The rise of India: Interview with renowned economist Jagdish Bhagwati (p. 30)

Progress
Ideas and solutions from 16 countries. A collection of interviews.
Progress drives the economy and makes us more prosperous. People who believe in progress want to shape the future, not simply manage change. Progress is evidence that the future exists. It offers us a perspective for the future and encourages innovation.

Progress is not linear, however, and not everything new is good. At a time of climate change, automation and social inequity, the fundamental principles of the modern age are increasingly being called into question.

This issue of Bulletin is dedicated to progress. It explores ideas and trends in 16 countries around the globe – in the economy, politics and society. One thing is clear: Progress cannot be taken for granted. It demands curiosity, wise decisions and favorable conditions. Progress requires freedom – freedom for business, as economist Jagdish Bhagwati explains, looking at the example of India (page 30), but also the intellectual freedom that allows for creative research, as ETH President Joël Mesot points out (page 52).

Progress also requires knowledge of foreign cultures, says former Australian Prime Minister Kevin Rudd (page 68), and it demands respect for people with different political views, as modeled in the United States by political strategists and spouses Mary Matalin (Republican) and James Carville (Democrat) (page 56).

And sometimes it’s necessary to fight for progress. That takes courage and persistence, as anti-apartheid legend Jay Naidoo (page 38) and the young Wijsen sisters have demonstrated so impressively (page 22).

It is clear, too, that progress requires popular support. How do the people in these 16 countries think about progress? When do they view it positively, and when would they prefer to put on the brakes? These are questions that the second Credit Suisse Progress Barometer seeks to answer. The bottom line is this: Across all topics, respondents in 15 of the 16 countries express a desire for progress to be faster; only in Switzerland is a slight majority in favor of slowing down. Worldwide, the most urgent topics are e-mobility and continuing education. The results were analyzed by economist Soumitra Dutta, political scientist Ian Bremmer and microfinance expert Mary Ellen Iskenderian.

Happy reading!

The editors
The farther to the right a country is on this chart, the more convinced its citizens want progress to be accelerated. The farther to the left, the more they want to put on the brakes. The higher it is on the chart, the more strongly they believe that the issue is urgent; the lower it is, the less certain they (still) are.

People all over the world want progress in numerous areas to move faster. They see the most potential in e-mobility and continuing education.

The complete data on how people in the 16 countries view progress can be accessed and downloaded at credit-suisse.com/progressbarometer
The second Credit Suisse Progress Barometer has been expanded from the first study to now include an international perspective. Sixteen countries across the world are represented, with varying levels of development and economies of different sizes. Approximately 1,000 people in each country were interviewed about topics related to the economy, politics and society and asked whether they thought that their home countries should accelerate or slow down progress in those areas. Responses for each topic were placed on a scale ranging from –100 (progress should be reversed) to +100 (progress should be greatly accelerated).

The results: Despite the fact that the economies and cultures included in the study are highly heterogeneous, the respondents’ opinions about progress are surprisingly similar. A large majority favor progress; in numerous areas, people all over the world want to move forward (see chart on previous page), and they welcome innovation.

The desire for progress is most widespread in emerging economies, particularly in Brazil (+33) and China (+33), but also in India and South Africa (both +19), South Korea (+17), Indonesia (+14) and Chile (+10). Next come the first two industrialized nations, Singapore and Japan (both +9), and then the first European and North American countries, Germany and Canada (both +6). People in the United Kingdom (+5), Russia (+3), Australia (+2) and the United States (+1) are less eager for progress. Only the Swiss are slightly critical of progress (+4).

What does a number near zero mean? Are these countries generally resistant to change? “High quality of life may be part of the reason why people don’t want to make substantial changes in the status quo,” says study director Cloé Jans of gfs.bern, “but this doesn’t necessarily mean that they are doubtful about progress in general.” As she points out, they make a clear distinction between specific issues. People in Switzerland strongly support moving traffic underground (+51), for example, but at the same time they are very critical of the decline in media freedom (–52). Since both opinions are strongly held, the numbers offset each other and, taken together, would appear to suggest that respondents view progress neutrally.

For a better understanding of the Credit Suisse Progress Barometer, it is therefore useful to look at the details. In three sections, we examine the various topics more closely. We find that in all 16 countries, people are more eager to see economic progress (+16) than social (+12) or political (+5) progress. In the economic sphere, people all over the world favor progress in two areas (near the center of the chart): promoting mobility through the use of electric vehicles (+40) and continuing education (+38). As study director Cloé Jans points out, “When technical progress and sustainability coincide, there is global support for progress. This is particularly evident when it comes to e-mobility.”

Ranking next are three social trends: childcare (+36), equal rights (+33) and work-life balance (+29). At the bottom of the list are outsourcing (–12), disinformation (–15) and polarization (–16). Cloé Jans has this to say about polarization: “Instead of a focus on pragmatic solutions, we are seeing a public struggle for power. A more serious approach is needed in politics, and this can also help to restore faith in progress.”
Survey participants were asked about ten topics relating to economic progress in their countries. The average responses show a clear picture (see diagram above): People in developed countries want the wheel of progress to turn a bit faster, while those in developing countries want it to turn much faster. No European or North American country is among the top seven.

Overall, people are most eager to accelerate progress in the economy (+16), more so than society (+12) or politics (+5). Two topics received a great deal of support in almost all countries: continuing education/research and e-mobility. The latter had the most support of all topics across the survey. Switzerland (–5) was the only country with a negative index value for economic progress. That suggests that the Swiss population is somewhat averse to further economic progress—a result that warrants closer examination. While survey respondents want to slow down trends such as the loss of farmland to development (–43) and the rise of outsourcing (–42), they want to speed up the development of e-mobility (+23) and the use of tax money to promote research (+39).

Australia and Chile (each +3), the US (+4), Canada and the UK (each +8), and Germany (+10) are among the western countries whose citizens want to turn the wheel of economic progress somewhat faster. Similar to Switzerland, these countries want to slow farmland loss and outsourcing but accelerate progress on e-mobility, research and education/continuing education. Each country also has specific topics of concern. In Chile, for example, respondents are concerned about higher housing costs resulting from the ongoing construction boom (–42). Meanwhile, participants from the UK want to promote free trade as Brexit looms (+27). And in Germany, people generally oppose lowering
Economist Soumitra Dutta does not see the West’s tendency to be skeptical of economic progress as a threat to innovation there.

Interview Oliver Adele, Chief Economist at Credit Suisse Switzerland

Soumitra Dutta, of the three areas covered in this study, survey respondents most want to accelerate progress in the economy. Why is that? One can refer to the hierarchy of human needs as stated by American psychologist Abraham Maslow, which starts at the basic physiological needs of food and safety and moves on to the higher level needs of love, esteem and self-actualization. A good economy caters to the basic physiological needs. People in almost all of the countries surveyed want to speed up progress in e-mobility. Why? There is a greater focus on sustainability across the world, and I see the trend towards alternate sources of energy as part of this global shift. Electric vehicles and other similar digitally powered devices are certainly one part of the shift towards alternate sources of energy. Also, I would interpret e-mobility as representative of the trend of rapid progress in digital technologies. All sectors are being transformed by digital technologies, and people see both tremendous opportunity and challenges in the ongoing process of digital transformation. People also realize that the future economic development of their nations – and by extension their own well-being – is directly linked to the successful adoption of digital technologies.

Where people want to decelerate economic progress, their main concern is outsourcing, especially in developed countries. The rise of emerging markets, especially some key countries such as China, is causing these concerns. People are worried about jobs being offshore to these markets, as for example has happened with manufacturing jobs that have migrated to many emerging markets from European and North American nations. The loss of jobs is a key factor causing economic insecurity in the West.

The countries with the highest desire for economic progress are Brazil, China and South Africa. No European or North American country is among the top seven. Do you see a danger that these countries will be left behind in terms of innovation? I do not see an immediate risk of these countries being left behind as they have very strong institutions, successful universities and tremendous pools of talent within their boundaries. They also have a strong ability to attract global talent and capital. It will take a very long time for citizens of emerging markets, including China, to catch up to the economic living standards of the West. If you personally could either stop or accelerate a particular economic trend, what would it be? I would certainly accelerate the adoption of digital technologies and e-mobility in line with the survey results. Digital transformation is happening all around us and those companies and nations that will lead in the digital transformation will succeed in the new digitized world. This transformation could also promote sustainability.

-66

Brazilians want more stages of production to be done in Brazil in order to reduce the country’s dependence on raw materials.

As Brexit looms, respondents in the UK want to promote free trade (+27). Pictured: Nissan factory in Sunderland, UK.

Soumitra Dutta (56) is a Professor of Management at Cornell University. Born in India, Dutta is co-editor and author of the Global Innovation Index (in collaboration with the World Intellectual Property Organization and INSEAD), co-chair of the Global Future Council on Innovator Ecosystems of the WEF (through the end of 2019) and a member of the Davos Circle.

**“The most basic physiological needs”**

corporate taxes as a means of drawing foreign companies (+14) but welcome the transition to green energy (+39).

The Japanese (+12) were an exception here, as their responses were very homogenous and slightly positive overall across all three of the areas studied, with no real outliers. Russian respondents (+14) expressed an overwhelming desire to slow their country’s transition from an industrial economy to a service economy (+24). Meanwhile, people in densely populated Singapore (+10) only want to slow one economic trend, and that only slightly: the high cost of living (+10).

India (+22), South Korea (+23), Indonesia (+26) and South Africa (+30) share a similar overall desire for progress. In Indonesia, two specific local issues have the strongest support: Indonesians want the government to continue to reduce bureaucratic red tape (+38) and promote more foreign investment (+39), although they do not want those foreign companies to hire a lot of foreign workers (+3). The hiring of foreign workers is the only economic trend studied that Indonesians overall do not want to promote. South Koreans, on the other hand, would like to accelerate progress in all of the ten economic areas included in the survey. In India, unlike Germany, respondents welcome the notion of using lower taxes as an incentive for companies to open offices there. And finally, South Africans very much want the government to support renewable energy (+66).

In this study, China (+38) and Brazil (+52) come out ahead as having the strongest desire for economic progress. In China, as in most of the countries studied, people most want to accelerate progress on investment in education and e-mobility. In addition, the Chinese expressed a strong desire to expand free trade (+54). Besides the two main topics of education and e-mobility, Brazilians also want to accelerate progress on reducing their economy’s dependence on raw materials (+66). They also want free trade (+60) and foreign investment (+64) to be promoted further.

In this study, respondents were asked to rate their desire to speed up or slow down progress in the ten economic areas included in the survey. In Indonesia, two specific local issues have the strongest support: Indonesians want the government to continue to reduce bureaucratic red tape (+38) and promote more foreign investment (+39), although they do not want those foreign companies to hire a lot of foreign workers (+3). The hiring of foreign workers is the only economic trend studied that Indonesians overall do not want to promote. South Koreans, on the other hand, would like to accelerate progress in all of the ten economic areas included in the survey. In India, unlike Germany, respondents welcome the notion of using lower taxes as an incentive for companies to open offices there. And finally, South Africans very much want the government to support renewable energy (+66).

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Where people want to decelerate economic progress, their main concern is outsourcing, especially in developed countries. The rise of emerging markets, especially some key countries such as China, is causing these concerns. People are worried about jobs being offshore to these markets, as for example has happened with manufacturing jobs that have migrated to many emerging markets from European and North American nations. The loss of jobs is a key factor causing economic insecurity in the West.

The countries with the highest desire for economic progress are Brazil, China and South Africa. No European or North American country is among the top seven. Do you see a danger that these countries will be left behind in terms of innovation? I do not see an immediate risk of these countries being left behind as they have very strong institutions, successful universities and tremendous pools of talent within their boundaries. They also have a strong ability to attract global talent and capital. It will take a very long time for citizens of emerging markets, including China, to catch up to the economic living standards of the West. If you personally could either stop or accelerate a particular economic trend, what would it be? I would certainly accelerate the adoption of digital technologies and e-mobility in line with the survey results. Digital transformation is happening all around us and those companies and nations that will lead in the digital transformation will succeed in the new digitized world. This transformation could also promote sustainability.

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As Brexit looms, respondents in the UK want to promote free trade (+27). Pictured: Nissan factory in Sunderland, UK.
Fake news and disinformation need to be stopped, but people like to be able to express their views on social media. Political topics elicit many and varied opinions, especially in the US.

Of the three areas studied, people are generally least inclined to support progress on political issues. However, upon closer inspection, we see that respondents do want to accelerate some trends.

More than the people of any other country, Americans want to turn back the wheel of political "progress" (+10), especially in terms of polarization and disinformation (both –33). That is unsurprising given the fierce debate over “fake news” there. What is more surprising is that respondents nevertheless view the ability to express their views on social media as the only political trend that should be accelerated (+12). That is, they see it as a means for citizens to influence decision-makers.

The Swiss (–6) have an even stronger desire to turn back the wheel on polarization (+41) and disinformation (+37). They would also like to reverse the trend towards increased regulation (–37). At the other end of the spectrum stands underground transport (+51), which respondents to our first Progress Barometer survey (in 2018) already wanted very much to accelerate. This may be partly due to Cargo Sous Terrain, the subterranean logistics system that is meant to link Switzerland’s largest commercial centers starting in 2030.

Three countries have a slightly negative view of political developments overall, although it should be noted that polarization and disinformation figure greatly in this measure. Regionally specific viewpoints are additional factors. For instance, Australians (–4) want their country to move away from its high dependence on other countries (–16) and achieve more political compromise (+26). Canadians (–3) want to expand their country’s contributions to global development cooperation (+18), while people in the UK (–2) – the birthplace of underground rail – love and want to further expand underground transport (+24).

Russians (0) on the other hand want to reduce regulation (+38), promote the ability to express views on social media (+43) and...
make more land available for wind and solar power generation (+41). The latter is the most popular topic among Germans (+2), who very much want to accelerate the transition to solar and wind power (+28). That is right in line with the enormous popularity of the transition to green energy there (see the Economy section). In Japan (+8), the index values for all political topics are within a very close range of each other, though it is worth noting that there is generally less desire to accelerate political trends than social (+13) or economic (+12) ones. In the island city-state of Singapore (+4), the political trend with the most support by far is the development of projects to reduce the effects of natural disasters (+35). South Africans (+6) most deeply want to make land available for solar and wind power (+60), while Indonesians (+4) want to expand their country’s contributions to global development cooperation (+48).

The following countries have a significantly stronger desire to accelerate political trends: In Chile (+10), a land beset by earthquakes, the development of projects to reduce the effects of natural disasters (+61) and political decentralization (+44) have the strongest support. South Koreans (+11) consider development cooperation (+29) the political trend most worth accelerating. Indians (+11) have a strong desire to speed progress on the development of projects to reduce the effects of climate change (+32).

Brazilians (+10) want social media to have more influence (+52) and they want more development cooperation (+47) and social media (+45).

In earthquake-prone Chile, people want more projects to reduce the effects of natural disasters.

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<th>Country</th>
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<td>South Korea</td>
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Ian Bremmer [50] is a US political scientist and best-selling author. He is founder and president of the Eurasia Group consulting firm as well as creator of the Global Political Risk Index (GPR1).

The polarization has increased in a relatively short period of time. It’s possible that the recency of it gives people a sense of optimism that if you make an effort, you can do something. Twitter, for example, has decided that they’re not going to run political ads any more. But it also tells me that if nothing is done and things keep getting worse over a decade or so, then people might give up hope on that one as well.

In the US, the political element that receives the most support for progress is the power of social media – in times of fake news and a “Twitter President” that is quite surprising, isn’t it? It makes a certain amount of sense – social media is still relatively new, and it’s a technology that particularly lends itself to people who both demand and expect social and political change. The problem is, social media has done a better job polarizing society than it has fixing it. And so long as it remains unable to deliver on that promise of change, i.e. making people’s daily lives better, the more likely we will see a growing “techlash” like the one currently being trumpeted by a US presidential candidate and a number of other European leaders.

“The world has dramatically changed”

Political scientist Ian Bremmer on the burgeoning Chinese dream, the widespread political malaise and Switzerland as a showcase for democracy.

Interview Manual Rybach, Global Head Public Affairs and Policy, Credit Suisse

Of the three dimensions measured in the Progress Barometer, the respondents have least desire to accelerate progress in the political space. What’s your explanation for this?

In many democracies, particularly in industrialized ones, a lot of people feel that the system is rigged. They feel that no matter what they do, no matter who they vote for, the structures aren’t going to change. Their social contract isn’t working out anymore, and that feeling has been prevalent for decades, both on the left and on the right of the political spectrum. I think that’s all directly related to the structural underpinnings of populism and the anti-establishment sentiment we’re seeing in many democracies around the world. Call it a political malaise. Not that people wouldn’t want politics to improve: They thought change was realistic, but it just didn’t happen. And so many of them have given up.

Most respondents agree that there is too much polarization in the political sphere – that’s a development that they want to reverse. How do you interpret that?
The three countries with the greatest appetite for political progress are China, Brazil and India. Why?

You might agree with them or not, but these three countries have very strong political leaders and they’re moving the political agenda. Xi Jinping is the strongest leader that China has seen since Mao. Anti-corruption has been an important aspect of his political program. In India, Narendra Modi won a big election last year. He is enormously popular with the Hindu community for his nationalism, much less so with the Muslim population. It’s a similar situation in Brazil with Jair Bolsonaro and his fight against kleptocracy. People feel he is moving the political system in a way that no other Brazilian leader in recent decades has.

At the other end of the spectrum are Australia, Switzerland and the US. Why are people in these countries rather skeptical towards further progress?

In Australia, there has been a lot of political change, with four prime ministers in six years — that undermines belief in the system. In the United States, you might have voted for Trump, but the system doesn’t look very different since he got elected, he has not fulfilled most of his promises — for example, there is still no wall between the US and Mexico. The Edelman Trust Index shows that general approval and trust rates for organizations and institutions are at a very low level. Switzerland’s position might be a surprise, as the Swiss political system really listens to the people, and the federal government is traditionally represented not by one but by four parties. It may well be that in Switzerland people are generally satisfied and don’t feel like a lot of change needs to occur.

Of all the results, what surprised you the most?

The single biggest takeaway on the political side is that the Chinese are the most enthusiastic about change — and that doesn’t necessarily mean democracy. And that the Americans are the least enthusiastic. If the average Chinese believes more in the Chinese dream than the average American believes in the American dream, suddenly you realize that the world has dramatically changed. The US has historically protected its power, not by military means primarily, but by having better ideas.

If you could either stop or accelerate a particular political trend in your own country, what would it be? I think the biggest problem in the United States is the fact that special interests are increasingly able to gain political access. That development started decades ago and has consolidated over recent years. That needs to stop. We are living in a period when the economy has been growing and is now getting softer, so my fear is that things are getting even worse.

When it comes to social matters, there is a global consensus: People in all 16 countries support more gender equality and better childcare.

On social matters overall, survey respondents want the wheel of development to turn a bit faster (+12). Respondents in nearly all 16 countries want it to turn a lot faster in some areas, namely childcare, gender equality and work-life balance. On the other hand, they would like to slow down the growth of the divide between urban and rural populations and the decline in independent media outlets.

Two countries showed a slight skepticism to progress overall: Russians (-4), who expressed a desire to accelerate economic progress, want to reverse the trend towards gay rights (-42) and have concerns about the independence of the media (-29) and the urban-rural divide (-28). The only trend that Russians want to accelerate is the expansion of childcare (+46). In Switzerland (-1), media freedom was the most pressing topic (-52),

Global call for equal opportunities

In the US, polarization and disinformation (both -33) are developments that are being met with criticism. Pictured: Members of the media at a political event.
While expanding gay rights (+30), childcare (+32) and gender equality (+44) have strong support.

In Germany (+8), migration into the cities stands out as a major topic (+37), especially as it has the potential to increase the cost of urban living. Australia (+46), the US (+48) and the UK (+49) share similar profiles. Respondents in these three English-speaking countries want to accelerate progress on gay rights, childcare and work-life balance. People in Singapore (+49) largely share these preferences, although they want to curtail gay rights (-9).

In addition to the topics common to all countries, Indonesians (+48) also showed strong support for fuel taxes as a means of combating climate change (+21), immigration (+23) and the aging population (+24). Respondents in Indonesia were also clear about state intervention on religious topics, a trend that they would like to slow down (-23).

In Japan (+11), people do not want to turn back the wheel of development on any of the topics covered by our survey. Respondents in Canada (+12) and Chile (+15) support social progress far more than economic progress — to a greater extent than in any other country studied. In Chile, people would especially like to see the state do more to combat poverty (+57). South Korea (+19) has a similar profile to Singapore, but with a somewhat stronger desire for progress. In South Africa (+22), people have the greatest desire for progress on gender equality (+54) and childcare (+51), while respondents in India (+25) want to see progress accelerate on all social matters, but especially gender equality (+37). China (+28) and Brazil (+28) are also most concerned with progress on social issues. In both countries, work-life balance is the most pressing topic.
Often, the barriers to inclusion concern basic problems, such as ensuring that everyone has the documentation required to establish their legal identity, and technology such as biometric IDs can address these challenges. But it’s important to remember that technology is not a panacea; when we design new technological solutions we must take into account the socio-cultural barriers that women face and their need for a balance between technology and human interaction.

While many respondents in the Credit Suisse Progress Barometer survey view social and economic endeavors quite positively, they are more skeptical of progress on political issues in the majority of countries. Can social and economic change move forward without political support?

Yes, but only to an extent. Trust in political actors has declined over the past years in a large number of countries, especially democracies. So people may want change without getting “more politics,” but this doesn’t mean that they don’t want politicians and governments to be enablers of progress. The great challenges of the 21st century – demographic changes, large-scale migration and climate change – cannot be solved if we become isolationist and fragmented. Real progress can only happen if all actors work together.

Women’s World Banking aims to contribute to the empowerment of women through financial inclusion. What innovations are needed to push things forward in this area?

Our focus is on rapidly expanding the formal financial inclusion of underserved women in our six priority markets. As an aside, we chose these six countries because they are good environments for us to create, test and scale new solutions, learning and development programs, and policy recommendations more broadly.

THE STUDY
On behalf of and in cooperation with Credit Suisse, the research institute gfs.bern conducted an online survey for the Progress Barometer between September 20 and October 18, 2019. The study is a representative survey of 16 countries that included 1,777 people in Switzerland and approximately 1,000 people in each of the other countries. The respondents were shown statements about trends in the economy, politics and society, then asked whether they believed that each trend should be accelerated or slowed down. A response of +100 means: “You have to reinvent the wheel in order to move forward.” A response of –100 means: “We need to turn the wheel backward.” The “urgency” indicated on the chart on pages 2 and 3 reflects responses near zero as well as respondents who declined to answer – that is, those who were unable to provide a response or whose responses were near the middle. The higher an item is positioned on the chart, the greater the agreement about whether the “progress wheel” should or should not be turned back. The lower the item is on the chart, the less consensus exists. The statistical sampling error varies by country, ranging between ±2.4 percentage points (Switzerland) and ±3.1 percentage points (several countries).

Our superior solutions make us a reliable and stable partner. This is not enough for our clients. Quite rightly so. That’s why we invest in future technologies, thus creating added value for them and helping to reduce costs. Our clients? They can excel in their core business.
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Map: Offshore Studio
"We’ll succeed – because we don’t have a choice"
INDONESIA: Two young sisters in Bali launched the Bye Bye Plastic Bags initiative in 2013. In 2019, the government banned the use of plastic bags altogether. Isabel, and Melati Wijsen talk about why they became involved and what their generation is doing to protect the environment.

Bye Bye Plastic Bags teams are now in place all over the world. How was that network created? Melati: It’s very easy to copy our model. Young people from every continent have been asking us about participating. We give them a handbook and a starter kit; they have to do the rest themselves. Every day we receive three or four such inquiries. We’ve already been contacted several hundred times by people from all over the world, but mostly from Asia.

Bye Bye Plastic Bags initiative in their native Bali. Among other things, they organized the island’s largest-ever beach cleanup, with over 13,000 volunteers. Thanks to their years-long campaign, Bali’s government banned the use of single-use plastics in 2019. BBPB is currently active worldwide in some 40 locations worldwide, and Forbes named the sisters in its list of the “10 most inspiring women” in Indonesia.

Sisters Isabel (18) and Melati Wijsen (18) were 10 and 12 years old, respectively, when they founded the Bye Bye Plastic Bags (BBPB) initiative in their native Bali. Among other things, they organized the island’s largest-ever beach cleanup, with over 13,000 volunteers. Thanks to their years-long campaign, Bali’s government banned the use of single-use plastics in 2019. BBPB is currently active worldwide in some 40 locations worldwide, and Forbes named the sisters in its list of the “10 most inspiring women” in Indonesia.

An ocean of trash: Plastic waste washes ashore on Bali’s beaches.
“Don’t be afraid of robots!”

SOUTH KOREA is a world leader in automation. Why is that? And are large numbers of jobs being eliminated? PARK JONG-OH, head of the national Robot Research Initiative, explains.

Park Jong-Oh, in South Korea there are 710 industrial robots for every 10,000 workers, which is eight times the average in other countries. How did your country become a pioneer in this area?

The uninterrupted economic growth that South Korea has experienced over the past 50 years, transforming it from an agricultural culture to the world’s 11th-largest economy, no doubt laid the groundwork for the large number of robot applications. In addition, robots are generally seen as positive and helpful in East Asia.

In what areas are robots mainly used in South Korea? Industrial robots are used primarily in large-scale production in the automobile and electronics sectors. There are also two main types of service robots: personal assistants and toy robots. South Korea differs in this respect from Europe, where the focus tends to be on professional service robots in the fields of medicine and defense.

Is it possible to quantify the economic benefits your country derives from the robotics industry?

In 2017, revenues in the industrial robots market in South Korea totaled 3 billion US dollars, and there are 718 companies in the industry. As for service robots, the revenues of the 472 companies in that industry amounted to roughly 600 million US dollars. The largest companies in this sector are Samsung Electronics and LG Electronics. Roughly a thousand companies are producing robot components and software, for a total of 1.4 billion US dollars in revenues.

How much more can a robot accomplish than a human being?”When it comes to productivity, the performance of a robot is roughly comparable to that of a human worker. But of course we also have to consider the investment costs of using a robot, which in South Korea currently range from 50,000 to 70,000 US dollars.

South Korea is experiencing the highest rate of youth unemployment in about 20 years. Is there evidence that the high level of robotization is eliminating large numbers of jobs, and has that caused resentment among the population?

So far there have been almost no protests against automation resulting from the use of robots. Naturally, robots do in fact lead to the elimination of some jobs, but so far we have no reliable statistics in that area. I believe, however, that there are sufficient alternatives for people whose jobs have been lost to robots. The main causes of youth unemployment are a rapid increase in the minimum wage and a tight labor market.

Are policymakers taking steps to lessen the negative effects of robotic automation on the economy?

The government is planning some legislation in connection with the Fourth Industrial Revolution, in particular, the plan is to regulate smart factories, where processes are increasingly robotic, and to provide financial support for them. In addition, workers will receive more training to prepare them for new occupations.

What can the world learn from Korea’s experience? Don’t be afraid of robots!

PARK JONG-OH (64) is head of the Robot Research Initiative and a professor at Chonnam National University, as well as a member of the executive board of the International Federation of Robotics.
**CANADA** is a leading international power in the struggle for tolerance and greater LGBTQ+ rights. **BOB GALLAGHER**, how did the country become so tolerant?

Interview Michael Krobath  Photo Maciek Jasik

Bob Gallagher, how did Canada become such a progressive country? Much of our long cultural history set the groundwork. We are a multinational, multicultural country. Foreign-born Canadians have always accounted for between 15% and 20 percent of the country’s total population since the country’s founding. Canadians have accepted French and indigenous cultures as nations within a nation.

The emergence of LGBTQ+ rights started in 1969 when homosexuality was formally decriminalized. Yes, but the move was unpopular, and stigmatization, discrimination and violence were common and often sanctioned. On February 5, 1981, police raided every gay bathhouse in Toronto, resulting in hundreds of arrests and sparked LGBTQ+ community outrage and mobilization. The subsequent months forged a political leadership and community with skills and determination. The following AIDS epidemic galvanized the drive to further mobilize this community and successfully taught them to reach out and win over the public. Toronto was one of the first jurisdictions in the world to develop an AIDS strategy with significant funding. All those battles and victories were the direct basis for winning gay marriage legislation in 2005.

What is the most important progress that you feel has been made with regard to tolerance? The LGBTQ+ movement succeeded in expanding the debate from individual identity to social structures. Our call for “sexual freedom” transformed into a call for “equal families.” We’ve changed the focus from sex to love.

Does diversity also have economic benefits for Canada? Yes. I can think of two ways: tourism and corporate attraction. Studies have shown that many companies—often high-tech—are choosing Canadian locations because the tolerant ambiance is desirable for their workforce and aids in attracting quality employees.

Anti-liberal tendencies are evident in many countries around the world. What can those countries learn from Canada? Tolerance and freedoms often do not come through enlightenment. The history of Canada’s LGBTQ+ community shows that resistance, mobilization and community building are the surest route to a progressive society.

Bob Gallagher (62) is an activist, expert on Canadian LGBTQ+ history and a Fellow at Broadbent Institute in Ottawa.

*Lesbian, gay, bisexual, transgender, and queer and other sexualities; generic term for persons who are not heterosexual or whose gender identity does not fit the binary model of male and female.
“Growth is what matters.”

INDIA, Almost a basket case for decades, today India is considered to be among the emerging markets with the greatest potential for growth. Renowned economist JAGDISH BHAGWATI, on the rise of the subcontinent and the misguided criticism of free trade.

Interview Daniel Ammann and Michael Krobath Photos Mahesh Shantaram
Professor Bhagwati, India is one of the great winners of globalization. A huge middle class has emerged in recent decades. In your book “Why Growth Matters,” you analyze the economic rise of India. What are the most important success factors?

India changed economic course in the early 1990s. The country overcame its populist politics, which were based on protectionism and redistribution and had made it a marginal player in world trade. Since then, India’s growth has skyrocketed, and that should come as no surprise to anyone who understands anything on the subject. And the poverty rate has declined.

Why did the country stick to counterproductive economic policies for so long?

India had reproduced the inefficient policy framework that characterized the moribund Soviet model. Protectionist attitudes deterred foreign investors and hindered all competition. India was almost a basket case by 1990. The growth rate had fallen drastically, and without growth that would create jobs for the masses of the poor, poverty increased.

What can other large emerging markets learn from India?

The chief lesson of the Indian experience for other “large” countries with substantial underemployment and poverty is that growth is what matters. This fact has long been dismissed and ridiculed by critics who think of it as a conservative strategy that will result in the gains in prosperity “trickling down” to the economically disadvantaged. I prefer to think about it in countries with immense poverty as an activist, “pull up” strategy that lifts the poor into gainful employment and out of poverty.

You have also been a long-time critic of the redistribution agenda.

Yes, one other lesson for other large emerging markets is that redistribution is not a panacea. As the Polish economist Kalecki once told me graphically when he was visiting India in the 1950s: “India has too many poor and too few rich.” The policy of redistribution touted as a solution by some renowned economists has no positive effects on the poor. Quite the contrary.

In a few years, India will have overtaken China in terms of population. How will this change the world?

Both India and China have huge populations. India has not managed to contain the growth of its population; by contrast, China has contained it too much. The most significant contrast between the two gigantic countries, however, is that India is democratic while China has chosen the authoritarian model and is, in fact, even intensifying it these days. In the end, India will emerge as the model country for the developing world, not China.

Will India’s growth inevitably suffer in the face of trade tensions between the United States and China – or could India even benefit?
Amazon employees stretching before their shift in Attibele, near Bangalore.

Colorful wedding venue in Hyderabad.

Working out at a gym in Vashi, a suburb of Mumbai.

Street vendor in central Mumbai.
The US-China trade tension is, in fact, to India’s advantage – if it is smart about it. The supply chains have been moving away from China for some time. They have been shifted to Vietnam and even to Bangladesh. India could easily play a central role in these supply chains, but that requires that India shift to opening up to international trade even more dramatically than it did in the early 1990s.

India actually shouldn’t be afraid of international competition, at least not when it comes to its culinary prowess: Chicken tikka, for example, is one of the most popular dishes in the UK. Today, cultures learn from one another; the Brits enjoy chicken tikka, and Indians love Kentucky Fried Chicken. What is even more interesting is that few people even know where a particular food came from. Thus, Japanese tempura was brought by the Portuguese from India, where it was known as Bajia – the only difference being that the Japanese use rice batter.

Until the financial crisis, global free trade was viewed as a win-win game. Today there are numerous politicians, as well as economists, who see free trade more as a problem. Among them is Nobel Prize laureate Paul Krugman, who was one of your students. Did you ever have any doubts yourself?

The financial crisis hurt globalization only in the sense that – as Paul Krugman and I were the first to note – it was a mistake on the part of many supporters of the globalization of trade to conclude that the globalization of capital flows must therefore also be a good thing.

That garnered you some encouragement from unusual corners. Yes, it did. In fact, I became a celebrity because leftists like the historian Eric Hobsbawn made much of the fact that “even a free trader like Bhagwati” had argued against freeing capital flows. I remarked at the time that, if I was for free trade, it did not mean that I should also be for free capital flows.

So you don’t see a crisis of globalization?

I do not think it is correct to argue that free trade is now seen as a problem. In the developing countries, there is widespread support for free trade as an engine of growth, and hence as a powerful instrument of poverty elimination. The skepticism is in some of the developed countries. This is, in fact, what I call an ironic reversal.

What do you mean by that?

In the 1950s, the poor countries were afraid of competing in world markets against the rich countries; now it is the other way around. And the fear is not concerning the impact on aggregate income but inequality. But there is no convincing argument that inequality results from openness in trade, rather it is the other way around. Workers gain from trade, because the pressure on their incomes from labor-saving technical changes will be offset if, as consumers, they buy goods cheaply produced abroad in the poor countries.

Do you regard the entire debate on inequality as misguided?

The French economist Thomas Piketty – who wrote the bestseller “Capital in the Twenty-First Century” – is mistaken in focusing on the income that is accruing to the top 10 percent and then complaining that it has increased disproportionately. But surely this is not a group with unchanging membership. People move in and out of the group. I once asked a French colleague of mine: has Piketty not read Thomas Mann’s novel “Buddenbrooks” with its portrayal of the fall of a rich family? His amusing answer: “In France, we do not consider German literature to be literature.”

For many years now, you have been considered one of the favorites for the Nobel Prize in Economics. You have had a laconic response on this subject for some time now: “When you give up, you get one.” So, have you given up?

Yes, I have ceased thinking about the Nobel Prize. Of course, it is not like becoming pregnant: you do not succeed when you give up trying. Seriously, I would say that, if I miss getting it in a given year, I tell my admirers and friends that the Nobel comes around every year, so there is no need to despair. Sometimes, I add: After all, Mahatma Gandhi – incidentally also a Gujarati like me – did not get it. Posterior judges people by their achievements, not by the awards they received.
Where has SOUTH AFRICA, made progress since the end of apartheid? What are the biggest challenges of today? JAY NAIDOO, a pioneer in the anti-apartheid movement and minister in President Mandela’s cabinet, takes stock.

Interview Simon Kuper

“How do we change the human being?”

Jay Naidoo, what have been South Africa’s main achievements in the last 25 years?

The most meaningful one is that we’re still a functioning constitutional democracy. The South African story of a peacefully negotiated political solution remains a miracle. In 1994, most people expected us to descend into racial civil war. But Nelson Mandela and our generation created a stable framework – the new constitution – for us to do the work to heal the past and address the legacy of apartheid.

Unfortunately, post-Mandela we didn’t have the type of leadership that could deliver all of our original goals.

What are you referring to specifically?

Inequality in South Africa has risen in the last 25 years in terms of income between those at the top and those at the bottom, just like in many other countries. One of the big triumphs of our democracy is creating a social security net. Nonetheless, out of 58 million South Africans, roughly 18 million are dependent on social grants. And that does not replace the dignity of labor. Half of young people are coming out of 12 years of education with only minimal skills, and they are unlikely to have a real job in their lifetime. What should we do when technology and artificial intelligence are doing a lot of the manual work that human beings did before? That’s the conversation we should be having. Instead, the conversation is about corruption, which has been very prevalent in the last decade.

South Africa is making great strides in the fight against HIV. Since 2006, life expectancy has rebounded from 53.5 to 64.7 years. How much of this can be attributed to sensible policies – or was it mostly due to low-cost medication becoming available?

Well, in 2007, I acted as a coordinator for developing a healthcare roadmap in South Africa when I was chair of the Development Bank of Southern Africa. I brought together – for the first time, given the then President Mbeki’s reticence to work with civil society – very important elements of civil society, business, academic institutions, trade unions, NGOs and government. And one of the priorities was tackling HIV/AIDS. The people that went into government acted on those recommendations, and that’s what contributed to slowing the epidemic.

What were the most important pillars of the new health care policies?

The provision of ARVs (anti-retroviral drugs) had to be consistent across the country. Before that, there were always shortages, so the negotiations that the government did with the pharmaceutical sector to provide adequate access to ARVs were very important. Improvements in education around HIV prevention were also critical. In addition to providing...
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Despite all the progress: If you look back, what would you have done differently?

When we went into government in 1994, our notion was that the state should provide everything that people needed, from jobs to water, electricity, sanitation and housing. The result was that instead of taking responsibility, people became bystanders in their own futures. People sat back and started waiting for government action.

What do you think about that today?

I’ve come to the conclusion that changing the system is only the first chapter in creating a functioning democracy. The more important question is: “How do we change the human being?” How can we create a system like the one we have in South Africa – with a progressive constitution and powerful institutions that are supposed to protect that constitution – be subverted? It gets subverted because we haven’t changed the individual. Corruption, particularly in business and politics, destroys people’s trust. So, it’s really important now that we have a new president. We have seen him act against corruption in a decisive manner.

You’ve known President Cyril Ramaphosa since the 1980s, when you were in the COSATU trade union federation together. How do you assess him?

He’s a very skilled negotiator and strategist. Of course, in the last decade, there has been such an undermining of the political fabric that it takes time to repair. Now is the time to take an important stance in the fight against corruption. It’s not an easy task, because politics is also a waiting game, requiring the art of keeping one’s own party alive. But I think all of us are expecting decisive action from Cyril Ramaphosa. Patience is running out in South Africa.

How optimistic are you about the country’s future?

Very. My generation is slowly getting older – I just became a grandfather – and the generations that were socialized after apartheid are now taking over. They’re going to push this country forward. Once, when we were discussing the Reconstruction and Development Programme, Mandela asked: “What about the reconstruction and development of the soul?” Then he said: “People have been psychologically damaged, both white and black, whether you had a feeling of superiority because you were white, or whether you felt inferior.”

And he was right: And that’s exactly how I felt as a child. I felt fundamentally inferior to white people. That’s what I was taught, that’s how I was socialized. It is only my politicization that removed that.

What can other countries learn from South Africa?

That they shouldn’t look for another Mandela – a messiah to solve our problems. If we look inside ourselves, we see the Mandela within. And we realize: I have the power to change myself. Mandela once said: “It always seems impossible until it’s done.” That was our guiding principle.

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People live longer and eat more healthily in Japan than anywhere else in the world. Children already start learning about eating well in school. Nutrition educator MAKIE ZENIMOTO explains what’s important.

Interview Sonja Blaschke Photos Motohiko Hatai

How long have people in Japan been emphasizing healthy school lunches? Japanese children have been eating school lunches since around 1890. It started as a way to help the poor. After World War II, people were dependent on aid from the Americans – there was a lot of bread. Over time, the meals became more elaborate.

Is the system the same everywhere in Japan? No. Sometimes the city administrators develop the menus centrally, and sometimes they leave it up to the schools, as is the case here in Koto City in Tokyo. Some schools have a cafeteria. At others, like here, the children eat in the classroom.

What do schools consider to be healthy food? Locally grown fruit and vegetables are vital – preferably organic, 175 grams per day. A glass of milk to make sure the children get enough calcium, and as little salt, fat and sugar as possible.

What’s not allowed on the menu? Raw vegetables. Even cucumbers have to be blanched. Processed foods with additives are also taboo here.

What is particularly important? Many children eat a great deal of western foods at home – bread and meat – so we focus on rice and fish. We also offer some specials that you can sink your teeth into, with root vegetables and brown rice.

Do you also serve less healthy things? We have “secret menu” once a month, with Katsudon (breaded schnitzel on rice) or spaghetti with meat sauce.

How much do the meals cost? 4000 yen (37 Swiss francs) per month. The budget for ingredients is limited to 275 yen (2.50 Swiss francs) per child per meal. That’s a challenge. Fish is very expensive.

Do the school lunches make the children healthier? They are growing. Children no longer have calcium deficiencies. Conversely, we notice that some children come back from the long summer break not in the best shape.

In Japan, school lunch is combined with nutrition lessons. Our menu calendar also explains things like how our sense of taste works or seasonal foods. I announce the day’s menu over the public address system at our school. If it involves more sweet things than normal, I say: “Hold back on the treats today.”

Makie Zenimoto (62), nutrition educator at the Meiji primary school in Tokyo.

“Hold back on the treats today”
“We are risk averse”

Verena Pausder (40) has founded several start-ups including Fox & Sheep, the largest developer of children’s apps in Germany, and the Haba Digital Workshop. She has won numerous awards such as “CEO of the Future” (McKinsey) and was named as one of “Europe’s Top 50 Women in Tech” (Forbes). One of the WEF’s Top 50 Women in Tech" named as one of “Europe’s Future” (McKinsey) and was named as one of “Europe’s Top 50 Women in Tech” (Forbes). One of the WEF’s Young Global Leaders, she is also an investor and sits on supervisory boards and political advisory committees.

GERMANY, is the leading start-up nation in continental Europe, yet founder VERENA PAUSDER, still sees room for her country to improve. Could this self-critique become the key factor for success?

Interview Nicole Longhi and Simon Brunner Photos Ériver Hijano

Germany has the most unicorns – start-ups valued at over one billion US dollars – in all of continental Europe, funding rounds for fledgling companies are at an all-time high right now, and Berlin is considered one of the best places to start a new company. What is behind this innovation boom? I have been part of Berlin’s ecosystem since it first began in 2010. Back then, we would not have dared to dream of becoming this huge one day. Several ingredients were vitally important in my opinion. First, we had to reach a critical mass in terms of both start-ups and investors. And then we had to achieve some successes, of course. After the third unicorn, one thing became apparent to everyone: Yes, even in Germany, we can pull off the really big achievements. This realization generated a certain momentum.

In the meantime, Germany now has eight unicorns. Is the country on its way to becoming the world leader in innovation? We could potentially earn that title, but we have recently lost our courage to some extent. We fear the future, and especially digitalization. Conversations have focused mainly on topics like data protection and cybersecurity. Of course both are important, but when it comes to further promoting innovation, this is not the path to take. In addition, Germany – even Europe – just doesn’t have enough investors capable of participating in comprehensive investment rounds of 100 million US dollars or more.

Despite this lack of local investors, Germany has produced some remarkable start-up success stories. So why is the geographical source of the venture capital still important?

Because non-European investors often pressure start-ups to relocate to their home countries. And because we give up a significant share in value creation. We bear the risk of the early-stage when we still don’t have an answer to the question of whether a business idea is even worth anything at all. Then we leave it to others to reap the rewards of the later, more attractive stages, with growing yields. To put it bluntly, we do a good job at slicing the bread that others will use to make their sandwiches.

What could possibly happen to change this dynamic? The capital base of German start-up funds would increase significantly if we allowed pension funds and insurance companies to invest their capital in vehicles like these, as is the case in many other countries. We can’t forget that we Germans are risk averse. Our country has one of the lowest stock savings rates in the world. During the dot-com bubble, we were well outside of our comfort zone, and we got burned. We still feel the aftereffects of that. French President Emmanuel Macron recently announced a start-up fund of five billion euros, some of which will come from pension funds. There are many things that would need to change before something similar could happen in Germany. And Paris just overtook Berlin in terms of investment volume (according to the most recent start-up barometer published by EY).

You are also involved in politics and are on Minister of State Dorothea Blaß’s Innovation Council. One of the things you support is the concept of deregulated zones in Europe, where start-ups can test drive ideas. Why do we need something like this?

In the early stages, in particular, companies need to be able to try things out without too many constraints. What could we get out of large volumes of data if data protection was not a consideration? How would autonomous driving work without millions of restrictions? This is the mindset of our global competitors, the US and China, and it allows them to create a competitive advantage. Here, things are becoming slower and slower, more bureaucratic and sedate, despite the fact that change is happening at a more rapid pace than ever before. The present moment represents a huge opportunity for us, and we have to take advantage of it.

More than 300 million people live in the US, and well over a billion in China. Do European countries even have a chance at all? Only if we pool our efforts across Europe. When it comes to legislation, awarding venture capital and regulation, we have to look at things from a European perspective. Germany has approximately 200 professors for artificial intelligence, France does as well, and Switzerland has maybe 20 – China has many times these amounts. Forward thinking means working together and crossing borders.

Start-ups, particularly those in the tech field, suffer from a major gender gap. Why is that, and what can be done to address it? Generally speaking, technology is underrepresented in the lives of girls. We fall short when it comes to encouraging and inspiring them in this field. Digital
workshops like the ones we have intro-
duced could help to change this. In these
workshops, children between the ages
of six and twelve can discover the digital
world through play. This is an age when
girls and boys demonstrate the same level
of interest, and gender stereotypes have
yet to come into play. On a macro level, the
investment committees of venture capital
companies represent another problem.
Their members are mostly men, so topics
that women consider worthwhile have
a hard time making the cut.

Can you give us an example?
Two outstanding female students founded
the Kitchen Stories recipe app, and I was
a very early investor. Investors scoffed at
the beginning, referring to them as young
women who like to cook. “How cute,”
people would say. Fast forward: Down-
loads of the app are in the eight figures
range, Bosch took over the company and
Apple CEO Tim Cook visited the start-
up during a trip to Germany. By the same
token, people should also say things like
“Oh, he just likes to drive cars,” when a man
develops an automotive app. But no one
does. It is difficult for women to win the
major funding rounds. The tendency is to
belittle and underestimate them.

Seems more like 1970 than
2020.

How could this change?
Of course female investors can’t just be
conjured up out of thin air, but at the least,
venture capital firms can staff boards of
qualified female experts.

You refer to Germany’s digital education
generally as “a disaster.” Why is that?
We do not have the proper equipment in
schools. We are not training teachers.
We don’t even agree on what skills are
necessary much less how and when they
should be learned. It seems more like
1970 than 2020. Today’s graduates should
be able to create a website, design a
logo, prepare a presentation and identify
fake news. We have a long way to go.

If a teacher lacks confidence in dealing
with digital topics, what can they do?
Of course, if they try to measure up to
their students, they are going to come
up short. Otherwise, though, this young
generation has less digital expertise
than we tend to think. A German teacher
can easily facilitate a discussion on the
topic of deep fake videos, where politicians
are made to appear to speak words that
they never in fact said. What impact does
this have on society? Or a history teacher
organizes a workshop to validate historical
facts. An art teacher demonstrates how
layering works in a photo editing program.
And so forth.

As for you, you have three children ranging
from two to eleven years old. What are your
rules for their cell phone and PC use?
When it comes to consuming content,
there are clear, non-negotiable rules
governing how much time they can spend.
For my sons, who are nine and eleven years
old, this means that they can play games
for one hour, three days each week. On the
other hand, there is a great deal of freedom
when it comes to creating things. When
they are making a stop-motion movie with
their Lego figures, they can take practically
all the time they want. They just have
to show me the result. As parents, it is
important to us that we understand exactly
what it is that the children are doing.
That only works if we spend time together
with them on the devices. Even though
there might not be much time for that.
The United Kingdom is said to be a “soft power” superpower. How do you explain that, MISTER ANHOLT? And does Brexit pose a threat to that status?

Interview Simon Kuper
Simon Anholt, you coined the term “nation branding,” and you’ve advised more than 50 cities and countries on image management. What is soft power? Soft power is everything that’s not hard power, which means exerting pressure through military or economic means. It refers to the methods countries use to influence other international players without resorting to hard power. In that sense, soft power is more important today than ever before.

Again in 2018, the United Kingdom was number one in the “Global Ranking of Soft Power.” How did it manage to become a “soft power” superpower? English is the most widely learned language in the world, and we are very good at everything related to popular culture: music, film, comedy, art, fashion, football. I would also include the British monarchy in that list. Our top universities are in the world’s top five. In fact, this was how many observers perceived the UK in the 1990s. The narrative was a perfect fit for the times. For many years, I served as vice-chair of the UK Foreign Office’s Public Diplomacy Board. We were responsible for trying to coordinate Britain’s soft-power activities, in such a way that we could take a systematic approach to the use of soft power.

I’ve become skeptical. The term seems to suggest that some marketing technique exists that will allow you simply to change a country’s image. That’s not the case. If products are good, their brand image will eventually be favorable as well. The same applies to countries. If a country wants to improve its reputation in the world, it should concentrate on what it’s doing, on its concrete actions—and not on what it says about itself! There is no shortcut or secret path to higher status. Reputation derives from a reservoir of ideas, products and political realities. That reservoir must continue to flow; it must never run dry.

But what is soft power? It’s certainly possible to push the process without resorting to hard power. In that sense, soft power is more important today than ever before.

So, a country builds soft power over long periods, not through a short-term push? It is certainly possible to push the process along. An example is South Korea, which over the last couple of decades has made deliberate pushes to increase its soft power, partly I like to think as a result of my advice to them. For example, they’ve worked to try and establish Korean cuisine as one of the world cuisines, partly by the government supporting the opening of authentic Korean restaurants all over the world.

But the government wasn’t responsible for the global “Gangnam Style” phenomenon, was it? Indirectly, yes! The government gave the young music scene the freedom it had been denied during the previous decades of censorship. In addition, the government has been supporting popular culture for several years. Previously, funding had been limited to so-called high culture. So it is definitely possible to boost a country’s soft power, even within a surprisingly short time. But certain conditions are necessary, of course. For example, South Korean soap operas have been massively popular all over East Asia for decades.

Years ago, Tony Blair’s government consciously marketed the UK as “Cool Britannia.” Absolutely, and it started off as a business question: To what extent will Britain’s image influence the next generation of businesspeople, and consequently Britain’s international trade? Tony Blair, of course, loved the phrase “Cool Britannia.” It’s the narrative of Britain as young, vigorous, creative, daring, cosmopolitan, funny, self-deprecating. It’s the spectrum between James Bond and Mr. Bean, with a bit of Spice Girls and Elton John in the middle.

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You coined the term “nation branding.” Thirty years later, what do you think about that concept? There’s a saying that perception is reality. But it’s not the whole reality, is it? Yet soft power determines how hard power is perceived. The most obvious example is the fact that the UK, which is admired because of its soft power, isn’t perceived as a threat despite being known to possess nuclear warheads.

Has the idea of the UK as Cool Britannia suffered because of Brexit? Leaving the EU is not very Cool Britannia. But it’s not the whole reality, is it? Soft power is the result of culture. So it’s not the case. If you don’t have a powerful and positive reputation, everything is difficult; everything is expensive. Reputation has nothing to do with communication techniques. It comes from who you are and how you behave and where you are heading. In the age of advanced globalization, unless you consider the soft-power impact of your policies, you will end up destroying your reputation.

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You coined the term “nation branding.” Thirty years later, what do you think about that concept? 2020
We don’t need to build an entire car

JOEL MESOT, President of ETH Zurich, on the secret to Switzerland’s success as a research center, the progress in terms of transferring knowledge within industry and the most important ingredient for every career: confidence.

Interview Simon Brunner and Michael Krobath

Professor Mesot, Switzerland topped the renowned Global Innovation Index in 2019 for the ninth year in a row. What is the secret to the country’s success as an education and research center? There are several reasons for its success. One of our chief advantages is our balanced and transparent education system, which includes universities, universities of applied sciences and the dual education system. As researchers, we need good professionals in order to build and operate our complex systems. Another factor is the traditional strength of basic research, as is collaboration with industry. Finally, the success is also due to the country’s openness, which allows us to recruit the world’s most talented people.

How stable is this formula? Do you see risks to Switzerland’s progressive character? The dual education system aside, every aspect is feeling pressure at the moment. I’m most concerned about the risk of isolationism. Knowledge requires networking with the world. If we become less open as a result of political decisions, then we’re really harming our own interests. In 2014, Switzerland was temporarily excluded from the EU’s Horizon 2020 research program. The exclusion of the country again from the European framework program for research would not be good for Switzerland’s competition prospects.

Critics of genetic engineering, climate skeptics, opponents of the theory of evolution – do you believe there is increasing hostility toward science? The fact that citizens and the media are looking critically at technological progress is, on the one hand, positive and an expression of a lively democracy. We need to have a discussion about how we handle Big Data and artificial intelligence. But there are some worrying trends – for example, the few, albeit very loud voices attempting to cast doubt on the scientific facts regarding man-made climate change.

What impact has China’s rise had on Switzerland as a research center? China’s ambition to be the leading nation in Continental Europe, according to international rankings. Before that, he served as the director of the Paul Scherrer Institute for ten years. Mesot spent several years as a researcher in France and the US and has won several science prizes for his work.

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Credit Suisse supports the ETH Zurich and donated seven million Swiss francs to set up a robotics professorship in 2018.

Speaking of start-ups, in what areas can a small country like Switzerland have the most success? Our greatest opportunity lies in niche products. Metaphorically speaking, we don’t need to build an entire car like Germany, the US or Japan. We can focus on those parts that offer the greatest added value. And in the future, this added value will be at the intersection of several disciplines. We see this at the ETH, where departmental boundaries are becoming more fluid.

You were a successful physicist yourself. What is the most important property for being successful as a researcher and contributing to progress? In addition to specialized knowledge, you also need to have confidence. In my first job after receiving my doctorate I had an idea that I presented to a world famous physicist. His response? “That won’t work!” When I told my doctoral advisor, he said: “Joël, if you say it will work, then it will work. You just need to be convinced of this yourself.” So I went ahead as I had planned – and it turned out just as I had expected. I tell this story to new students to give them courage (laughs).

The share of people in Singapore aged 65 to 69 who work has risen from 24 percent in 2006 to 40 percent now – even though the retirement age remains 62. How has the island city managed to do this? The legislative process was the key to success. In 2006, a committee made up of representatives of the government, employees and trade unions worked together to encourage companies to retain or reintegrate employees past retirement age. This effort culminated in the introduction of the Retirement and Re-employment Act in 2012, where companies are obligated to offer re-employment at age 62 until 65 if workers meet the eligibility criteria. In 2017, this obligation was expanded to employees up to age 67.

What incentives are used to encourage companies to employ older employees? First, there’s the Special Employment Credit, a wage offset scheme that compensates employers for up to 3 percent of the monthly wages of the workers they continue to employ. There is also a subsidy program, which offers every company up to 425,000 Singapore dollars [editor’s note: around 300,000 Swiss francs] to implement an age management system, redesign workspaces and processes, and implement flexible work arrangements. Since mid-2016, more than 1,750 companies have taken advantage of this program, with some 20,000 employees benefiting.

What are the employment preferences of older workers? Understandably, they generally would like to have the option to gradually reduce their level of work. A survey found that 86 percent prefer to transition into partial retirement before retiring fully, and a third would like to have reduced responsibilities at work.

In what fields are older people employed? A majority of workers over 65 are in blue-collar jobs, such as cleaners, machine operators or sales personnel. But there are many university graduates who choose to work longer, too.

When should people start to think about preparing for a longer career? It makes sense to start reflecting on your future plans in your mid-40s. And companies should engage their workers in structured career planning sessions so they can take timely action to equip workers with the skills needed for future jobs.
Two squabbling parties, one happy marriage: She is a Republican and a former advisor to both Presidents Bush; he is a Democrat and a former advisor to President Clinton. What can the polarized United States learn from MARY MATALIN and JAMES CARVILLE?

Interview Michael Krobath

“We disagree about everything”
Politics once described you as the “odd couple” of American politics. What’s the number-one thing you disagree on at the moment?

James Carville: In national politics? Almost everything. I can’t think of anything we disagree on. We have very distinct and very different views of the current occupant of the White House.

Mary Matalin: “Odd couple”?! Not really. That applies to only a small portion of our marriage. Long before we got married, we had worked against each other on several political campaigns. Back then, we saw the world very differently—and we still do today. But luckily there are any number of topics to discuss besides politics.

So the differences between your value systems don’t cause tension in your day-to-day lives?

Mary Matalin: They might, if our family were a democracy. But it’s a “Mom-ocracy.” Or as we say in the Carville home, “When Mama ain’t happy, ain’t nobody happy.”

James hates confrontation and refuses to argue about political issues. We have little interest, time or energy for what passes as political dialogue in today’s tumultuous climate.

Carville: Last night our whole family watched a football game together. This weekend our daughter got married. We generally avoid politics for the most part. It’s not like I don’t talk about politics at all. I teach a class at the university, and every day I have about 20 conversations about politics. Just not with my wife.

In a bestselling book about your relationship, you say that the 2003 Iraq War caused some heated arguments between the two of you. What do you think of the current policies of the Trump administration?

Matalin: What President Trump has managed to accomplish in his short tenure is nothing short of astounding. In the past three years there has been tremendous progress for real people living real lives, most of which he accomplished with little, if any, help from his own party and massive obstruction from the media and out-of-control bureaucrats in Washington. His policies have ushered in the highest employment among African Americans, Hispanics and women in our history. He has massively reduced economic regulatory strangleholds and reestablished the US as a world leader.

Carville: I don’t like Trump’s policies. Take foreign policy: We now have difficult relations with China and Iran and close relations with North Korea and Russia, and that’s a strategic error. And we also have a terrible relationship with Western Europe. The one thing that probably upsets me more than anything is the decline of the United States’ role in NATO. The alliance has been in place for a long time—we can’t simply discard it. But unfortunately we seem to be doing that.

In the 1970s, the American political scientist Robert Dahl wrote, “To a European accustomed to the sound and fury of clashing ideologies, American party battles seem tame and uninteresting.”

When we look at today’s angry political climate, we can’t help but ask: What happened? Why has this changed?

Carville: I think there are three reasons: As educated people move to the cities and metropolitan areas, rural areas tend to feel neglected or even threatened by the increasingly powerful urban centers. So they’re banding together politically and making their voices heard, loud and clear. The second reason we’re so divided is that we have such a proliferation of defamation sources on social media. And it’s well known that people tend to believe only the sources of information that validate their views of the world.

And the third reason?

Carville: The nature of the population is changing as the country becomes less Caucasian. Certain people feel threatened by that. So the big question is this: Do we view America as a place, a country that was basically shaped by European immigrants and their descendants? Or do we view it as an idea that came out of the Enlightenment? Which is the true America?

Personally, I think it’s an idiotic debate. We’re all Americans.

Matalin: Differences of opinion are crucial for a thriving democracy. Throughout American history, there have always been vehement economic, religious and regional disputes, which have also figured prominently in the thinking of great figures like Madison, Hamilton, Adams and Jefferson.
What can people learn from our marriage? Respect for people who disagree with you politically.

Today the major impediment to continued democratic progress is something very different, namely the increasing diminution of free speech and the silencing of disparate voices by the liberal mainstream, through harassment, humiliation, employment threats and a biased press.

So is this polarization nothing new?

Mary Matalin. What’s new is the introduction of information-age tools, which have increased the velocity and ferocity and distribution of public discourse. The cloak of anonymity provided by AI platforms has made possible the elevation and prominence of bottom-feeding, ill-informed, angry dystopian malcontents. The internet presents myriad opportunities for progress that can improve people’s lives—particularly the lives of the underprivileged—but we need to learn how to apply time-honored ethical rules to this new world. Europe and the United States have a serious and critical responsibility to apply ethical standards to the tools of artificial intelligence.

When you were both working in the White House, the consensus was that positive messages are more effective than negative ones. Why has negative campaigning become so important?

Matalin. There has always been negative campaigning, even in Cicero’s time. James did a great analysis comparing Cicero’s campaigns with today’s. In politics, fear is a greater motivator than love, but in real life, love triumphs. People may respond politically to negative incentives, but they prefer to lead their lives harmoniously.

Could Republicans and Democrats learn anything from your marriage across party lines?

Matalin. Yes. Have more children, stay focused on the long game, pray with purpose, drink more bourbon!

Carville. I don’t know if we have a larger message here, but I think the big message is to respect people who disagree with you politically.

You’ve advised several presidents. Which one has impressed you the most?

Matalin. Bill Clinton, because he treated everyone with respect. He gave everybody the impression that he respected who they were and what they did. He did everything in his power to unite the country—and not to divide it.

Carville. I have been honored and humbled to serve a number of exceptional political and policy leaders: George H. W. Bush literally lived a life predicated on duty, honor, country; he revered and propagated loyalty, friendship and compassion. Vice President Dick Cheney is a man of impeccable integrity; he has an unprecedented grasp of the breadth and depth of multiple subjects, and he is unfailingly fair and uncommonly kind.

James, you coined the famous phrase that became a kind of campaign slogan for Bill Clinton in 1992: “It’s the economy, stupid!” The book “All’s Fair: Love, War, and Running for President” about their special relationship was a bestseller. Matalin and Carville chose to be questioned separately for this interview.

Could Republicans and Democrats agree on the economy? Yes.

Carville. Absolutely. I love President Trump’s workarounds to a biased press and an insular federal government.

Matalin. No. I don’t think the Democrats need to be more like Donald Trump to beat him. They should be profoundly different, not just in policies, but in personality and their view of the world.

What will it take for the “divided states of America” to become the United States of America once again?

Carville. Generational change. And if somebody comes and convinces people that America is not just a place, but an idea, I think people would like that. We’d stop making that ridiculous distinction between “real” and “less real” Americans.

Matalin. If we want to come together again, we’ll need five more years of deregulation, decentralization and measurable, results-oriented policies. We also need more and mandatory civics and history teaching in our schools. And not least, we need a revitalization of the principles and ideals that shaped the founding of the United States as a nation of laws, not men.

What question about your unusual marriage have you always wanted to answer, but have never been asked?

Matalin. Where did the notion of continuous peaceful marriage come from?

Why are marital disputes so much harder today than political ones?

Carville. People always ask about our political differences, but never about cultural ones. My wife grew up on the South Side of Chicago, in a family of industrial workers. I’m a son of the South, in New Orleans. It takes some effort to live in a different culture. And my wife has done that brilliantly.
How did the astonishing energy revolution in Chile come about?

Our most important industry, mining, long required an absolutely dependable supply of power around the clock—and only conventional power plants were able to deliver that. Then, in 2013, the government adopted environmental regulations that favored renewable energies. In 2016, half of the country’s new energy projects were dedicated to renewables, growing to 100 percent in 2017. Two-thirds of those were based on wind and, especially, solar.

The Atacama, the driest desert in the world, is the perfect location for producing solar power.

Yes, there is enormous potential there. Because the desert lies at 2,500 metres above sea level, the solar radiation intensity is especially strong. It’s not only the higher intensity that makes the solar cells deliver more electricity. The higher elevation keeps them from getting as hot as they would in Southern Europe or Africa and thus enables them to be more efficient. A new study puts the total potential of renewable energies in Chile—including wind, hydroelectric, biomass, geothermal, and tidal energy—at 1850 gigawatt hours per year. And solar is capable of delivering another 1800 gigawatt hours.

That is around 18 times as much as South America’s largest hydroelectric plant, Itaipu Dam on the Brazil-Paraguay border, produces in a year. And that is possible even though the sun only produces electricity between 8 am and 6 pm? Well, that will change soon. In 2020, South America’s first thermosolar plant will go into operation in the Atacama Desert. Cerro Dominador uses hundreds of giant mirrors to reflect the sun’s rays onto a receiver at the top of a 265-metre-high tower. The receiver contains a huge tank filled with molten salt, which heats up to such a degree that it continues to drive steam turbines through the night. This technology is the ideal, cost-effective complement to conventional solar panels, which only operate during daylight hours.

Few countries have been as consistent in their efforts to transition to a low-carbon, renewables-driven economy as <strong>Chile</strong>. The country has become a world leader for solar power. CRISTIÁN GONZÁLEZ VELOSO, how can we make the most of the sun’s power?

Interview Andreas Fink
The mining industry in the north of Chile consumes around 35 percent of the country’s total electricity. But the country’s central region, which includes the region of the capital, Santiago, and is home to 90 percent of the Chilean population, consumes the most electricity. How can this cheap power from the desert be distributed to these people?
That is the most important challenge in our mountainous country, which is over 4,000 kilometers long but rarely more than 200 kilometers wide. Photovoltaic plants can go up in just a few months’ time while it takes a lot longer to build high-voltage transmission lines over great distances.

What are Chile’s goals for expanding its renewables portfolio?
At the 2015 UN Climate Change Conference, Chile made a commitment to reduce emissions of greenhouse gases by 30 percent by 2030, based on 2007 levels. Chile already derives 20 percent of its electric power from renewables – 9 percent from solar. Energy producers have agreed on a plan for moving away from fossil fuels and so far have taken two of the country’s 28 coal power plants out of operation. Chile plans to reduce total emissions from coal–powered plants by one-fifth by 2024. But it is also a question of markets. Here in Chile, both power generation and distribution are privately run and receive no state subsidies.

So, Chile could also export the world’s cheapest green power.
That is our great aim. Brazil’s hydro–power plants and our solar plants could supply enough power to cover the needs of all of southern South America – cost-effectively and completely climate-neutrally.

“A Brazilian staple”

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BRAZIL. The success of the Brazilian flip-flops brand Havaianas is a lesson in how to build a global brand in an emerging market. GUILLAUME PROU, how do you make rubber flip-flops into a cult object?

Interview Sebastián Fast

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Today, more than 500 different models of Havaianas sandals as well as a complete line of swimwear and accessories are available in over 60 different countries. How did such a simple everyday object from a developing country manage to achieve such iconic status around the world?

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The mining industry in the north of Chile consumes around 35 percent of the country’s total electricity. But the country’s central region, which includes the region of the capital, Santiago, and is home to 90 percent of the Chilean population, consumes the most electricity. How can this cheap power from the desert be distributed to these people?
That is the most important challenge in our mountainous country, which is over 4,000 kilometers long but rarely more than 200 kilometers wide. Photovoltaic plants can go up in just a few months’ time while it takes a lot longer to build high-voltage transmission lines over great distances.

What are Chile’s goals for expanding its renewables portfolio?
At the 2015 UN Climate Change Conference, Chile made a commitment to reduce emissions of greenhouse gases by 30 percent by 2030, based on 2007 levels. Chile already derives 20 percent of its electric power from renewables – 9 percent from solar. Energy producers have agreed on a plan for moving away from fossil fuels and so far have taken two of the country’s 28 coal power plants out of operation. Chile plans to reduce total emissions from coal–powered plants by one-fifth by 2024. But it is also a question of markets. Here in Chile, both power generation and distribution are privately run and receive no state subsidies.

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"We seek to be the West in the East and the East in the West"
The Australian economy has been growing for 28 years – something that has never happened before in a Western industrialized country. How do you explain this unprecedented economic progress?

For decades now, immigrants have been flowing into the country, and as a result our country is younger than most other Western countries. The percentage of workforce participation is also increasing, thanks to such successful reforms as longer paid parental leave. Our productivity has grown because we provide sufficient protection for workers as well as sufficient flexibility for employers. At the same time, we are seeing continued investment in new plants and equipment and technology.

Despite this openness, the financial crisis had little impact on the Australian economy. Why not? The financial crisis really didn’t affect us. We combated it with targeted and temporary fiscal and monetary policy stimulus and intervention. The volume of the intervention was enormous, about 5.5 percent of GDP, but it was spread over those two critical years in 2008 and 2009. And then we exited quickly and did so without any significant degrading of Australia’s overall net debt position. And, as you know, that’s enabled us to preserve growth when most other countries in the world went into recession.

Now the boom seems to be coming to an end. Do you see areas of domestic or economic policy where progress is still possible under the current circumstances?

Yes. Australia has a population of 25 million – in a country the size of the United States. We face constant challenges in terms of laying out our fundamental economic infrastructure, including our national broadband network, along with roads and bridges. This requires strong political leadership. The vast distances and sometimes sparse populations mean that very few private corporations can turn that sort of infrastructure into a fully commercial operation.

The magazine Australian Foreign Affairs recently had the headline: “Are we Asians yet?” How would you answer that question?

With all due respect to that journal, I think that’s a false question. We need to start by looking at the term “Asian.” What is Asia? Is it China? Japan? Korea? Indonesia? Malaysia? India? Asia is extremely diverse – politically, ethnically and culturally.

Does the term “Asia” cloud our thinking here? The term originated out of European geopolitical convenience and basically just means “east of Europe.” It’s more of a term of geography rather than a combined national or ethnic consciousness in this part of the world. Be that as it may, Australians have a greater presence in Asia than people from any Western European nation. Most Asian countries have huge Australian expatriate communities, and Australia is very well integrated institutionally. There are very few Asian institutions that Australia is not a member of. I think, in terms of national consciousness, we see ourselves as part of Asia. But Australia also sees itself as part of the West.

You grew up on a farm and went on to earn a degree in Chinese studies. How did that come about?

I think it was the product of an early lack of interest in Australian animal husbandry … For my father and grandfather, the big career decision was: beef cattle or dairy cattle?

No industrialized Western nation has experienced economic growth for as long as Australia, and none has ties to Asia that are as close. Geostrategist Kevin Rudd, former Prime Minister of Australia, explains what the West can learn from Australia.

Interview Michael Krohnthaler

We’re in a period of great instability.
The challenge is to maintain a balanced relationship with China and the United States.

You weren't particularly inspired by either one? No. Luckily, I soon discovered that there must be other things to do. I just began reading a lot of books given to me by my mother. She never really went to high school, much less university, but it was my mother who sparked my interest in world affairs. And in the 70s, that naturally included the emergence of China onto the world stage.

You are probably one of the few top Western politicians who speaks fluent Mandarin and spent several years living in China. What do you know about China?

I'm wary of giving other politicians advice, but as a sinologist who has focused on the country seriously, under-gaging with the country seriously, under-gaging with the country seriously, under-gaging with the country seriously, under-gaging with the country seriously, under-gaging with the country seriously, understanding its world view. Here I have to make a distinction: In Europe the level of knowledge is still very thin, while the situation in the US is gradually improving. The Australian take on China is somewhat more sophisticated, because we seek to be the West in the East and the East in the West.

Do you see any progress in China understanding the West? Yes. This is aided by the fact that there are now probably three million Chinese students who have studied in the United States since 1978 and are back in China. A number of them are in corporations and a number of them are in government and can implement their understanding of what makes the West tick. China sees the differences between the US and Europe. It sees those differences as being quite large and seeks to work those differences to its advantage as well.

What would you say to the people who feel irritated by or even afraid of China's rapid ascendance to global power? Feel less and read more. That would be useful. Fear usually prevails in the absence of knowledge, and the study of China requires significant intellectual effort — it takes five years of intense study just to learn the language. It would be in Europe's own best interests to deepen its knowledge of China. Because everything is changing — for everyone.

What do you mean by that? The reality is that the rise of China is an event of historical proportions for the whole world. Although growth has recently slowed somewhat in China, within the next decade China will surpass the United States as the world's largest economy. This will be the first time since King George III sat on the throne of England (1760 to 1820) that a non-Western, non-democratic, non-English-speaking country is holding this position. Let's not forget that for more than 200 years, much of the conceptual framework for understanding international politics and economics has come out of the English-speaking West, first from London, and then from Washington.

And now that's about to change. Yes. We're in a period of great instability as a result. The rise of China — a one-party state — as the largest economy in the world presents a real and fundamental challenge to what we would describe as universal Western values anchored in universal human rights, democracy and the rule of law. And we cannot run away from those differences. We've got to deal with them, confront them and assert our own values.

That's the political side, but there is an economic side as well. Precisely. We're also dealing with a vibrant Chinese economy which is alive in the product market, in the services markets, in finance, in innovation and technology, where we would be foolish not to engage. Now change can be very threatening, and change can also open up brand new opportunities as well. On the one hand, the West must be unapologetic about our Western political traditions. And on the other hand, we must balance that with our economic engagement. This is a fundamental challenge for all of us. Australia, which is physically located in the Asian hemisphere, has had to manage this dual tension for decades longer than either European or, for that matter, American cousins.

What can less-populous countries like Australia or Switzerland do in the face of this renaissance of power politics?

Kevin Rudd (62) was Prime Minister of Australia from 2007 to 2010 and in 2013. He has a degree in Chinese studies and became president of the Asia Society Policy Institute in New York in 2015. The think tank was founded in 1956 to promote mutual understanding between people and cultures in Asia and the rest of the world.

CREDIT SUISSE is a member of the Asia Society Switzerland.
Professor Shalyto, a Russian team once again won the most recent International Collegiate Programming Contest (ICPC), which is the top international programming competition. This was the eighth Russian win in a row. How does the country produce so many world-class computer programmers?

For one thing, we have always valued the natural sciences highly, and math instruction in schools has traditionally been rigorous. It is based on a deep understanding of the subject, not just rote memorization. Furthermore, the competition system extends far down into the school system. There are championships for computer programming, as there are for math, for pupils from an early age. These nationwide contests promote competition and have proved a reliable way for the universities to identify gifted individuals.

And that’s enough for a global leadership role?

Of course, this also requires a state that provides enough money because it wants to have top universities. And it requires freedom. In my department, here in St. Petersburg, we nurture our winners, and give them the freedom to do exactly what they want, without imposing particular teaching or publishing obligations. These people can be quite lonely. And many of them are quite complex individuals. We can’t pay them like Google does, but we can offer good working conditions, and we look after them.

Does funding for universities come solely from the state?

We also have additional funding, mainly through scholarships, from companies that want to recruit programmers from our ranks. These companies range from giants like China’s Huawei at the top end to much smaller but internationally renowned concerns, such as JetBrains, at the other. We also receive one percent of the turnover – turnover, not profit – of some of the companies we provide research for.

UNESCO puts the overall percentage of women involved in science and research at 29 percent, but in Russia it is 41 percent. Is that true for IT students as well?

Unfortunately, no. We used to be able to count the number of women students in our department on one hand. In the past few years, though, the number has been increasing to the point where 20 percent of new students are women. But it is my dream that all the women would stay on and become professors, teaching the next generation.

How can Russia keep up in the global competition for talent?

We do our best to nurture our ICPC winners. They value this and the freedom we give them. In a complete change from the old Soviet days, they are also entirely free to travel and take post-graduate degrees or internships or jobs elsewhere. They gain useful experience and mostly they return. In this respect, I should perhaps say a thank-you to President Trump. It is not as easy as it used to be for our students to study in the United States, and it is even harder for them to find jobs there when they graduate. Before, many didn’t come back. That is changing.
Classical music is booming in China, the number of orchestras is growing rapidly and 50 million children are learning to play an instrument. This boom is due in large part to the efforts of one man. Clear the stage for Maestro Yu.

Interview Simon Brunner
Acclaimed British conductor Sir Simon Rattle predicted during his 2005 tour of East Asia that "the future of classical music is in China." Long Yu, since that time, your nation has indeed become a center for classical music. What has made this growth possible?

Four institutions have been mainly responsible. It started with the Beijing Music Festival, which I founded in 1998. The festival has brought the best international musicians and conductors from the West to China and has hosted phenomenal world premiers. It is now among the world's leading classical music events. Credit Suisse was a founding sponsor, by the way, which has contributed to the company's excellent reputation in China.

And what are the other flagship institutions? The China Philharmonic Orchestra emerged from the Beijing Music Festival. The Guangzhou Symphony Orchestra and the Shanghai Symphony Orchestra are also very important.

You direct these orchestras as well, and the Shanghai Symphony Orchestra gave a brilliant performance at the 2019 Lucerne Festival. Is there any historical precedent for the current classical music boom in China?

Absolutely. Classical music has a rich history in China. The Shanghai Symphony Orchestra is already 140 years old, for example. European immigrants have influenced it significantly over the past century. The legendary Italian conductor Mario Del Monaco directed it for 23 years, beginning in 1919, and was largely responsible for classical music's first wave of popularity in Asia. The symphony orchestra then fell back into obscurity until we revived it.

How did you find your way to classical music?

I come from a musical family, but I grew up during the Cultural Revolution. At that time, almost everything was prohibited, even Mozart and Beethoven. Only Chinese traditional music was permitted. When the country opened up in 1976, after Mao's death, we drank up everything new – our thirst for knowledge was insatiable. When I was twelve years old, I heard Mozart for the first time on the radio, and I was moved to tears. I remember it was Symphony No. 40. But I wasn't interested only in music.

While I was studying at the Conservatory, we would ride our bicycles to the nearby university in our free time and sit in on seminars about Hegel and Freud. It was a wonderful time!

You later studied at the University of the Arts in Berlin.

Most Chinese students were drawn to America, but I wanted to go to the birthplace of classical music: Europe.

And unlike most Chinese emigrants, you returned to China in the 1990s.

Back then everyone was happy to find a job abroad. No one returned home voluntarily. I am not superstitious, but I had a feeling – I recognised the possibility of establishing classical music in China. When I returned, there were only 15 or so orchestras. Today, there are 64. I'm incredibly proud of what we have achieved.

In the meantime, there are supposedly 50 million children in China who play a musical instrument – an incredible pool of talent. I've heard that number, too, but I've never counted (laughs). Of course, only a tiny fraction of them will become musicians, but hopefully they will all become music lovers who will attend concerts and listen to classical music.

The audiences at classical concerts in China are said to be younger than in the West. Can you confirm that?

No, it just seems that way because we Asians look so young (laughs). Seriously though, the fact that they're mostly under 50 has to do with the Cultural Revolution, as I mentioned. The older generation simply didn't have the opportunity to get to know classical music.

China has top orchestras and conductors and fantastic composers today. With all this success, where do you still see potential for growth?

I hope that the younger generation will be creative. Even beyond music. I think, in a high-tech world, the winners are the ones who can come up with new ideas. That requires open-mindedness and a strong imagination. That is exactly what you learn through the music; it only exists in our minds, after all. We should foster creativity more, also in the schools.

You are known as a great bridge-builder between East and West, and you received the prestigious Global Citizen Award in 2015 for your efforts here. Can classical music make the world a better place?

I'm no politician, and I'm skeptical of grand ideas like saving the world. But I think musical exchange can promote understanding between the cultures. "The Five Elements," by the Chinese composer Qiqiang Chen, is part of my repertoire, and I played it in Lucerne as well. The five elements are central to our philosophy. They are wood, fire, earth, metal, and water. These elements can build each other up; wood fuels fire, ash enriches the earth with nutrients, the earth produces metal and so forth.

Or the elements can destroy each other. So fire consumes wood, wood soaks up water, water corrodes metal, metal leaches minerals from the earth, and earth extinguishes fire. This is how I see the world today: together, we can achieve the unimaginable – or we can obliterate everything. This is what I want to convey to the audience.

Is there anything typically Chinese about your method of conducting?

I have small eyes and I like Chinese food (laughs).

And that can be heard in the concert hall? I'm joking. I don't like this question because China is at least as culturally diverse as Europe. As a Swiss person, you don't want to be lumped together with the French and the British either, right? We're all people – that's the only thing that counts!

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PRODUCTION CREDITS Published by Credit Suisse AG • Project responsibility: Mandana Razavi, Katrin Schaad • Contributions: Philipp Fachino, Yanik Schubiger, Simon Studer • Content design, editing: Ammann, Brunner & Krobath AG (abh.ch) • Design, layout, production: Crafft AG (craft.ch) • Photo editing: Studio Andreas Wellnitz • Advertising sales: Fachmedien – Zürcher Werke AG • Pre-press: nc ag (ncag.ch) • Translation: Credit Suisse Language & Translation Services • Printer: Stampfl AG • Circulation: 70,868 (WEMF/KS-certified)

EDITORIAL COMMITTEE Oliver Adler, Felix Baumgartner, Gabriela Cotti Mio, Marcus Grassi, Thomas Hürlimann, Antonia König Zuppira, Carsten Luther, Julibell Kiesl, Maxard Rybach, Frank T. Schubert, Daniel Stamm, Robert Wegner

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Photo: Rico Mautner Culture/Getty Images
Beni Bischof is an award-winning artist from eastern Switzerland. His aim is to bring humor to art, and he sees himself as part of the court-jester tradition. His stylistic devices are trenchant drawings and absurd collages.

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