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WORLD WATCH

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East and West should frame rules of the future

The world in the 21st century is experiencing a technology and innovation tsunami, with its force getting stronger and stronger. The challenge for all of us is going to be how to cope, how to manage and how not to be overwhelmed by it.

But this time everybody is experiencing pain, especially Asian countries, which are very much involved in global supply chains involving the United States and China. And the pain has become multilateral.

Innovation depends on openness and this is also under threat. If the US and China technology value chains separate, other nations will be forced to make choices. This will not be good for overall technology and innovation. As former vice-premier of China Zeng Peiyan said at a symposium in Singapore at the end of October, any US "decoupling" with China has very serious concerns for all of us.

The US has a track record of achievement in technological development and innovation. But China is catching up through its national efforts. The impact will also be felt in the digital economy where Chinese and US firms today dominate. Among the top 20 digital companies, more or less, it is 50:50 in terms of Chinese and US companies.

The sharing of global leadership in technology and innovation is likely to become reality even though China may experience short-term pain because of the developments that we are seeing over the last few years. In the medium and long term, the process that China is on will take it forward in a very strong way.

China has no choice but to ramp up its innovation capacity so as not to be dependent on anyone else, and certainly not on the US or the West.

We, in India, feel the same way. With our technical talent pool, we are focusing more on developing our own technology and innovation. We are lucky to have 600-700 million young people who are leading an entrepreneurial explosion using new technology for startups. So sitting in India, we understand how China feels about developing its own capability and its own strength. We are open to partnership, but we do want to be independent.

The US will have to adjust to

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understanding and accepting that its essential focus must be on its own competitiveness and its own strategy to enhance its competitiveness. It should also accept that China, with its huge efforts on technology and innovation, is going to be an equal. It may not be tomorrow morning, or even a few years from now, but that realization of China going to be an equal needs to come from all of us.

What are the choices between the US and China? Competing is one choice. Of course, they will compete. Conflict? That we must try to avoid. And collaborating is a third choice, so it can be competing and collaborating as a general formula in dealing with this whole area of technology and development, innovation and global supply chains.

Avoiding conflict and taking this process forward with the participation of the US, China and other countries in Asia is what confronts all.

One overriding crisis in the world is climate change. Here, everybody has a common agenda. Our families are affected, our children are affected, our grandchildren will be affected. In the early part of the 21st century, all must come together to collaborate and help with resources, technology, innovation, and knowledge.

We do not have a hundred years for this world if we go on like this. Would this be one focal area where the US and China can come together with others?

We are in a new world. We are in a world of technology and innovation, moving at a very high speed. The US and China are the leaders.

The rules of the past are created by the West. The rules of the future have to be framed by the East and West together, without decoupling, so that we have a shared future and a good future.

Asia must, in its own self-interest and in the interest of China, the US and the world, get into the game, make a difference through dialogue, to rebuild communication and rebuild an atmosphere of collaboration and partnership, even if it looks difficult today.

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