Changing of the Guard?

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“We believe there is a very important friendship to be developed here… we’ve come here in the spirit of question, we come here in the spirit of conversation and we come here with a sense of urgency.” The New York-based Executive Director of INET, Rob Johnson, launched the organisation’s 2013 plenary conference being held this year in Hong Kong. Referring to economists and the crisis in his part of the world, Johnson said, “Our guys haven’t done such a good job of handing off to the next generation…the economics profession in the West has not been entirely healthy, an entirely honest expert in the name of the public good and I think that all of us in the name of economists have to explore where we’re going.”

This year’s overarching theme of the annual INET conference is the ‘Changing of the Guard?’ At its core is the increasingly important dialogue between the West and Asia – one that will undoubtedly shape the world’s future prosperity and welfare.
But while the phrase, Changing of the Guard, may imply questions about the so-called economic and geopolitical rise of Asia, a spirit of partnership going forward will dominate. It’s how Asia frames its relationship with the West – and vice versa – that will underpin debate at the event. Andrew Sheng, President of Fung Global Institute, which is co-hosting the event, took up this mantle. “Asia is now very much a centre point of discussion, around the world everybody’s concerned whether Asia’s rise will be good, be problematic, or what the challenges are, these are the issues that we Asians should also be thinking about…and we need to engage for the next generation and the next generation’s ideas…we have to solve all this together.”

Sheng is an avid believer that this relationship is a two-way street, where both the West and the East can and must learn from each other, “Asia needs to engage with the rest of the world about how it’s developing…we’ve never had a situation where populations are doubling from 3.5 billion to 7 billion…these are the issues that affect all of us.” Or as Johnson put it, “it’s about planetary governance…these are not questions we have answers to.”

So in the spirit of inquiry, some of the world’s foremost economists, including Nobel Laureates, Americans Michael Spence and James Heckman, as well INET Chairman, George Soros and Fung Global Institute Founding Chairman Victor K. Fung, will take part. They’ll be joined by hundreds of other thought leaders, financiers and top civil servants from China, India, the rest of Asia and Europe to ask and answer questions on how these different countries and regions can converge in their thoughts and ambitions.

A major driver of world growth, possibly the single most important engine of it in the years to come, is of course China. Yu Yongding, INET Advisory Board Member and Director of the Institute of World Economics and Politics at CASS, said the dangers of the economic crisis for China were far from over, “We’re facing a lot of constraints…the [threat of a] bubble is still serious, this year growth will continue, but it won’t be very strong. China has not made great headway in restructuring its economy, I think this is still a worry,” or as Johnson rounded off the press conference with an analogy to global growth, the West and China: “Will the tugboat pull China, or will China sink the tugboat?”


For more information on INET’s annual plenary conference, click here.