THE GROWTH NET SUMMIT 7.0

6–7 JUNE 2019 | NEW DELHI

INNOVATING OUR WAYS AMIDST STRUCTURAL DISRUPTIONS

From L to R: **Claude Smadja**, Founder and Chairman, Smadja & Smadja, Switzerland; **Jamshyd Godrej**, Chairman, Godrej and Boyce Manufacturing Co Ltd & Chairman, Ananta Centre, India and Past President of CII; **S. Jaishankar**, Minister of External Affairs, Government of India and **Harshavardhan Neotia**, Chairman, Steering Committee, The Growth Net Summit and Chairman, Ambuja Neotia Group, India

— A Report —

ABOUT THE ORGANISERS

Ananta Centre is a non-partisan organization registered under the Indian Trusts Act. It focuses on values-based leadership development and open dialogue on important issues facing Indian society, to help foster its transformation. The organization has no political affiliation and serves to provide a platform and forum that engages civil society, business, governments and other stakeholders on issues of importance to India's development and national security.

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Smadja & Smadja, Strategic Advisory, was established in 2001 in Switzerland and in the US. The firm works with global corporations and government entities on global trends and strategic issues. Our mission is to help our clients navigate and leverage globalization, providing them with "actionable" insights and a "world view" to help them manage the increasing volatility and complexity which is a built-in characteristic of a globalized world. The firm creates platforms of contents – from strategic, behind closed doors, seminars to high profile international conferences – that are knowledge and networking intensive, providing substantive take home value for the participants. Smadja & Smadja has activities, clients and partners in Asia, North America, Europe, Latin America and the Middle East.

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Confederation of Indian Industry

The **Confederation of Indian Industry (CII)** works to create and sustain an environment conducive to the development of India, partnering industry, Government, and civil society, through advisory & consultative processes.

CII is a non-government, not-for-profit, industry-led and industry-managed organization, playing a proactive role in India's development process. Founded in 1895, India's premier business association has around 9000 members, from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 300,000 enterprises from around 276 national and regional sectoral industry bodies.

CII charts change by working closely with Government on policy issues, interfacing with thought leaders, and enhancing efficiency, competitiveness and business opportunities for industry through a range of specialized services and strategic global linkages. It also provides a platform for consensus-building and networking on key issues.

Extending its agenda beyond business, CII assists industry to identify and execute corporate citizenship programmes. Partnerships with civil society organizations carry forward corporate initiatives for integrated and inclusive development across diverse domains including affirmative action, healthcare, education, livelihood, diversity management, skill development, empowerment of women, and water, to name a few.

India is now set to become a US$ 5 trillion economy in the next five years and Indian industry will remain the principal growth engine for achieving this target. With the theme for 2019-20 as 'Competitiveness of India Inc - India@75: Forging Ahead', CII will focus on five priority areas which would enable the country to stay on a solid growth track. These are - employment generation, rural-urban connect, energy security, environmental sustainability and governance.

With 66 offices, including 9 Centres of Excellence, in India, and 10 overseas offices in Australia, China, Egypt, France, Germany, Singapore, South Africa, UAE, UK, and USA, as well as institutional partnerships with 355 counterpart organizations in 126 countries, CII serves as a reference point for Indian industry and the international business community.

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INTRODUCTION

▲ **ONG Ye Kung**, Minister for Education, Singapore

The 7th Annual Growth Net Summit – *the first major business meeting held after the Parliamentary elections in India* – focused on the growth strategies of the emerging economies of Asia, Africa & Latin America and the ways to improve resilience and competitiveness.

The Summit was launched in 2013 to reflect the new realities created by the emergence of a constellation of new growth countries that are rapidly increasing their business, economic, trade and financial interactions and aspire to have a stronger voice in the global economy.

Since its inception, the Summit has emerged as a catalyst for developing a network of global business & industry leaders, ministers & government officials, political leaders, senior economists, academics & media leaders on how to strengthen economic momentum in emerging markets and generate new drivers of growth through partnership strategies for rapid sustainable development in this group of new

▼ From L to R: **Hardeep Singh Puri**, Minister of State (Independent Charge) of Housing & Urban Affairs; Minister of State (Independent Charge) of Civil Aviation and Minister of State for Commerce & Industry, Government of India and **Tarun Das**, Chairman, Institute of Economic Growth, India

A CHALLENGING GLOBAL CONTEXT FOR THE 7th ANNUAL MEETING OF THE GROWTH NET:

- An increasingly complex and uncertain global geopolitical & business environment where companies are under even greater pressures, have to strengthen their resilience and improve their competitiveness
- A changed, volatile trade landscape with the multilateral trading system under attack
- Technological disruptions, driving the digital economy and impacting on business structure and talent strategies
- Nationalism and populism rise across the world leading to growing tensions and protectionism
- Chinese economy slowdown, its Belt & Road Initiative under question and the global implications of its foreign & economic strategies

growth countries.

Based on the theme ***'Innovating Our Ways Amidst Structural Disruptions'***, the meeting brought together more than 60 speakers and 250 participants from a number of countries including India, China, Singapore, Japan, USA, Israel who shared insights on how to achieve & retain economic resilience while generating new business opportunities.

The discussions focused on *current trends and dynamics of the global economy, growth patterns and strategies, talent and skill development, innovation and entrepreneurship, Industry 4.0, geopolitical risks to business, new paradigms in global trade, transforming business and society through A.I. and Big Data, leveraging technology to create new markets and business opportunities* which are some of key factors impacting the emerging economies.

The summit also featured **'Update Briefing'** sessions focused on Big Data and key policy developments and how government and companies are leveraging Big Data. Other Update Briefings dealt with developments in digital healthcare and how emerging economies could adopt the latest practices in this sector.

KEY TAKEAWAYS

▲ From L to R: **Amitabh Kant**, CEO, NITI Aayog, Government of India and **Jamshyd Godrej**, Chairman, Godrej & Boyce Manufacturing Co Ltd; Chairman, Ananta Centre and Past-President, Confederation of Indian Industry, India

▼ From L to R: **Andreas Bauer**, Senior Resident Representative — India, Nepal, Bhutan, International Monetary Fund; **Alicia García Herrero**, Chief Economist for Asia Pacific, Natixis, Hong Kong SAR; **Rakesh Mohan**, Senior Fellow at the Jackson Institute for Global Affairs, Yale University and Distinguished Fellow at Brookings India; **Tan Khee Giap**, Co-Director, Asia Competitiveness Institute (ACI); Associate Professor of Public Policy, Lee Kuan Yew School of Public Policy, National University of Singapore & Chairman, Singapore National Committee for Pacific Economic Cooperation, Singapore; **Shaun Roache**, Managing Director and Chief APAC Economist, Standard & Poor's Global Ratings, Singapore and **Chandrajit Banerjee**, Director General, Confederation of Indian Industry, India

PRIORITY AREAS FOR EMERGING ECONOMIES:

- Focus on innovation and productivity for demerging market MNCs to strengthen competitiveness ability vis à vis global MNCs
- Prioritize optimal use of technology to enhance business processes and develop the "right" solutions for the market
- Incentivize startups to go beyond the take-off phase and successfully meet the challenges of achieving a sustainable and expanding presence in the market
- Boost domestic demand as a key growth driver
- Build the right talent to support digitization projects/process
- Promote innovation-driven growth – government, business and academia must complement each other's efforts

▲ From L to R: **Gabriel Bordado**, Skills and Employability Specialist, DWT (South Asia), International Labour Organization; **Anita Rajan**, CEO, Tata STRIVE and Vice President, Tata Community Initiatives Trust, India; **ONG Ye Kung**, Minister for Education, Singapore and **Tarun Das**, Chairman, Institute of Economic Growth, India

THE GLOBAL CONTEXT

ON THE IMPACT OF THE GLOBAL SLOWDOWN ON THE EMERGING COUNTRIES

In the context of a global economic slowdown, the US-China economic, trade and technological confrontation is a major factor, with a direct impact on global investment patterns and increasing the risk of global recession before the end of 2020. As China is becoming more and more assertive refusing to play by rules that were decided prior to its rise as superpower, new trade patterns and norms are emerging.

Regional economic and trade blocs are becoming a dominant feature of the global economic landscape, seen as important ways to mitigate the impact of the global slowdown on emerging economies. For instance, ASEAN is recognized for its role and impact in contributing to Asia's development. The European Union and the euro zone as its subset represents the most important market for all its members and about two third of the EU trade volume is intra-European trade. Despite all the actions of the Trump administration, NAFTA is the major area of economic interaction for its US, Mexico and Canada members.

ON GLOBAL TRADE SCENARIO AND ITS IMPACT ON EMERGING ECONOMIES

Since the end of World War II, the consensus was that free trade and free markets – and then globalization - helped bringing the world closer. However, every trade negotiation has its benefits and

challenges due to its multifaceted nature. The trade regime is inherently volatile and dependent on the negotiating parties global standing and power.

The trade peace that existed before the current confrontation allowed countries such as Singapore and China or Korea to grow at exponential rates. Japan, too, has been a beneficiary of the trade peace and is part of a value chain covering the not only Asia Pacific but in fact the whole world. It has been pushing for FTAs by joining both the CPTPP (Comprehensive and Progressive Agreement for Trans-Pacific Partnership) and the Japan-EU FTA. The RCEP (Regional Comprehensive Economic Partnership), when concluded, will be the largest FTA entering into force and for several Japanese companies, India would become an export hub.

At present, the WTO is going the plurilateral route on many discussions and India is not part of most of them. With respect to MFN (Most Favored Nation), India has relied too much on MFN duties and should use preferential duties offered by FTAs more effectively. The current crisis of the global trading system is having a negative impact in terms of the margin of maneuver for India to pursue domestic reforms on issues such as ease of doing business and lowering transaction costs.

Trade and investment have become intertwined with national security in an unprecedented way, given the weaponization of trade by the Trump administration and the fact that all the new disruptive technologies are dual use ones. Countries like Japan, Israel and India need to up their efforts to safeguard the international trading system.

ON THE GLOBAL IMPACT OF THE CHINESE ECONOMIC SLOWDOWN

China's economy, now at close to USD14 trillion, has been slowing down over the last few years due to a combination of cyclical and structural factors and also as a result of the shift away from debt-led growth. The annual GDP growth has decreased from 10% to 6.5% in 2018 and is forecast at 6.2% for 2019.

For the last four decades, the Chinese economy has

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been driven by huge capital investments and an emphasis on exports. Gigantic infrastructure developments also enabled the country to sustain record high growth rate for more than two decades.

China is reorienting its economy from a manufactured-led to innovation-based growth. The focus has shifted to environmental sustainability, better healthcare, and other quality of life issues. Pressures from the US-China Trade War are also being felt.

The Belt and Road Initiative (BRI), introduced 6 years ago, is the Chinese response to the new era of globalization. China has grown through agrarian reform and has actively participated in the WTO. The momentum has been kept with the advent of Industry 4.0. Countries like Italy and Switzerland have also signed on and China has already invested more than US$ 100 billion in this initiative. Beijing has been projecting BRI as a global initiative to interconnect the world economies.

However, there are global concerns regarding Chinese overcapacity in a number of industrial and manufacturing sectors, as Chinese companies are trying to export surplus production which is driving down prices and distorting world markets for a number of industrial products.

Six factors that have been disrupting the Chinese economy. First, domestic consumption has not been increasing as fast as expected; second, investments has decreased – one reason for that being the policy of the leadership to fight increasing financial risk by clamping down on a number of sources of credit – especially non-bank lending; third, manufacturing has either been stagnating or, in some cases production has been declining to manage overcapacity and in some cases to reduce environmental degradation; fourth, production costs have been increasing, especially with respect to wages; fifth, the aging population has been impacting the labor market; and sixth, its current account surplus has been reducing.

Nevertheless, there are four reasons that China can sustain its growth pattern in the future. First, the Chinese economy has already been undergoing very significant transformations and is increasingly

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Dr. S Jaishankar, Minister of External Affairs, Government of India, interacting with the participants at the 7th Growth Net Summit

technology and innovation-driven; second, China is only 55% urbanized and the urbanization process will continue over the next few years, contributing to boost economic activity; third, China today produces 25% of global goods when it was only producing 5% just 20 years ago. Whatever the Trump administration efforts, China will continue to be a major manufacturing hub for the global economy; and fourth, nearly half of the top 20 internet companies are Chinese and the rest is American.

Further, the Chinese leadership is gearing to tackle current difficulties, including the trade conflict. The US-China trade dispute is beyond trade, it is about technology and long-term relations.

THE RISKS THAT NEED TO BE MANAGED:

- Division of global business into two major supply chains – one centered around the US economy, the other around the Chinese economy
- Avoid being caught in the crossfire of the multiple trade conflicts and protectionism among the big economies
- Mitigate the growing digital gap between developed and emerging economies
- Ensure that digitization does not lead to structural jobless growth

▲ From L to R: **Harshavardhan Neotia**, Chairman, Steering Committee, The Growth Net Summit and Chairman, Ambuja Neotia Group, India; **B J Panda**, National Vice President, Bharatiya Janata Party and **Rakesh Mohan**, Senior Fellow at the Jackson Institute for Global Affairs, Yale University and Distinguished Fellow at Brookings India

INDIA FOCUS

ON INDIA'S POSITION AND ROLE IN THE CHANGING WORLD

India's standing in the world has risen in the past decade. It has diversified its economy and engaged with the world with renewed confidence. Private sector investments are key for driving growth and job creation. In this regard, India's foreign policy and diplomatic machinery need to increase the effort to help Indian companies gain better access to overseas markets.

India is prioritizing its immediate neighborhood to create a platform based on collaboration – BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) being one such example. As a gesture of positive relations and goodwill, the leaders of the BIMSTEC countries were invited to the swearing-in ceremony of the recently elected Union government.

India is expected to be the front-runner in global economic growth for the next several years. When compared to the development trajectory of countries around the world, a key challenge for India is to develop new approaches in technological innovation to generate a greener and sustainable growth.

ON INDIA'S GROWTH AGENDA IN A COMPETITIVE AND INNOVATIVE MULTIPOLAR WORLD

Innovation has to be the cornerstone of India's growth. In the last 20 years, foreign investment in India has increased tremendously. Data consumption

has sharply risen over the last two decades and will continue to grow even faster.

India has had an innovation boom mostly focused on lifting people out of poverty and the entrepreneurship spirit is spreading among the new generation, as illustrated by the vibrant startup ecosystems in a number of major cities. The opportunities are huge but government's appropriate policies and support are required. While a strong political and business will is expressed to accelerate India's growth and development, the coming period will be crucial in translating this will into actions.

With 7,500 startups, India has the 3rd highest number of startups in the world. It has a huge capacity and potential for software development. However, it is important to end the stagnation of growth in the software sector by investing heavily in technology and infrastructure. Furthermore, India should try to increase the quality of education and place a greater focus on swift execution. Strong execution of schemes in multiple sectors *(rural development, housing, energy)* should enable the government to sustain the growth momentum. The issuance of credit is now being limited primarily by the impact of Non-Banking Financial Company (NBFC) sector issues. Banks need to free capital in order to increase lending. Massive disinvestment and monetization of public assets will help bring in private investment, which will contribute to faster growth.

The government goal is to achieve a major change in mobility over the next five years. The target is to have all three-wheelers be electric by 2023 and all two-wheelers by 2025. Coupled with this, India needs to improve its public transport facility rapidly to ensure that the transport sector is economically and environmentally efficient.

Considering that every minute 30 people move from rural to urban areas, urbanization needs a complete overhaul in terms of City development and waste management. There are plenty of examples in Asia to learn from, which have implemented excellent, scalable, projects.

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NEW TECHNOLOGIES

ON LEVERAGING TECHNOLOGY TO CREATE NEW MARKETS

The rising trend of new technologies is creating markets in emerging countries. The development of these technologies offers new opportunities for the creation of new companies and for innovative products and services, thereby creating new markets. India has, for instance, Tier I cities which are similar to the metropolises of developed countries, while Tier 2, 3, and 4 cities/towns are rural and require a different approach. In order to facilitate the participation of these rural areas in the digital economy, India has included Mobile in its basic needs approach, now reading ‘Food, Cloth, Shelter & Mobile’.

Furthermore, Artificial Intelligence is set to transform modern marketplaces including labor and resource markets. While new technologies have the ability to bring safety and security while furthering equality and efficiency, they can also result in wider income inequality and labor vulnerability for a whole category of workers. This is where the way these technologies are being leveraged is crucial and where the updating of the education system becomes an urgent priority. Better equality can also be brought by enhancing the standards of living a lifestyle of rural parts of the country through the integration of agro-tech. The combination of technologist and environmentalists efforts will be required to achieve sustainable growth.

The dispersion of technology creates new opportunities and markets around the world. For instance, emerging economies suffer from a lack of accessible, good quality, and affordable healthcare services. This is where the potential of digital healthcare can provide very efficient solutions and where transfer of technology from the developed economies could accelerate the process.

If we want to avoid that the digital divide gets even wider – accentuating the global wealth distribution gap – governments will also have to step in even more in the future to provide digital capabilities as public goods.

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▲ From L to R: **Umang Bedi**, President & CEO, The Dailyhunt, India; **Hadas Mamane**, Head of Environmental Engineering Program and Faculty Member, Faculty of Engineering, Tel Aviv University, Israel; **Katsuo Matsumoto**, Chief Representative, Japan International Cooperation Agency, India; **Lisa Robins**, Global Head, Transaction Banking, Standard Chartered, Singapore; **Piyush Sinha**, Deputy Managing Director, NEC Technologies, India and **Sreerama Murthy**, CEO & Chief Data Scientist, Quadratyx, India

ON THE IMPACT OF ARTIFICIAL INTELLIGENCE ON BUSINESSES

The intelligent machine revolution is bringing changes to businesses. The intelligent machine is a combination of AI with data analytics, massive computing power and big data connected with digital devices. The increase in their usage over the next 5 years will result in rising revenues, falling operating costs and an increase in workforce productivity. Business lagging behind in terms of innovation and adoption will suffer. Emerging economies will require a significant amount of investment towards research and development in the area of AI. If they want to remain in the competition race. The major challenge for these countries is the capital for innovation and research in universities. India has significant talent that needs to be nurtured and require an academia-industry partnership. Apart from an increase in both public and private investment, it needs to have a more focused policy-oriented approach towards R&D.

ON CREATING THE RIGHT SKILLS FOR THE DIGITAL ECONOMY

Educational reform is required to impart skills that keep up with the demands of the 21st century economy. Experiential learning is becoming imperative for most companies and institutions.

Today, economic uncertainty looms large amongst the working population in both developed and emerging economies. Amongst developed economies, many have experienced stagnating real wages since the Global Financial Crisis and

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continue to face the looming threat of disappearing jobs because of competition, technological disruption or companies relocating to more cost-competitive destinations. For these economies, the challenge is to restructure industries; for companies to innovate and restructure to stay competitive; and for their workers to operate at a higher level of competency and productivity. Many emerging economies need to adapt and train their working population in essential industrial and service skills as Asia is the fastest growing region in the world and India, in particular, is the fastest growing large emerging economy with tremendous potential for further growth. Investors want to ensure that they will have the skilled workforce that will sustain competitiveness and workers need the appropriate skills that will allow them get jobs in the environment that is shaping up.

Singapore has transformed in just one generation by implementing three steps: i) imparting human skills, ii) a public housing policy that favored home ownership with 90 percent of the people owning their homes, and iii) educational reforms to boost appropriate skills development. As exemplified by Singapore's success, emerging economies should focus on skill training and digitalization.

India's digital economy is set to be valued at USD1 trillion by 2025. Its homegrown apps and internet companies have made a worldwide impact but India still needs to reskill people according to areas of specialization and bring much more scholars and experts to participate in the digital economy.

ON THE TRANSFORMATIVE IMPACT OF INDUSTRY 4.0 ON BUSINESSES

The nine pillars of Industry 4.0 are ***cloud, IoT, big data, robotics, cyber systems, simulation, system integration, blockchain and artificial intelligence***. It is the 4th industrial revolution. However, some large companies have been slow in their digitization process as it goes beyond adopting new technologies but it also affects business processes and mindsets. Furthermore, adoption requires long term objectives, rather than short term solutions.

There are two perspectives regarding Industry 4.0 – within the organization; and from the customer's point of view. Within an organization, it is essential to connect the "top floor" to the 'shop-floor'. From a customer's point of view, the organization needs to consider the product's impact on a customer's livelihood. The large organizations that are dependent on an ecosystem of suppliers cannot deliver the full promise of Industry 4.0 unless everyone in the supply chain is on board.

The move towards Industry 4.0 is becoming less difficult for companies with the trend of decreasing cost of technology, such as sensor; computing, storing, robots, etc.; but the industry would still require the skill sets which are a combination of software, hardware, and data capability, along with an understanding of the business process.

ON THE SUSTAINABILITY OF START-UPS

Many start-ups have promising initial potential but are often unable to leapfrog to a sustainable model in the long-run. It is important for Start -Ups to attain sustainable growth by identifying and prioritizing their markets, securing the unimpeded and easy flow of funds, then grow out and find private-equity and venture capital funding. They must have a clear and specific vision of their product (or service) and the markets they are catering to.

In addition, efficient leadership, sound management of finances and strategic direction are required for a Start -Up to sustain growth and generate revenue in the long-run. The ability to persevere is very critical and important in entrepreneurship and the risk appetite has to be high at the start. ◘

▼ From L to R: **Pulak Ghosh**, IIMB Chair of Excellence; and Professor, Indian Institute of Management, India; **Anne Ma**, Co-Founder & CEO, Shukun Technology Company, People's Republic of China; **Mohandas Pai**, Chairman, Manipal Global Education, India; **Wei Kwok Kee**, Dean, NUS School of Continuing and Lifelong Education (SCALE), Singapore and **Sreerama Murthy**, CEO & Chief Data Scientist, Quadratyx, India

UPDATE BRIEFING

ON BIG DATA

Companies and countries able to own, leverage and monetize data will own the future. Data – the quantity and quality of it - is as important as the algorithms as the more data you inject the more intelligent AI applications you can develop. Three policy models –*Chinese, American, and European*– are now being implemented.

China treats data as a national strategic asset which means that all Data produced in China has to remain in servers in the country. China has more Internet users and people online than the US, Europe and Japan combined. The government and Chinese companies can make extensive use of the enormous amount of Data which keeps increasing steadily, given the fact that there are no hermetic barriers of transmission and sharing of data between business and government. So China is today the most advanced country in terms of using Big Data generated e-commerce, fintech, and other applications that Chinese people and companies are heavily engaged in.

The government and Chinese companies can make extensive use of the enormous amount of Data which keeps increasing steadily, given the fact that there are no hermetic barriers of transmission and sharing of data between business and government.

As a reaction to the public outrage over the misuse of data by some companies, Beijing is now making a distinction between personal data – which has just commercial value - and for which privacy protection will be enforced and all other data elements which may have strategic relevance and for which privacy protection will remain quasi non-existent.

The second model is European, which – for different reasons – is nevertheless not too different from the Chinese one in terms of raising a number of barriers for the transfer of Data outside the EU borders with the specific purpose of protecting individual privacy in terms of the use of the data collected. The European Union enacted in May 2018 the General Data Protection Regulation (GDPR), which enforces very strict regulations about the way companies can use, store, or leverage data, putting a premium on privacy protection and on the rights of individuals on their own data, with very heavy penalties for companies breaching the regulations and the necessity for these companies to declare any piracy or breach of their data storage within a very limited deadline.

However, beyond the emphasis on privacy protection and the prevention of misuse of data, some analysts suspect that the GDPR is also a way for European governments to put some barriers and limitations to the extraordinary power and clout achieved by the American high-tech giants – possibly in the hope to see one day some European national champions emerge which would be able to compete with these giants.

The third model is the US approach, wherein, until now, the US hi-tech giants have had a completely free hand in controlling data from all parts of the world. And using it as they see fit for their almost unlimited benefit. The mantra so far was that self-regulation was the most efficient and that any government regulation would end up constraining technological advances. However, they are now confronted with the barriers that China is putting to their activities, the limitations generated by the GDPR, and they are now facing domestic public outcry and resistance as the result of the numerous instances of data misuse by companies such as Facebook, or breaches of data protection due to hacking. As a number of states are now discussing privacy protection laws – and California has already passed a very stringent one – the US high tech giants are now all of the sudden declaring themselves in favor of a federal law because they consider that given their huge lobbying power in Washington they will be able to ensure that this legislation will not be too constraining for them.

The Indian model of data usage does not only deal with privacy concerns, but also with the strategic importance of data so that it can be used for technological development within India. Data that is being generated in India should not only be used to increase the profits of foreign and domestic corporations but also for domestic technological advancements. However, many business voices have complained about some aspects of the legislation they consider as an over-reach and potentially harmful.

The rising trend now is towards localization of the data, which foreshadows a battle as to who can most efficiently localize data, leverage its use and monetize it.

ON EMERGING DIGITAL HEALTHCARE MODEL

The emerging economies should focus on a sustainable model that integrates technologies into precision healthcare using preventative methods rather than chasing diagnostics. The cost of technology in healthcare is a major concern for emerging economies, who are still working on reducing costs. Further, regulations for digital healthcare are at a nascent stage.

While some countries are at an advantage of using alternate or mixed models in the healthcare sector such as in the Indian context with the Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH), there is a big gap in digital healthcare and innovation sectors between the developed economies and the emerging economies. In the emerging economies, there is a lack of healthcare accessibility, quality, cost-effectiveness and governance. Cooperation with the developed economies to overcome these challenges in digital healthcare would be of critical importance to accelerate the diffusion of digital healthcare.

Israel is a significant player in the global digital healthcare market and has 700 start-ups in this space alone. The government is a preliminary driving force in Israel for digital healthcare innovation. The Ministry of Health is encouraging innovations by non-profits, start-ups, and private organizations in Israel.

The *'Challenge Centric Approach'* adopted by Israel for innovation wherein they identify the challenges and then work on the various solutions has been extremely successful. It is due to this that Israel is successful in creating an ecosystem for digital healthcare where all the stakeholders can work together.

IN CONVERSATION WITH ...

"South Asia is the least connected regions of the world. There are many reasons for that, history, identity... The first development which can bring about change is for countries themselves to realize that they are losing by not being connected enough...the primary responsibility is on India because it is the largest economy in this region. We can serve as a lifting tide for all our neighbors."

—**S. JAISHANKAR,** External Affairs Minister, Government of India

"It is very critical to bring enterprises into the skills development picture, because to transform a workforce, all hands must be on deck and employers are the largest stakeholders. Employers are also best placed to decide what kind of training is most relevant to the job market and benefit both workers and companies most. And we need enterprises that go beyond training for their own needs, to also train workers for the whole industry."

—**Ong Ye Kung,** Minister for Education, Singapore

“It is a matter of pride to have the 5th largest metro network in the world, spanning a network of 300 km in Delhi NCR and aiming at expanding the same to almost 500 km.”

—**Hardeep Singh Puri,** Minister of State for Housing & Urban Affairs; Minister of State for Civil Aviation and Minister of State for Commerce & Industry, Government of India

“In order to sustain their business Japanese companies have to assume that the current US – China very tense relationship will continue for a long period (…) India will be able to eliminate trade deficit with China by incorporating the benefit of the Regional Comprehensive Economic Partnership (RCEP).”

—**Yasushi Akahoshi,** President, Japan External Trade Organization, Japan

“The real challenge is to quickly make the economy take off… therefore the fastest way is to push private sector investment…And for private sector investment to happen quickly the government must push a rapid process of asset monetization.”

—**Amitabh Kant,** CEO, NITI Aayog, Government of India

" I think that countries like Japan, Israel, Australia, India and the European countries should really safeguard this multilateral system that worked for the last seven decades. It's not perfect, it needs a lot of improvement, absolutely, but we need to really still maintain that…India and China have such great complementary roles to play so there is no reason that the two neighbouring countries can't work together. "

—**Huiyao Wang,** Founder & President, Center for China and Globalization, People's Republic of China

" We cannot decouple politics from economics. And you cannot decouple the fact that we are in a very worrying stage where populism and nationalism is actually rising and that's creating also economic nationalism… We have to go back to the fundamentals that economic openness is good for everybody. "

—**Dan Catarivas,** Director General, Foreign Trade & International Relations, Manufacturers' Association of Israel

" Start-ups should have a clear and specific vision for the product and service that they are offering…I also would encourage people to raise funding a little bit more than you think that you need. It's easier to raise money earlier on than later on. And it's easier to get a higher valuation earlier on than later on, you know unless you're really hitting it out of the park. And if you're running out of money you just lose your leverage… "

—**Ralph Voltmer,** Partner, Head of the India Practice, Covington & Burling, USA

IN CONVERSATION WITH ...

“Technology has disrupted businesses beyond belief…and India as an emerging economy is very tightly knitted to benefit from all of this digitization, with the launch of digital India. India’s opportunity is huge by building through the digital ecosystem…I believe that this kind of huge transformation and the pace of change is so rapid that to trickle down to the distant corners of India, we need a digital highway as quickly as possible…We need to look at three things: mindset, the skill set and the kind of tool sets.”

—**Anita Rajan,** CEO, Tata STRIVE and Vice President, Tata Community Initiatives Trust, India

“Innovative companies that fully adopt AI technology could actually double their cash flow between now and 2030. Those companies that aren’t able to adopt AI or are not able to implement AI fast enough are likely to have a 20% decline in their cash flow.”

—**Wei Kwok Kee,** Dean, NUS School of Continuing and Lifelong Education (SCALE), Singapore

IN CONVERSATION WITH ...

"The changes that we need to drive are not just limited to the industry, or the education systems or the government. I also believe there is a lot of change we need to drive in the way we think about innovation and entrepreneurship. We need to have greater tolerance for failures. We need to also have hardwiring of the systems in terms of the financing, the risk capital or the venture capital or investors."

—T V Narendran, CEO and MD, Tata Steel Ltd and Vice-President, Confederation of Indian Industry, India

"I think India needs to have three obsessions…Obsession number one, how do I get to 10% growth and be able to sustain that growth? Obsession number two, how do you increase the quality and penetration of education, especially first degree and second-degree education?... The third obsession has to be execution."

—Claude Smadja, Founder and Chairman, Smadja & Smadja, Switzerland

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