## CHINA ATTRACTING GLOBAL TOP TALENTS: CENTRAL AND LOCAL GOVERNMENT INITIATIVES

ZHAO Litao & ZHU Jinjing

EAI Background Brief No. 473

Date of Publication: 2 September 2009

## **Executive Summary**

- 1. The current global financial crisis, while bad news for employment and economic growth, helps China attract global talents. China launched the "One Thousand Talents Scheme" in December 2008 to accelerate its transition from a manufacturing hub to a world leader in innovation.
- 2. The scheme plans to recruit 2000 top talents in the next 5-10 years and will consider any nationality. Three types of talent are targeted: those who have an academic title equivalent to professor in world-class universities, senior managing staff in well-known multinational corporations and banks, and those who have developed technologies and patents or established their own business abroad.
- 3. National innovation projects and key scientific subjects and laboratories will benefit from this scheme, as they did from earlier talent schemes. However, central government-owned enterprises and banks and high-tech parks will join them for the first time in the global hunt for top talents.
- 4. By April 2009, the scheme had shown early signs of success, attracting the first batch of 96 scientists and 26 entrepreneurs to China, with more than 80 holding foreign passports, and 4 of non-Chinese origin.
- 5. While the central government has stepped up efforts to lure top-notch talents, local governments are actively following suit. They are more interested in attracting entrepreneurs, especially those in high-tech industries such as internet, IT, communication, media and new energy.
- 6. There are also inter-government efforts to create trans-local networks for returnee entrepreneurship. Through the initiative of different city governments, the Association of China Returnee Entrepreneurship Parks was formed to serve high-tech parks in Beijing, Nanjing, Shanghai, Shenzhen, and some other cities.

- 7. China's effort to attract global top talents is helped by a number of factors. China is now able to offer globally competitive salaries and promising career prospects, and its research and social environment has improved considerably over the years. Working and living in cities like Beijing and Shanghai has become a less daunting challenge for foreign talents and their families.
- 8. The large number of new migrants, who left China in the reform era for the purpose of studying and working in other countries and totaled over 6 million by 2008, form a tremendous pool for China's talent schemes. These well educated new migrants maintain strong cultural, social and family ties with China.
- 9. Apart from the pull factors, some push factors also work to the advantage of China. The current global financial crisis has resulted in a cut back in research programs in some developed countries whereas China continues to increase spending on science and technology.
- 10. So far talents of ethnic Chinese origin have been recruited to Chinese universities, research institutions, state-owned enterprises and banks, and high-tech parks. But foreign talents of non-Chinese origin have begun to show greater interest in working in China. While starting late, large cities such as Beijing and Shanghai are taking bold steps to compete with more internationalized Singapore and Hong Kong for global top talents.