



Shanghai Forum 2017 Perspective Highlights

New Driving Force of Sustainable Growth:

Risk Control and Factor Optimization

Global Governance Sub-Forum 01 Session One

8:30-10:30, May 28th

Chair: Chen Shiyi, Center for Sustainable Development Studies, Director
Moderator: Yongrok Choi, Inha University/ Int. J. Innovation & sustainable Development, Professor

**Gary Jefferson
Brandeis
University,
Professor**

The Role of Technical Change in China's Sustainable Growth

- 1、 Technical progress can be divided into two kinds, one is slow neoclassical growth model g_A , which has already embedded in capital. The other is Hicks' invention neutrality g_H , mostly new inventions which have not yet been embedded in capital.
- 2、 Imitation growth is in decline in China, and the proportion of technological change through invention has been steadily increasing.
- 3、 The problem for China now is how to better absorb and exploit such new innovation and expand the technology multiplier.

**Yu Miaojie
National School
of Development,
Peking
University,
Associate Dean**

All-Around Trade Liberalization and Firm-Level Employment: Theory and Evidence from China

- 1、 Trade liberalization for different companies' productivity and the influence of employment, including pure processing, non-importing exporter, importing non-exporter and importing exporter, are different.
- 2、 After any type of trade liberalization, least productive firms destroy jobs and more productive firms create jobs. Firms are more responsive to changes in final domestic good tariffs than to changes in input tariffs or foreign tariffs.
- 3、 Trade liberalization has the biggest effect on the final product in China, because the industry is so competitive that some weaker companies will be eliminated after the liberalization.



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Eden Siu Hung Yu
Chu Hai College of Higher Education, CHCHE, Vice President

Inventions, Innovation and Economic Growth

- 1、 The motivation behind the development of scientific research and economic development can be measured through articles published in academic journals. Its total amount is the measurement of academic strength of an academic institution and a country.
- 2、 Economic development can benefit research through money subsidies and research results can be changed into technological progress, which will promote the further development of economy.
- 3、 From the causal test, in some countries technology promotes economic growth while in others economic growth promotes technology. And some countries have a two-way effect.

Quan Heng
Institute of World Economics, Shanghai Academy of Social Sciences, Deputy Director

Chinese Economy: Structural Slowdown, Structural Reform and Sustainable Growth

- 1、 China's slowing-down economy is a cyclical phenomenon, not a big trending.
- 2、 The slowdown in the second industry is an important reason for the slowdown in China's GDP. The problem of resource mismatch and structural oversupply should be corrected.
- 3、 We should continue to deepen our reform, such as balance the relationship between the government and the market, constantly improve the innovation environment and reduce costs. In the short term, we can improve the bankruptcy mechanism, reduce corporate debt. And over the long sustainable economic growth can be realised through education and innovation.

Kou Zonglai
School of Economics, Fudan University, Professor

Chinese Industrial and Regional Innovation from the perspective of patent data

Innovation is the new engine of economic growth, a systematic change that creates a more innovative and friendly economy. The empirical findings are as follows:

- 1、 Big companies have more patents, and the price for patents owned by big companies is more valuable.
- 2、 The cluster effect for both different regions and different industries is evident in innovation
- 3、 Corporation or private enterprise innovation ability is higher than state-owned enterprises. At the same time, the industry



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policy encouraging or supporting industrial innovation plays a positive role in promoting innovation.

Yongrok Choi
Inha University/
Int. J.
Innovation &
sustainable
Development,
Professor

The Governance of Post-2020 Climate Change and Sustainable Economic Growth

- 1、 Our environmental actions can be viewed as a failure for developing an environmentally sustainable economy from the perspective of market.
- 2、 Environmental protection and energy saving needs the top-down efforts. Many countries need to formulate relevant laws governing the related behavior and reducing greenhouse gas emission.
- 3、 Environmental protection need bottom-up efforts. Not only government and companies, everyone in the world has to participate in this process.

(Editor: Yu Sihui)



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New Driving Force of Sustainable Growth:

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Global Governance Sub-Forum 01 Session Two

10:30-12:15, May 28th

Chair: Chen Shiyi Center for Sustainable Development Studies, Director

Moderator: Terence Tai Leung Chong The Chinese University of Hong Kong,

Associate Professor

**Terence Tai
Leung Chong**
Inha University/
Int. J.
Innovation &
sustainable
Development,
Professor

Venture Capital and Post-IPO Price Volatility in China

- 1、 For investors in the Chinese primary stock market, they should buy into IPOs without VC-backing to achieve a high initial return.
- 2、 For the capitalists who seek to fund startups, it would be better to choose startups with VC-backing as they can get to IPO earlier.
- 3、 Managers should try to obtain VC involvement to bring the firms to go to IPO earlier.
- 4、 Governments should continue to promote the development of the VC industry to hasten economic growth.

Seung Mo Choi
International
Monetary Fund,
Economist

Friend or Foe? Cross-Border Linkages, Contagious Banking Crises, and Coordinated Macroprudential Policies

- 1、 Trade and banking partner countries add substantially to the risk of a crisis
- 2、 Use of macropru tools by one's partner countries can lower intermediate targets (credit and housing prices) in the domestic economy
- 3、 Use of macroprutools by partner countries can lower crisis risks in some cases, which raises issues on how to do it: through reciprocity, FSB or Basel mandates?



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Ding Jianping
School of
Finance,
Shanghai
University of
Finance and
Economics,
Professor

China's Financial Supervision System: Shanghai's Pilot Project

- 1、 Although Shanghai free trade zone is continually open and the free trade zone account also wants to be applied in the whole country, there remain two major problems: the first is the appeal and profitability of free trade account, and the second lies in comprehensive regulation.
- 2、 The system of joint meetings should have real administrative and regulation power. Only greater power can financial regulation really be in place.

Jos éR. Sánchez-Fung
The University
of Nottingham
Ningbo China,
Assistant
Professor

China's Macroeconomic Imbalances and Financial Risk Management

- 1、 On the macro level, the imbalance of credit and the financial crisis are of course closely linked. The imbalance of credit in the modern economy may lead to the underlying financial crisis.
- 2、 Finance is at the key of the modern economy. The financial industry must do a better job to develop a healthy and positive economy.
- 3、 The private sector's credit imbalance need to be taken more seriously.

Liu Liya
School of
Finance,
Shanghai
University of
Finance and
Economics,
Deputy Director

Systemic Risk and Systemically Important Financial Institutions

- 1、 The spillover effects of systemic risk of the state-owned banks is far greater than joint-stock commercial banks, but in recent years, the rapid development of shareholding commercial banks makes it more important than traditional banks.
- 2、 Now interbank business is far more complicated than what we could realize, such as inter-bank savings, interbank borrowing and etc. Its complexity has gone beyond our imagination and hope our regulators can particularly pay more attention.
- 3、 The problem of one financial institution may have a big impact on the overall banking industry.



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Zhang Ning
College of
Economics,
Jinan
University,
Professor

Economic Performance Analysis on China's Energy Permits Trade

From 2015, we have put forward energy permits trading system and develop an energy permits trading market. Both in the short term and the long term, energy permits policies are better than command control type of policy and would lead to greater economic effect, energy conservation and emission reduction effect.

Chen Shiyi
Center for
Sustainable
Development
Studies, Director

Factor Allocation Optimization and China's Sustainable Economic Growth

- 1、 The research indicates that the provinces with higher economic development and lower energy consumption are more efficient.
- 2、 In addition to pay attention to the distortion of the capital market, we should also pay more attention to the energy market, including coal, oil, natural gas market and so on. By improving the factor allocation efficiency through the total factor productivity, sustainable economic growth can be ultimately achieved.

(Editor: Yu Sihui)