

## **Commentary: Innovation-driven growth to be highlight of G20 Summit**

By Guan Qingyou on People's Daily

After the 2008 financial crisis, the global economy entered a period of in-depth adjustment. Today, Japan and Europe, with their negative interest rates, still cannot see the light of recovery, while the US dollar's rate hikes have also run into several bottlenecks.

Citing uncertainties, the International Monetary Fund (IMF) recently revised its forecast for global growth in 2017 to 3.1 percent.

In order to drive the world economy back onto a track to recovery, this year's G20 Summit is focused on "breaking a new path for growth." With a focus on tapping potential growth impetus, this path advises all sides to work out action and cooperation plans concerning innovative development, while bolstering their overall innovation cooperation when it comes to technology, development strategies, systems, mechanisms and business models.

China has proven the effectiveness of this path with its successful reforms. As to the future, the country has also made innovation-driven growth a core strategy for its economic development.

Thanks to its innovative development and reform, China's economic framework is now witnessing a number of changes. For instance, consumption is on the rise, and entrepreneurship and innovation now occupy a dominant role in real estate and traditional industries.

New technologies are also springing up. Coupled with new concepts such as "Internet plus," cloud computing, big data, artificial intelligence and genetic engineering, a new generation of information technology is now being applied in traditional industries at an increasing rate.

As a result, modernized agriculture, high-end industries and intelligent services are becoming more prevalent, while new entities, new industries and new business models are constantly emerging.

At the same time, high-speed railways, extra-high voltage (EHV) and nuclear energy enterprises are knocking on the door of overseas markets with their technological breakthroughs. Huawei, ZTE and other innovation-oriented businesses now carry

more weight in the global market.

Innovative growth covers not only technology but also systems, mechanisms, development concepts and other aspects.

In its 13th Five-Year Plan, China outlined a vision involving five development pillars – innovative development, coordinated development, green development, open development and shared development. This vision shares the same core as the concept of innovative growth as both aim to take the impetus for growth to a new level and reform outdated approaches.

Specifically, “innovative development” means optimizing outdated capital-intensive and labor-intensive models, while “coordinated development” refers to narrowing the wealth gap and rectifying unbalances in regional development. “Green development” aims to eliminate models that involve high energy-consumption and produce pollution.

“Open development” focuses on the eradication of previous restrictions on capital, trade, pricing and other related aspects, while “shared development” targets wiping out barriers and protectionism in areas such as technology and trade around the globe.

From a global perspective, Chinese President Xi Jinping’s proposal to build an innovative, invigorated, interconnected and inclusive world economy at the G20 Antalya Summit last December also shares the same core spirit as China’s five-pillar development philosophy.

Amid today’s technological globalization, innovative development requires in-depth coordination and collaboration among all countries. Worldwide efforts should cover the birth of new technologies, their application in industries and their emergence as driving forces.

However, international collaboration is now facing challenges. On one hand, some developed nations have tighten their grip when it comes to sharing technology, and on the other hand, some countries and transnational enterprises, in a bid to maximum their own interests, are competing with each other to make their self-established technological standards the one and only global standard.

The G20 can completely serve as a platform through which all countries can reinforce open cooperation in technological innovation and facilitate the flow of innovation

resources through coordination and collaboration.

By innovating growth, stimulating new momentum for economic growth and strengthening international cooperation, China will help write a new chapter for economic growth along with the rest of the world.

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