
Innovation and Talents Ecosystem in the Guangdong - Hong Kong - Macao Greater Bay Area

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Distinguished Leaders, Distinguished Guests, Colleagues and
Friends, Ladies and Gentlemen

I wish to begin by expressing my thanks to the Conference on the International Exchange of Professionals (CIEP) for the invitation to participate in this very important Forum. It is a pleasure to share with you my ideas about the establishment of innovation and start-up talents cultivation ecosystem in the Guangdong-Hong Kong- Macao Greater Bay Area.

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I divide my remarks into two parts. In the first part, I would like to share my ideas about the macro-economic situation, and especially about those aspects which affect the establishment of innovation and start-up talents cultivation ecosystem in our region. In the second part, I would like to present some thoughts and proposals about the establishment of a talent ecosystem in the Greater Bay Area.

PART 1 MACRO-ECONOMIC SITUATION

First, the macro-economic situation. The Guangdong-Hong Kong – Macao Greater Bay Area is one of the most dynamic regions of the world, indeed perhaps the most dynamic. Its dramatic development is a sign of the fact that the future (and indeed the present) of the world is in Asia. This is especially true from the economic perspective. We need to work together to ensure that the future of the Greater Bay Area is equally bright from other perspectives, such as education, culture, transportation, and public health.

The development goals of the Greater Bay Area in the future

should be three-fold: first, to be the most dynamic region of the world in economic terms: second, to enable its citizens to lead healthy and satisfying lives; and, third, to enable the many talents in this region to be shining lights and to contribute to peace, good health and well-being of people in the entire world. These are ambitious goals. I am sure however that we can achieve them by ‘introducing global expertise and promoting common development’.

Second, how can we give full play to the respective advantages of Guangdong, Hong Kong and Macao to overcome existing differences and realize the optimization of resource allocation when conducting cooperative development?

I would make three points.

First, to optimize resource allocation, cooperation should be based on two principles: (a) clusters, and (b) networks. It is well-known that clusters tend to foster, stimulate and encourage innovation. Networks are the most effective way of bringing people together to cooperate.

Second, we need to develop further the process of economic integration by completing the integration of public transportation systems and aspects of the legal systems between the three partners. This will enable goods and services to move more easily within the region. It will encourage cooperation in the fields of culture. It will also help to build greater understanding, tolerance and cooperation among the three partners.

Third, there should be much greater cooperation between institutions of higher education and research. Here I include all fields of teaching and research, ranging from undergraduate education, to medical research, to literature, arts and humanities, to business schools and law schools. Education of the younger generation is the key to the future. If we are serious about achieving our future goals, we need to envisage, encourage and finance greater cooperation in education.

Third, what is the main difference between the development system of the Greater Bay Area and the rest of China? The great advantage of the development system of the Greater Bay

area is three-fold. First, it is the historical origin of reform and opening. Using path-dependence, we can build on this example. Second, it is very open to innovation and strongly encourages the development of talents. Third, it seeks to combine the best contributions of Chinese thought, history and practice with the contributions from the rest of the world. Leaving aside other great cities in China, these are the main differences, and they give the Greater Bay Area a tremendous advantage in using its energy and wealth to sponsor innovation and encourage the development of new talents.

PART 2 ESTABLISHMENT OF A TALENT ECOSYSTEM

In this part of my speech, I would like to share very briefly some thoughts on the five questions which I was asked to address.

First, on the possible advantages of other cities: My first remark is each city, each hometown has its own advantages. We should respect this diversity. But we also know that people are different: some like to move around, some like to stay at home: People often make a distinction between ‘localisers’ and ‘globalisers’. In addition, some people thrive on pressure, others

do not like it. So far as possible, our societies should respect these differences.

My second remark is we should concentrate on the margins. People can often be persuaded or nudged to accept new opportunities. For the Greater Bay Area, it is crucial to make sure that every talent can be developed to its best, with good working conditions, good health conditions, and the best possibilities for expansion for the future.

Second, on retaining talents: Competitive salaries, good colleagues, supportive institutions and a healthy working environment are crucial elements. The Greater Bay Area also needs to expand dramatically the number of universities and research platforms. It needs also to encourage the circulation of talents, instead of opting for stagnation. My research team is now investigating how many universities and other institutions are doing research on the One Belt, One Road (OBOR, or Silk Road Initiative, SRI). We are especially interested to learn about research on food safety, food quality and related technical standards. My strong sense is that there are not enough universities and research platforms in the Greater Bay Area to

meet the demand for higher education, even in this limited field, and not enough to provide a basis for really dynamic clusters and networks.

Third, on possible references from Europe: I would make several points. First, the European model of regional integration is built on multi-level governance. It works, despite recent issues, and it provides a useful stimulus for thinking about how to organize regional governance. Second, at the level of institutions and individuals, the key word is hire the best and let them do their job. Third, experience in education suggests that minds should be free to wander wherever research questions take them. Finally, international cooperation and people-to-people exchanges are essential. The European experience suggests that these elements are crucial in attracting and retaining the best talents. They also indicate the importance of clusters and networks, which I already mentioned.

Fourth, possible impacts on surrounding provinces and cities: Two points stand out. First, clusters of excellence tend to attract the best people. Second, however, now we can imagine ways to slow a massive outflow of new talents. Networks are

one possibility. A spirit of trust and cooperation is also essential. A third key point is to encourage the circulation of talents.

The examples of Europe and the United States are instructive. Each has a wide range of universities and other institutions. Not all are in the capital cities. However, clusters attract talent and encourage innovation. Urban areas tend to attract the best in most fields. I think this has always been the general trend. Now we can think about how to avoid the disadvantages of this arrangement. We need to draw on the best international experiences and to think outside the box.

Fifth, how to utilize the Greater Bay Area advantages: We need to aim for the future, not the present. We also need to aim for the best, keeping in mind that the Greater Bay Area has a tremendous opportunity to contribute to this region, to China and to the world. The two foundations for making the most of these advantages are people and technology. We need to encourage the development and spread of the world's best technology throughout the Greater Bay Area for the benefit of all the GBA people.

Then the Greater Bay Area should aim to be a model for the surrounding provinces and cities. The first priority should be to see whether and how our legal systems can encourage and simulate innovation. Law and other types of rules can be an obstacle, but they also can be a foundation and stimulus for improvement.

GBA should also aim to spread its model to other countries, for example through One Belt, One Road (OBOR, or the Silk Road Initiative (SRI)), for example using Macau as a point of departure for contacts with the Portuguese-speaking countries in Africa. Domestically and internationally, we need also to envisage new forms of public education and public participation. Many of our modes of talent training and education are stuck in the past. We need to draw on the best innovations in the rest of the world and then go beyond them by the best use of our own imagination and resources.

In **conclusion**, I would make two proposals.

First, I propose the creation of a new **Greater Bay Area Research Centre on the Quality of Life**. We need to go beyond

food security and food safety and think seriously about food quality and public health. Food is the source of life. Now people can live much longer than before. Medical research is making astounding progress. The quality of food will determine our health and often the quality of our lives. Safe and good quality food will also have very important economic effects on public finance and health expenditure. The new Centre would bring together leading young and senior talents in these fields from the Greater Bay Area in order to help us build better lives. It should be organized according to the principles of clusters and networks, and it should be open to contributions of education and research, government, business, the wider society and international cooperation. It could be a beacon, a bright light, a pioneer and an innovator in one of the areas which will be very significant for the future.

With the future in mind, let us be even more ambitious. I would like to make a second proposal. I propose the creation of a new think tank: an **Institute on Greater Bay Area Integration**. Asia, Europe and other parts of the world have extensive experience in regional integration. We need to draw on the best domestic and foreign experts to develop One Belt, One Road (Silk Road

Initiative) and to develop the Greater Bay Area. Such an institute would provide an institutional and talent-based ‘makers space’ to do this in selected fields.

Thank you for your attention.