de España, pudiendo actuar dentro o fuera del territorio nacional”. Esto es así, sin menos cabo de no ser el único productor de Inteligencia Económica. Además de no constituirse, como organizador o dinamizador del sistema de inteligencia económica español.

Palabras clave: Inteligencia Económica, Sistema de Inteligencia Económica, Inteligencia Competitiva, Inteligencia Empresarial, Cuarta Revolución Industrial, Big Data.

* Eugenia Hernández. Analista de Inteligencia. Consultora y Profesora Universitaria. <https://www.linkedin.com/in/eugenia-hernandez/>

** Ana Isabel Páramo, analista de inteligencia y formadora de analistas. aparacar@gmail.com

1. Introduction

Spain doesn't have an Integrated System of Economic Intelligence. And without a doubt, there are institutions, organizations and companies which produces intelligence in economic and business environment.

If the summary of "what is intelligence?" would be "the information treated for decision making"; It can be affirmed that intelligence is necessary and modified in the business world, by economic, regulatory, institutional actors and in the third sector ...

Intelligence is a polysemic term, which refers to different realities.

Intelligence is cognitive ability.

But it is also a production process (the so-called Intelligence Cycle).

And also refers to the product of the Intelligence Cycle mentioned above.

Intelligence is also the term used to refer to institutions and organizations that produce intelligence.

Including those that generate intelligence for their own states, and also for organizations that develop intelligence, production processes, for other organizations (supranational or private, in addition to the public).

Companies and economic actors base their decisions on elaborate processes in which they process data. Data of different nature, specific and extracted from reality itself. In a complex and changing environment. Defined in the new VUCA environment.

In addition, the accelerated technological revolution, the so-called Fourth Industrial Revolution. A term coined in the World Economic Forum, and theorized by the founder of the same forum Klaus Schwab in his book, namesake of the term, and published in 2016.

This technological revolution, promoting changes in economic models, services, consumption, products and in society itself.

Having an integrated and functional SIE (Economic Intelligence System) would allow Spain to increase its resilience. And its competitive advantages, within the framework of a European Union that is in transition, and a global economy system in full transformation.

Intelligence products, made with their own process, have a high added value. They provide knowledge for decision making. And they are also the basis for the generation of future futures.

The creation of probability scenarios in the business and economic environment, allows to project futures with compliance options. These scenarios are models used in projected models in very diverse sectors, from the political environment to that of security.

These probability scenarios do not guess an uncertain future, but modernize future options with their probabilities. From more likely scenarios, to complete uncertainty scenarios.

Getting to generate models with this intelligence technique, by including creative and lateral thinking processes, of improbable moments but of high impact.

It is the modeling of the concept coined by Taleb (2018), of the "black swans", that when emerging to reality is exposed.

And despite its low probability in reality, its surprising nature is "bleached." Your possibility is included in the system. And although no action measures are proposed, the black swan is no longer so, since it is contemplated in the possibilities of appearing in the dimension of the possible.

The generation of situations of probability (from high or very likely to unlikely) is incorporated into the elements of decision-making to influence plausible futures, through concrete action measures.

An anticipation that is essential in the aforementioned system resistance.

In Spain, as in the "Formal Intelligence Community", a formal hierarchy that organizes or generates entropy in the system does not work.

The "intelligence reserves" in the Expanded Intelligence Community are not ordered or coordinated.

The Economic Intelligence System is also not formally designed, although it operates information operations, and there are partial operations aimed at generating structures that can be the germ of an integrated SIE.

Therefore, there are the bases for the generation of an SIE in Spain.

Necessary to make our institutions, our companies, our economic system and, therefore, our societies and democracy, more resistant to the profound and transformative changes we face in this s. XXI.

2. What is Business Intelligence?

It is increasingly common to hear about economic intelligence, although it is more difficult to find any reference to conceptual delimitation. Thus, we read business intelligence, in talking about artificial intelligence and big data.

Let's face the process of clarifications with a pseudoscientific procedure, that is, by excluding possibilities, what in the world of intelligence analysts is called "discarding hypotheses."

Regarding the concept of intelligence, it should be noted that it has evolved over the last decades. Since Sherman Kent defined it as "The product resulting from the collection, processing, integration, analysis, evaluation and interpretation of available information concerning foreign countries or areas" in the 1960s until today, the idea of intelligence as a product has changed to adapt to the current world.

Sherman Kent (1978), known as one of the parents of the intelligence analysis as we know it today, elaborated this definition in the middle of the Cold War, when it was clear the existence of two well differentiated political blocks and, therefore, everything The world was clear who his adversary was: some country of the other bloc. The possibility that an attack came from an agent other than a State was not conceived.

Let's go back to the 21st century. The definition of Kent is in force, although the scope of the information should be modified, since at present the field is extended in an almost unlimited way: countries, groups, companies, individuals...; foreigners, nationals, transnationals...

A generic contribution but very close to reality is the following reflection on intelligence: "Intelligence deals with all the things which should be known in advance of initiating a course of action"

Well, from these contributions (of course we could have stated more), let us define intelligence as "the result of subjecting the available information to a rigorous process of analysis so that it is a useful product for decision making with the least degree of uncertainty possible to achieve the objectives, either of a State, or of an organization (public or private).

Therefore, the definition contained in the Glossary of Intelligence and in the LID Dictionary of Intelligence and Security published under the supervision of the Spanish Ministry of Defense: "Product resulting from the evaluation, integration, analysis and interpretation of the information gathered by an intelligence service".

In the same way that the concept of intelligence has undergone an evolution, so has the concept of economic intelligence. Let's clarify some ideas to arrive at a definition of economic intelligence.

Artificial intelligence and big data. The first is a set of algorithms that, integrated into a computer program, allow certain operations that are considered typical of human intelligence, including self-learning.

Big Data is a term that describes the large volume of data, both structured and unstructured, existing and available.

Following the definition of Gartner, in force despite having more than fifteen years old, the following attributes converge in the big data: Volume, speed and variety; more recently, those of value and truthfulness have been added. The need for this tool comes from the amount of information that can be obtained, the speed with which it is produced and varies, and the variety of the information itself and its origins.

We live in the era of excess information (known as infocasion). Now, does everything have the same value? Is everything equally true? Big data helps filter that data according to established criteria to take advantage of the volume of information so that the result is optimized, that is, that only the data useful for decision-making is presented.

So far we have approached, in a superficial but practical way for the purposes of this article, two tools for obtaining information. At no time has intelligence production been mentioned; it can be affirmed that both artificial intelligence and big data can be the prelude to intelligence since they allow access to its raw material: information, news, data, opinion...

Talking about business intelligence involves introducing information processing. There is an almost unanimous acceptance regarding the meaning of this expression: A set of tools and methodologies that allow obtaining and processing data from the company's own activity (sales, customers, suppliers, etc.). It treats quantitative data that can facilitate decision making with an eye on improving the income statement.

Business intelligence is a type of intelligence that companies perform in accordance with the provisions of the previous paragraph, but is this enough to help the decision maker?

Answer in the affirmative, imply limiting the use of available sources of information.

To produce quality intelligence (that is, useful for the decision-making process), we do not look exclusively at information from open sources (including social networks), or from human or technological sources, but we try of taking any data that helps answer the intelligence question, regardless of its origin, which does not mean that it has not been properly verified and valued. Well, in the same way, companies do not only use business intelligence to guide their business.

Let us now take a cognitive leap to address three concepts that are often confused and even used as if they were synonyms:

Competitive intelligence

Business intelligence

Economic intelligence

If we search the dictionary for the term "competitive," we will find that it means 1. adj. Belonging or relating to the competition. 2. adj. Able to compete In relation to "competition", we have the following: 1. f. Dispute or contest between two or more people about something. 2. f. Opposition or rivalry between two or more people who aspire to obtain the same thing. 3. f. Situation of companies that compete in a market offering or demanding the same product or service. 4. f. Rival person or group.

From what has been stated in the previous paragraphs, it follows that competitive intelligence is that used by organizations to compete with each other. To affirm that this is the purpose of the companies is to lack the truth since we would be excluding all activity without "opponent"; In addition, an intelligence based on information about competitors, which does not contemplate other elements of the environment, does not respond to the needs of today's businessman.

Let us now turn to business intelligence. We follow the same search process and the dictionary tells us that "business" means 1. Belonging or relating to companies or entrepreneurs. "Entrepreneur": a person who, individually or collectively, sets the objectives and makes strategic decisions about the goals, means, administration and control of companies, and assumes both commercial and legal responsibility towards third parties. The entrepreneur is the natural or legal person, who legally and professionally combines capital and labor with the objective of producing goods and

/ or services to offer them in the market, in order to obtain benefits.

In the same way that we did with competitive intelligence, according to what was indicated, business intelligence is what has to do with the management and administration of the company. This dimension brings us a little closer to reality, but it is interesting to reflect on the limited scope it has.

If the entrepreneur's mission is to set goals and make strategic decisions to achieve them, intelligence based on the activity of the company (business) is not enough. The head of any organization cannot establish a strategy of any kind only according to its peculiarities, interests and goals; It has to raise its head and look much more globally to adapt the business trajectory to the present and future reality in which it operates.

Therefore, we dare to affirm that the intelligence that companies now need and tend to produce is more holistic than mere business intelligence, without implying contempt for this type of intelligence.

Let's see now what economic intelligence is. Economy implies 1. Effective and reasonable administration of the assets of a person, a company or another community. 2. f. Set of goods and activities that integrate the wealth of a community or an individual. 3. f. Science that studies the most effective methods to meet material human needs, through the use of scarce goods. 4. f. Containment or adequate distribution of material or expressive resources. 5. f. Saving work, time or other goods or services. 6. f. pl. Savings held in reserve. 7. f. pl. Reduction of announced or planned expenses.

In Spain, the idea that economic intelligence is what the State produces to safeguard national interests has been generalized. This responds to a terminological pseudo-imposition without real basis. In the globalized and complex world in which we live, the State needs companies and they need some state assistance to enhance the economic development of the nation. In the same way that an intelligence service can act for the benefit of national companies (public and private) that contribute to generating wealth for the country, companies can provide very useful information to the intelligence service.

Let us point out the conclusions drawn from this reflection:

1. Economic intelligence is the result of analyzing the information - economic or not - available to defend national interests. The intelligence service

(s) and the business network of a country participate in its production.

2. When a company, in the development of its activity, designs strategies, it needs to have economic intelligence, either from the State, or from its own product.
3. Companies do not only focus on the competitiveness or reality of the organization itself, but must know economic, social, cultural, political, local, regional or global trends to make decisions and adopt measures that allow them to achieve their objectives.
4. In a parallel way to the evolution of the concept of intelligence, as we indicated at the beginning of this section, we have to assume and accept that economic intelligence has also done so. If we accept that in the past intelligence was only produced by the States (Sherman Kent) with respect to other States and that there are now other organizations that develop it to safeguard their own interests, there should be no inconvenience to admit that economic intelligence has ceased to be exclusive competence of the States to become susceptible to production by any entity that intends to defend economic interests.
5. If economic intelligence is everyone's business, it should not be hard for us to believe that the foundations are laid to make the leap to the creation of an Economic Intelligence System that ensures the defense of Spain's economic interests.

3. Need for a National Economic Intelligence System

The National Security Strategy of 2011 marked the need to create an Economic Intelligence System (SIE) in Spain in order to guarantee economic and financial stability. In 2013, the utility of this organization was emphasized as a support tool for economic security.

What has happened or what has not happened so that since then no progress has been made in this regard? It is difficult to understand why Spain does not enjoy an SIE if almost all of the country's socio-economic actors agree on their need.

The answer may have to do with what a good colleague calls the "Hispanic-Spanish" character. We are all convinced that it is necessary to join efforts to obtain results, but we have not been educated to work as a team under the motto of

coordination, trust ... We like to say that we have to share, although we resist putting our own (information, knowledge, etc.) in common and available to others; yes, we accept without problems what others want to give, we even demand them.

This principle of "mine is mine and yours can be too" is applicable to the personal and, of course, the institutional sphere. In fact, one of the pitfalls that must be saved in order to create and launch an SIE in Spain is under which direction; that is, to which ministry - or institution - it should be attached. How difficult is it to put national interests before departmental or even personal interests?

We can affirm that, so far, the body that has worked the most in this area is the National Intelligence Center (CNI), which has made a great effort to approach the business world to synchronize synergies and coordinate efforts for economic security. In this sense, the Spanish intelligence service has only complied with the legal mandate set forth in article 4 of Law 11/2002, of May 6, regulator of the National Intelligence Center: "Obtain, evaluate and interpret information and disseminate intelligence necessary to protect and promote the political, economic, individual, commercial and strategic interests of Spain, being able to act inside or outside the national territory".

However, the importance of defending economic interests for any nation requires a state organization capable of establishing strategies and determining lines of action according to the objectives and peculiarities of the business framework (commercial, financial, industrial, etc.).

If we look at the countries around us, we see that they have an organism endowed with the following characteristics:

- A multi-institutional management that also acts as a focal point.
- An open policy for the participation of all national companies that wish to integrate into the system, regardless of their activity sectors and sizes.
- A two-way State-business communication strategy in which everyone contributes and everyone benefits (a win-win system).
- An awareness and training campaign designed to generate a culture of intelligence and involve society in the defense of national interests in general, and economic in regard to the SIE.
- A national implication, generally non-sectoral, under the motto of "unity is strength".

Any activity, individual or collective; public or private, it has economic repercussions. Similarly, economic data or events are the result of a combination of variables. Trying to approach the national economy from a unique perspective is to condemn the project to failure. That is why we must fight to achieve a global SIE from different perspectives:

Multidisciplinary, to address economic interests in their broadest sense and study relationships and impacts between variables of different nature: purely economic, social, cultural, security, political, religious...

Collaborative, where all the actors involved commit to contribute as a previous step to obtaining benefits.

Inclusive, in which all public and private institutions that can contribute to generating wealth or avoiding negative impacts on the economy have a place; large companies of all sectors, strategic or not; and, of course, the always forgotten and unprotected SMEs, because they clearly contribute to the creation of wealth in Spain.

Open to society and accessible, since you cannot contribute to something whose existence is unknown or if your access is complex.

Formative, from an early age, to foster the feeling and conviction that citizens can and should contribute to the defense of national interests.

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