ONE of the joys of my life has been spending time in intellectual watering holes in corners of the globe.

As I go from Aspen to Davos, Ditchley to Salzburg, I pick up the 'buzz' and a good feel of what is preoccupying key minds around the globe.

It is now clear the emergence of China and India has grabbed the attention of the world.

Recently, a panel of American intelligence analysts consulted 1,000 international experts to assemble a look into the future called Project 2020.

The chairman of the United States National Intelligence Council, Mr Robert Hutchings, released the report, which predicted, among other things, the emergence of new global powers including China and India.

As the consciousness of the impending rise of China and India is relatively new, few have absorbed the full implications.

Most analysts focus on the economic emergence of the two countries. In purchasing power parity (PPP) terms, China is the second largest economy in the world, next to the United States, followed by Japan and India. At present growth rates, China will be the world's largest economy within a decade and India the world's third largest by 2010.

In addition, India has had the second fastest growing GDP in the world after China since 1980. During the global recession of 2001, GDP growth in India and China was hardly affected. Combined, it represented almost 50 per cent of total global GDP growth.

Trade between the two has grown from a measly US$200 million more than a decade ago to top US$10 billion (S$16.4 billion) last year, a 50-fold rise with the potential for greater increases on the way.

Amazingly, India welcomes the import of Hindu deities made in China, a nice symbolic demonstration of the age-old cultural links between the two countries, which go back millennia.
The two most populous countries of the world also have a large share of its young. By 2020, 50 per cent of India's population and 30 per cent of China's population will be under 30 years of age.

With those enormous numbers of young people bursting with newfound cultural confidence, the chemistry of the world will change immeasurably.

The Project 2020 report even predicted that Bollywood will replace Hollywood.

I was surprised, even shocked, when a visiting young Indian business executive told me that just as the world visited Africa for safaris, the world will soon visit Europe as a museum, to understand the past and not the future.

Such cultural confidence would have been unimaginable even 10 years ago.

Of course, China and India will not have a smooth path all the way. Development is never easy. Both societies have stumbled frequently in recent centuries and been humiliated by foreign invasions and occupation. But these histories are also assets, adding to both societies' resolve to make it this time.

Both realise they have finally within their grasp a real opportunity to leap into the modern developed world.

If they don't take it, they may lose another century.

So policymakers in both Beijing and New Delhi are not keen to give comfort to traditional Western strategic analysts who confidently predict that the emergence of new Asian powers like China and India will cause new conflicts and rivalries, as the emergence of new European powers in the 19th and 20th centuries did.

Unresolved elements from the 1962 Sino-Indian border war, border demarcation disputes and stores of missiles targeting each other all indicate the Western analysts have some reason to be pessimistic.

However, both capitals are making serious efforts to reach out to each other. I experienced this first-hand.

In November last year, the Foreign Minister of India, Mr Natwar Singh, invited an international group of speakers (of whom I was one) to a one-day conference to mark the 50th anniversary of Panchsheel, the five principles enunciated by then premiers Zhou Enlai and Jawaharlal Nehru on April 29, 1954, on the occasion of Zhou's visit to India, which were later endorsed by the famous Bandung Conference of April 1955.

In the past three months, Chinese and Indian leaders have met four times, in Qingdao, Jakarta, New York and Almaty. On Monday, India and China held their first ever 'strategic dialogue' in New Delhi to discuss global and regional issues and to enhance bilateral cooperation.
India was represented by Foreign Secretary Shyam Saran and China by Vice-Foreign Minister for Asian Affairs Wu Dawei. The two also discussed preparations for Chinese Premier Wen Jiabao's visit to India in March.

Signs of change in the relationship had appeared earlier. In November 2003, the International Peace Academy in New York convened a panel discussion on China And India: Cooperation Or Conflict.

Then Indian Ambassador Vijay Nambiar emphasised there was 'greater transparency in official contact and discussions' and spoke of the need to establish growing trust between the two nations.

Chinese Ambassador Wang Guangya highlighted the 2,000-year relationship between the two countries and said both understood differences over a few issues should not impede relations.

As China and India interact more closely in the 21st century, they will rediscover the historical links enjoyed for millennia, which were interrupted by the division drawn in the European colonial period.


He began: 'The intellectual links between China and India, stretching over 2,000 years, have had far-reaching effects on the history of both countries, yet they are hardly remembered today. 'A broader understanding of these relations is greatly needed, not only for us to appreciate more fully the history of a third of the world's population, but also because the connections between the two countries are important for political and social issues today.'

This 'broader understanding' can be furthered by centres in Chinese and Indian studies in the good universities of North America and Europe. Indeed, many of these Western scholars have begun discussing the implications of the rise of China and India.

Curiously, there has been relatively little public discussion among Asian scholars and, even more strangely, few direct encounters among Chinese and Indian scholars to discuss the promising futures of their respective countries.

These are among the reasons the Lee Kuan Yew School of Public Policy will dedicate its inaugural conference to the topic Managing Globalisation: Lessons From China And India, on April 5 and 6, a day after the school's official opening.

With a stellar cast of academics and thinkers from China and India, the meeting is unique, with the potential to produce new insights into the future of the two countries and their impact on the world, and contribute to the 'buzz' on China and India.

The writer, a former diplomat, is now dean of the Lee Kuan Yew School of Public Policy.