

US, China must tackle tech tsunami together: Expert

Innovation era demands cross-fertilisation of ideas, openness, says Indian business leader

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The world in the 21st century is experiencing a technology and innovation tsunami and needs its two leaders in technological innovation – the United States and China – to work together to meet it, an Indian business leader has said.

Any separation of global supply chains – as a decoupling of the US and Chinese economies would entail – would spell ill for technological innovation, which depends on openness, said Mr Tarun Das, chairman of the Institute of Economic Growth in Delhi.

“Innovation depends on the adoption of ideas from other innovating countries,” he said.

As an illustration of this cross-fertilisation, he noted that some of the most innovative and technologically advanced nations such as Japan, South Korea and the US have paid huge sums of money in intellectual property royalties to other nations and received royalties as well.

Mr Das was speaking yesterday at a session on technology and innovation on the second day of an international symposium on China-US relations and how the two powers can forge a common cause for the development of Asia and the world.

The two-day conference at The St Regis Singapore hotel was organised jointly by the China Centre for International Economic Exchanges, American think-tank Brookings Institution and Singapore’s Lee Kuan Yew School of Public Policy.

It brought together nearly 100 analysts, former politicians, thought and business leaders, and public and private-sector participants.

The US and China are facing deep difficulties in their relationship, with a protracted trade war that has shaken the technology sector and affected the global economy.

Mr Das said the US and China faced three options – compete, go into conflict or collaborate – while noting that conflict needed to be avoided for everyone’s sake.

He suggested that Asia, in its own self-interest and the interest of the

world, step in to help rebuild trust between the US and China through dialogue.

Separately, Mr Wei Jianguo, vice-chairman of the Chinese think-tank, said the issue of mutual trust between China and the US was at the root of the problems between the two sides.

Noting that the US believes China is challenging its status as the global hegemon, Mr Wei said this was not the case, adding “we have many matters (to attend to) at home”.

“In the future, in order that the two sides compete but do not view each other as an adversary, mutual trust is crucial,” he told *The Straits Times*.

To build that trust, China needed to do two things, he said.

One was to improve its messaging to the world that China, after it has risen, does not intend to be overbearing but wants everyone to do well.

The second was to demonstrate that it is as good as its word.

One example is how China has increased its import of US goods as agreed in the latest round of trade talks, Mr Wei said.

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