

# China and the World: the challenge of change

China will overtake the US to become the world's leading economy and benefit the world by taking a more active role in global affairs during the next five to 20 years. But it should do more to tackle climate change, and currently suffers from an inadequate healthcare system. Those were just some of the predictions and views of alumni, academics and students who took part in a major survey of China's prospects – which helped to drive debate and discussion at the fifth LSE Asia Forum in Beijing in March this year. **Warwick Smith** reports.



Almost 1,000 people from around Asia (and beyond) took part in the survey of China's prospects – all of them with a current or past LSE connection. Their views, suggesting a picture of a nation ready for more power but also being called on to take on more responsibility, underlined the sense of China as being at a crucial point in its history, which emerged during the forum.

The discussion at the Asia Forum was broken down into four areas: China's financial and economic development; its role as a world power; the chances

of action on climate change; and the country's healthcare system. Each topic was analysed by a panel of experts, bringing together some of LSE's leading thinkers (including Howard Davies, Professor Arne Westad, Professor Lord Stern and Professor Julian Le Grand) and major figures from government, business and policy.

China's foreign minister Yang Jiechi, himself an LSE alumnus, began the day with a speech to the 500-strong audience. This was followed by opening remarks by HRH The Duke of York. The panels included

contributions from Stephen Roach, chairman of Morgan Stanley Asia; vice minister Liu He from the office of the central leading group on Financial and Economic Affairs; Liu Mingkang, chairman of the China Banking Regulatory Commission; and Henk Bakedam, director of health sector development for the World's Health Organisation's Western Pacific region. Foreign minister Yang Jiechi also accepted an honorary fellowship from LSE during the event.

Peking University, one of LSE's academic partner universities, also took a leading role with Wang Jisi,



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professor of international studies, speaking in the sessions on China's global relations and Hu Yonghua, professor of public health debating the future of the nation's healthcare system.

Alumni were strongly represented in the audience, but those who were not able to attend had already helped to shape the event through their survey responses. The survey, designed to give an informed snapshot of how China's progress is perceived around the world, threw up some fascinating suggestions.

Almost eight out of ten respondents thought that China will be among the first countries in the world to recover from the global financial crisis – with the same proportion predicting a growth rate this year of between 7 and 10 per cent. This optimism was also reflected in the 55 per cent who believe the country will overtake America as the world's biggest economy. What they could not agree on was when this would happen, with around a quarter of everyone who said yes predicting it would happen between 2015 and 2020, the same proportion opting for 2020 to 2025, and the same again not until after 2030. A further 20 per cent thought it would happen between 2025 and 2030, and 5 per cent thought it would be in the next five years (2010 to 2015).

Being LSE trained, respondents to the survey did not only have predictions about China's recovering economy but also suggestions on how it could best be done. More than 42 per cent favoured restructuring from an exports driven economy to one with domestic demand as its main engine, while 35 per cent argued for a more knowledge based economy. More emphasis on developing renewable energy was backed by a smaller but significant (10 per cent) number of people.

On the international stage, almost everyone (88 per cent) thought China would become more active in world affairs, though slightly fewer (70 per cent) thought this would have positive effects.

On climate change, the LSE survey showed strong agreement that China needs to do more to combat its effects, but the largest group (54 per cent) thought this was a joint problem for China working with the world, rather than the smaller 28 per cent who thought that the nation should be taking action unilaterally. A large majority, 86 per cent, believe that tax incentives will be the best way to encourage sustainable development in China.

Views on healthcare were nuanced – while more than two thirds thought the country does not have an adequate healthcare system, 60 per cent of respondents do not believe it is a pressing issue and see that it can be addressed in the medium or long term. More investment,

the development of a grassroots healthcare network, and the expansion of medical care in rural areas were seen as the main ways to improve healthcare.

Away from the issues in the hothouse of the conference chamber itself, there were several other significant LSE events taking place in Beijing at the time. In particular, the School held its first graduation ceremony ever to take place outside London – with about 50 Chinese students electing to graduate in their home country, and with many family members present. Elsewhere in Beijing's China World hotel, the venue for the forum, LSE's careers service held a successful event with about 40 major employers from China, Asia and the rest of the world being briefed on the benefits of recruiting LSE graduates and introduced to some of those graduates, as well as many of the School's academic faculty and staff.

One of the highlights for former students was the alumni reception, held the night before the forum itself and which drew together more than 400 former students, mainly from Asia – underlining LSE's deep and growing links with the continent.

The LSE Asia Forum itself is proof of this – the Beijing forum was the fifth such event to be held (following those in Singapore, India, Hong Kong and Thailand), and was, for some observers, the best yet. ■



#### Warwick Smith

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Podcasts, videos, speaker transcripts and presentations as well as further photos of the event are available on the Asia Forum website, see [lse.ac.uk/LSEAsiaForum/AsiaForum2010/Home.aspx](http://lse.ac.uk/LSEAsiaForum/AsiaForum2010/Home.aspx)

Pictured opposite: 1 His Excellency Yang Jiechi  
2 Professor Lord Nicholas Stern 3 Madam Hu Xiaolian  
4 Liu Hie 5 HRH The Duke of York 6 Professor Julian Le Grand 7 Dr Henk Bekedam 8 Professors Michael Yahuda and Wang Jisi 9 Dr Zhu Min





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