

Professor Justin Yifu LIN

Citation

Imagine the biggest stage in the world, and the biggest economic transformation in history. Now imagine you are a part of both. For Prof Justin Yifu Lin, it is no imagination, for he has very much been a player in an exciting global drama that is still unfolding. Many praise him for his role in applying and adjusting the principles of market economics to China, which led to the lifting of 600 million people out of poverty, and turning its economy into the world's second largest. Until the time Prof Lin arrived on the scene, prosperity is still an illusive dream in China. But in two decades since, working with a team of far-sighted economic planners and national decision-makers, he helped China leapfrog into a major global economic power. Some say that heroes are the products of their times. Others say, as Napoleon did, that heroes create the circumstances. In Prof Lin's case, both may be true. To many interested observers, Lin is China's most famous economist in the world's most famous economic miracle.

Prof Lin's sense of timing was exquisite. He got his first big break in life when he acted as an interpreter for a visiting economist, Theodore Schultz, shortly after his arrival in Beijing from Taiwan. Prof Schultz was as big as economists came, for he was the Nobel Laureate in Economics that year for his pioneering research into the problems that developing economies face. Schultz was so impressed with Lin that upon his return to the University of Chicago, his home base, he arranged a scholarship for Lin. After obtaining his PhD at Chicago, Lin began his academic

career at Peking University, and later joined our Business School, where he was a popular teacher and admired colleague. In addition to these two institutions with which he has had a long-term affiliation, he also served as a visiting faculty member at University of California at Los Angeles, Duke University and the Australian National University. Later, he became the Founding Director of the China Center of Economic Research at Peking University. This Center attracted a cluster of western-educated Chinese economists for a country that was hungry for economic expertise, and was to play an important part in shaping China's economic policy.

Prof Lin has the luck of being associated with the biggest economic revolution in China's history, perhaps in world history. In 1990, with 20% of the world's population, China accounted for just 1.8% of the global GDP. By the time Prof Lin joined the World Bank as its Chief Economist and Senior Vice President in 2008, its share of the global GDP had jumped almost five-fold, and people began to speak of China 'ruling the world'. In being picked for the post as Chief Economist, Prof Lin made history as the first to assume that role from a developing country. As a trail-blazer and fiercely independent thinker, Prof Lin was no blind follower of the 'free-market thought' for which the University of Chicago was famous. In fact, Joseph Stiglitz, his predecessor at the World Bank and a Nobel Laureate, described Prof Lin as a "Chicago-trained economist who didn't believe in Chicago economics".

What Prof Lin believes in is his own brand of economic theory, which he calls New Structural Economics. In it, he advocates focusing on a country's comparative advantage to enjoy the largest return on investment. He also believes in the critical role of government in strategically supporting selected industries for a faster economic take-off and transformation in a market economy. Prof Lin's laboratory for testing his theory was none other than the sprawling but clunky Chinese economy, which was transformed in short order from being centrally planned to a market economy.

In his role as the World Bank's Chief Economist and Senior Vice President, leading a team of more than 300 economists and researchers, Prof Lin commanded a mountain-top view of the global economy. During the four years of his tenure, he travelled tirelessly to developing countries, visiting Africa many times, advising their leaders to move up developmentally and occupy the place vacated by China and India as they graduate to their status as middle-income countries. He saw it as his mission to help developing countries battle against the scourge of poverty. In spreading ideas as powerful tools for structural revolution in society, this son of a poor peasant dares to dream of a world free of poverty and living in harmony. As for himself, the author of 23 books and hundreds of articles, his "ambition" is "to die at my desk", pouring himself into the one cause dear to his heart. Today, we welcome home our former colleague, now a hero to China and the world.

Mr Council Chairman, on behalf of the Council of the Hong Kong University of Science and Technology, I have the high honor of presenting to you Prof Yifu Lin, Honorary Dean of the National School of Development at Peking University, for the award of Doctor of Social Sciences *honoris causa*.