

'China and India: Asia's Two Emerging Giants and What it Means to the World'

Lecture by His Excellency, Ambassador (ret.) Sakutaro Tanino in Athens on October 7th, 2008

Mr. Tsoukalis, who made a few introductory remarks, opened the event.

Mr. Tanino took the floor to expatiate on the emergence of China and India as new economic giants in the Asian continent. His speech attended to three core aspects: providing profiles of the two countries, pointing out similarities and differences as well as drawing attention to the potential risks and difficulties China and India will have to tackle as rising economic powers. Finally, Mr. Tanino briefly introduced a few scenarios on China's future development.

Providing some general information on China, Mr. Tanino reported that led by a Communist Party enjoying monopoly of authority over the country, China has the largest population in the world and is known for excelling in the manufacturing industry. India, on the other hand claims the title of the world's largest democracy and it shines in the area of software technology.

Subsequently, Mr. Tanino referred to the similarities between the two giants, stating that both have shown high economic growth in the last years. In China, he explained, the latter was a result of a reformative 'open-door policy' the Chinese embarked upon under Deng Xiaoping, as opposed to the policy of self-reliance previously pursued under Mao Zedong. In India the turning point was around 1991, when the country witnessed a liberalization of its economy following a major economic reform initiated by Narasimha Rao.

Furthermore, it was pointed out that apart from a huge domestic market, both countries have skilled yet inexpensive work forces at their disposal. However, Mr. Tanino noted that both China and India are experiencing environmental degradation and show disconcerting signs of corruption as well as a widening disparity between rich and poor.

In way of juxtaposition, Mr. Tanino sought to address a few of the risks coupled with the rise of the two giants in Asia. Depleting water resources, unemployment, a raging fake goods market, which is difficult to deal with due to the vastness of the country are just few of the problems China faces despite its recent economic ascend. Additionally, it was mentioned that another predicament the Chinese are confronted with is their fast ageing population. Mr. Tanino also elucidated the fact that even though in the economic sector much has been done in terms of reform, there is still great need for more transparency in state affairs.

Taking India under the scope, Mr. Tanino underlined the country's poor infrastructure and the perennial issue of mass poverty as well as an alarming level of discrimination against women. Moreover, due to the existence of numerous political parties obstructively competing, the decision-making process in India when it comes to significant issues is characterized by intransigence.

Finally, Ambassador Tanino briefly offered an estimate on the future perspectives of China. Referring to a Goldman Sachs Report of 2003 which prognosticated that by 2050 China and India could be the largest economies in the world, Mr. Tanino noted that a continuation of economic growth could bring about a political liberalization of China, ensuring freedom of speech and perhaps even leading to a transformation of structure of the political system, paving the way for a multi-party competition for government.

On the other hand, Mr. Tanino did not rule out the eventuality that the political situation remains the same, while the economy continues to flourish.

Mr. Tanino has served as Ambassador of Japan to India and China.