



**Welcome Address by SMU President Professor Arnoud De Meyer
at the SMU-SWUFE Global Forum on
Managing Economic Transitions: Perspectives from China and Singapore
24 October 2014, Friday
Southwestern University of Finance and Economics, Chengdu, China**

Professor Zhang Zongyi, President of Southwestern University of Finance and Economics

Mr Pang Te Cheng, Singapore's Consul-General in Chengdu

Our Keynote Speakers

- Professor Liu Hongyu from Tsinghua University
- Dr Robert Yap, Chairman & CEO of YCH Group
- Professor Gan Li, Dean of Research Institute of Economics & Management at Southwestern University

Distinguished guests

Faculty, staff and students of Southwestern University

Ladies and gentlemen

Good morning and a very warm welcome to the SMU-Southwestern University Global Forum on Managing Economic Transitions: Perspectives from China and Singapore.

This is the third forum organised under the SMU Global Forum Series, and the first to be held in western China. The Global Forum Series is a collaborative initiative between SMU and leading Chinese universities to provide a platform for business leaders, entrepreneurs, policymakers and researchers to engage in discussions of the key challenges and opportunities in China's development, as well as to share Singapore's experiences in managing its transformation from an economic backwater to a thriving economy and harmonious society.

China has seen tremendous growth and development over the last 30 years since the country embarked on its reform and opening-up journey. This journey is set to continue with the new Chinese leadership pledging to further strengthen and deepen the reform movement at the Third Plenary Session held in November last year, and the *lianghui*, or Two Meetings (the annual meetings of the National People's Congress and Chinese People's Political Consultative Conference) which were convened in March this year.

As China enters into its next phase of growth and development, it is shifting its growth model from one that is reliant on exports and investments, to one fuelled by services and private consumption. China has recognised that its grow-at-all-costs policy is no longer tenable, and has decided to focus on better quality of growth, with urbanisation identified as a key driver of economic growth.

However, the country's immense size, huge population, disparities between different regions, and vested interests will mean that changing course is no easy task for the economic juggernaut. Indeed, key economic indicators have grown at a slower-than-expected pace in recent months, stoking fears that the world's second largest economy will miss its growth target of 7.5 percent this year. In addition, some observers believe that China's property sector is headed for a rigorous correction.

Over the last fifty years, Singapore has advanced from a third world country to one which consistently comes in among the top in major international rankings. For example, the Global Competitiveness Report 2013-2014 by the World Economic Forum ranks Singapore second in its Global Competitiveness Index; in the Mercer 2014 Quality of Living survey, Singapore was ranked as the country with the best

quality of life in Asia; while in the Doing Business 2014 Report by the World Bank, Singapore is the easiest place in the world to conduct business.

The Singapore that we see and know so well today was very different 50 years ago. When it gained independence in 1965, it was faced with many challenges common to developing countries, such as high unemployment, sluggish economy, poor infrastructure, low literacy rate, and low standard of living. To promote economic growth and job creation, the government embarked on an industrialisation drive in the 1960s and attracted labour-intensive foreign manufacturing to provide jobs for its low-skilled workforce. In the 1970s and 1980s, there was a shift to more skills-intensive manufacturing which led to an emphasis on technical fields. From the mid-1990s, Singapore began to focus on building a knowledge economy by encouraging more research- and innovation-intensive industries and seeking to attract scientists and tech-heavy companies from around the world.

Each phase of economic restructuring represented a step up the economic ladder, but they were not without challenges. Adjustments by companies and workers were needed, and these were painful at times. However, with the concerted efforts of the government, businesses and workforce, Singapore emerged from each restructuring exercise stronger and more competitive. The services industry now accounts for about two-third of Singapore's economy, while manufacturing accounts for about a fifth, mainly made up of high value-added manufacturing activities such as Biomedical Sciences Manufacturing. Singapore has also become a leading global financial centre and a top location for the establishment of headquarters by multinational firms.

Singapore has embarked on its latest economic restructuring in 2010 to create better jobs and raise incomes by upgrading the workforce. It aims to wean local companies off their reliance on foreign workers and raise productivity. However, the resultant labour crunch and rising business costs have weighed on overall growth. The Singapore government has put in place a number of schemes to help companies navigate their way through the restructuring and raise productivity, and is firmly committed to seeing through the process in the push to create a more robust and competitive economy.

As we can see, both China and Singapore are currently undergoing economic transformation. Although the two countries are at different stages of economic development, there are certain aspects of Singapore's experience that could be relevant to China, and there is certainly much that both countries can share and learn from each other.

It is against this backdrop that SMU and Southwestern University have co-organised this forum on Managing Economic Transitions. We have put together a stellar line-up of scholars and thought leaders from both universities, as well as experts from think tanks and the industry who will share with us their valuable insights on various aspects of managing economic transitions. The SMU faculty members speaking at this forum include Professor James Tang who is the Dean of the School of Social Sciences, as well as professors from the Schools of Business, Law, Economics and Social Sciences.

The topics to be presented and discussed today are wide-ranging and pertinent; they include Urbanisation and Housing Market, City Supply Chains, Real Estate and Ageing, Internet Finance, and the third Government-to-Government project between China and Singapore.

About SMU

As not all of you in this room are familiar with SMU, I would like to spend a couple of minutes to say a few words about us.

SMU was established in 2000 to generate leading-edge research with global impact and produce broad-based, creative and entrepreneurial leaders for the knowledge-based economy. We are recognised as a catalyst in transforming Singapore's educational landscape.

We celebrated our 14th year of founding in January this year. As a young university, we are heartened to have received several accolades, especially in the area of research.

SMU's excellence in research has been recognised and are globally ranked. We are well known for our thought leadership across various disciplines. Our School of Economics maintains its ranking at 1st in Asia and 57th worldwide; and in the field of econometrics 4th in the world in the Tilburg University Top 100 Worldwide Economics School Research Rankings. Our Lee Kong Chian School of Business is ranked 52nd worldwide for research contributions for the period 2009-2013, and 4th in Asia by University of Texas, Dallas; Our School of Accountancy, in the rankings by Brigham Young University, has risen to represent Singapore in the top 10 worldwide for Financial Accounting with Archival Methods; and number 27 in All Topics and Methods for Accountancy.

We have over 8,300 undergraduate and postgraduate students in our six schools: School of Accountancy, Lee Kong Chian School of Business, School of Economics, School of Information Systems, School of Law and School of Social Sciences. Our schools offer a wide range of bachelors', masters' and PhD degree programmes in various disciplines. In addition, we provide numerous Executive Development programmes that address business challenges in the context of Asia.

More than 80% of our faculty hold PhDs from the Ivy League universities and other top universities from around the world. Besides China, our faculty members also collaborate with leading international researchers and universities from USA, Europe and India, as well as with partners in the business community and public sector through our research institutes and centres.

SMU China Initiatives

The SMU Global Forum Series is an integral part of SMU's China Initiatives which was established in the second quarter of 2012. SMU China Initiatives aims to raise our profile in China as a research university in the broad field of social sciences. By doing so, we want to contribute to the Singapore-China collaboration in business, government and civic society by nurturing China-ready and bicultural graduates who are able to function effectively in the business and financial environment in China. We intend to do this by providing many more opportunities for exchange and internships.

The other major undertaking of SMU China Initiatives is to actively drive and strengthen our collaboration with existing and new partner universities in research and postgraduate education. Our aim is to play a key role in creating and sharing knowledge and thought leadership that will benefit both Singapore and China.

Our China Strategy

SMU's long-term strategy in China consists of four priorities:

First, we want to raise the profile and reputation of SMU in China. This is part of our overall strategy to build the SMU brand internationally. We have strong collaborations in Europe and the US, and have started moving into China, India and ASEAN. By raising our profile in China, SMU hopes to continue to attract high calibre Chinese faculty and postgraduate students to undertake teaching, research and learning in a holistic environment at SMU.

Secondly, we would like to attract high quality students from China into SMU's undergraduate, postgraduate and executive programmes. In 2012, SMU and Southwestern University sealed a partnership to recruit and enrol top students from Southwestern University to SMU's Master of Science in Financial Economics programme. SMU and Southwestern University has subsequently expanded the partnership to include SMU's Master of IT in Business programme, Master of Science in Applied Finance programme, Master of Science in Quantitative Finance programme, and Master of Professional Accounting programme.

Thirdly, we want to broaden the engagement between SMU faculty members and their counterparts at leading Chinese universities in joint research and PhD co-supervision. SMU and Southwestern University are currently exploring potential collaboration with the Survey and Research Centre for China Household Finance, which comes under the Southwestern University, to conduct joint research on urbanisation and ageing.

Our fourth priority is to enhance student exchange programmes and internships in China for SMU students. At SMU, one of the ways we promote multicultural learning is by giving our students global exposure. We believe this will help broaden our

students' view of the world, and develop their cross-cultural knowledge and competencies which are critical in the world we live in. Southwestern University, with its impeccable reputation of academic excellence and leadership, will be invaluable in enhancing our students' learning experiences and broadening their understanding of the country. I am happy to say that we are planning to start an exchange programme for the undergraduate students of both universities soon.

Conclusion

In conclusion, I would like to reiterate SMU's commitment to broaden and deepen our ties with China through research collaboration, exchange programmes, as well as training and development. We believe this will help contribute to knowledge creation and talent development for both Singapore and China.

On behalf of SMU, I would like to express our sincere appreciation to Southwestern University, especially President Professor Zhang Zongyi, for co-organising and hosting this forum. I would also like to thank Mr Pang Te Cheng, Professor Liu Hongyu, Dr Robert Yap, Professor Gan Li, and the other speakers at this forum for taking time off their busy schedules in support of this event.

It leaves me to wish you all a good conference.

Thank you.