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The Role of Business and Education In China's Economic Future

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The opportunity presented to me to serve as President and Dean of the New Huadu Business School, now taking shape, is an extraordinary honor. It is a privilege to have the chance to help give direction to this new institution.

This position also gives me – a foreigner – the sense of being a part of the processes of economic development in China!

As you know, this is a private initiative of the New Huadu Charitable Foundation. It is a splendid thing that Mr Fa Shu Chen, chairman of the Foundation, has done in donating a sizeable part of his fortune for this project. It is also noteworthy that Mr Jun Tang, the Foundation's president, is devoting his managerial talents to this pioneering project.

Let me take advantage of this platform to say a few words about business and education, which are in fact the twin foci of the New Huadu Charitable Foundation.

From one perspective, the function of business is finding new production methods and new products to produce with the aim of reducing costs or adding to revenues.

In a national economy with a well-functioning business sector, this business activity accounts for much – even most – of the growth in the productivity of the nation's labor and thus the growth of national income. Of course the future of productivity depends crucially on government policy decisions too. But it depends also on the myriad decisions taken by the people in the business sector.

The effectiveness of this business activity and its *extensiveness* over the population depend on the *sophistication* of managers and other employees in making these decisions about methods and products. And this sophistication depends to an important degree on the *education* of these business people.

The value of this business activity – searching, experimenting, imagining – is not limited to its contribution to productivity and incomes. A rich business experience is of great value for *human* development, for personal growth (in other terminology).

The full development of a person means acquiring a range of capabilities for problem-solving (called “mastery”); it means testing and developing one’s talents (called “self-realization”); and it means becoming a new person in the long voyage into the unknown (“self-discovery”).

Business life contributes to this human development in being a continual source of fresh problems to solve, new mountains to climb and new explorations to undertake; and in presenting business people with continual challenges to imagine what has not apparently been imagined before.

Here is where education comes in. An individual’s education help equip the person for this kind of experience. And nationwide education helps to make business life a richer experience, thus a more rewarding experience for everyone.

Let me sum up. Business is capable of making work interesting, engaging, rewarding. So broad inclusion of the working-age population in the world of business is of great social value. Clearly education is the key to broad economic inclusion – to inclusion in the world of business. Moreover, high education of the population makes it possible for business to be more interesting, engaging and rewarding than it would otherwise be.

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