

Comments on the draft of 'Innovation, Sustainability, Development: A New Manifesto' from Prof Liu Xielin, Associate Dean of School of Management, Graduate University of Chinese Academy of Sciences, at the workshop on 'UK-China Innovation for Sustainability and Equitable Development', Tsinghua University, 19th March 2010

Liu Xie-lin: I'm very pleased to participate in this meeting. Let me say first that I previously worked in the National Research Centre for Science & Technology Development (NRCSTD, now CASTED) of MOST (Ministry of Science and Technology). I think the first Manifesto has played a great role in changing the thinking of S&T policy making in China. Following the cooperation of SPRU with NRCSTD, many of my former colleagues went to SPRU, and after they came back, they introduced innovation-ideas to China. The functions of MOST have changed from technology itself to broad fields, though with lots of debates in MOST. But finally, the government agreed to put innovation on the agenda.

The second shift in China is the introduction of the concept of National Innovation Systems (NIS). I began to work in MOST in 1996 for ten years. Later on, after ten years of transition, MOST invited international experts from Europe to come to China to review the transformation process in 1997. The result was a ten-year review of China's Science and Technology, supported by IDRC of Canada in 1997. Afterwards, I started to engage in research on the National Innovation System (NIS) idea, and later research on regional innovation systems, under the support of some other officials including Dinghuan SHI. The top leaders of MOST also welcomed the concept very much. Therefore, I think that it was the contribution of European scholars (especially SPRU) to export innovation systems ideas to China. NIS became another important policy framework for China. In this sense, I think China's development should thank UK scholars for their contribution on the ideas of innovation policy transition in China.

Now we need a second manifesto. I think our concept of innovation has played a significant role in China's economic development and improvement of competitiveness. Many challenges are mentioned in the New Manifesto. Similarly, China is also faced confronted with these challenges. How to promote better and more

sustainable development, and how to combine the idea of equitable development? China is also very engaged in these questions.

.A new concept is put forward by a scholar, which is a matter coordinated and managed closely by different government departments. The original meaning of innovation not only referred to science and technology itself, but also commercialization in the market, which involves a lot of coordination. NIS is also a system of coordination by a lot of different players. Now, if we want to address sustainable and equitable development when performing innovation, we will need more complex inter-governmental coordination. .Therefore, we sometimes say MOST places a strong emphasis on innovation, while other departments may put GDP growth in a higher position.

The second topic is on the shift in the definition of innovation itself. Traditionally we discuss innovation and economic growth and we strongly emphasize that innovation can bring wealth – our work also involves a campaign of creating wealth through science and technology. Now in the New Manifesto we are saying that innovation is designed to narrow the gap, achieve equality and address sustainable development. Is there any essential difference between this innovation for competitiveness and the innovation for equitable development? Here I say that there may be some new changes for innovation - in concept, definition and assessment indicators. Scholars should make contributions to the shift from ‘wealth’ innovation to ‘value’ innovation. How can we find a better analytical framework to foster innovation while reducing poverty and contributing sustainable development? Is this a new concept, or an extension of innovation? I think that is what we need to research.

The third topic is what we said just now – globalization. China’s stage of development is very different from that of Europe. China assumes a kind of responsibility during this stage of development. The issues facing China, such as unequal wealth and poverty and sustainable development, are very different from the developed countries. Therefore, responsibilities assumed by the developed and developing countries are not debated clearly in the wake of globalization. China’s thinking is not necessarily accepted by the western countries. We need to find a new global way of thinking, which should be taken into account by the initiators of Manifesto.

Thank you.