Education
The battle for talent

When the British Prime Minister Theresa May travelled with a 50-strong business delegation – her biggest ever – to China in January 2018, the first deal she struck was related to the education sector. And she did it in Wuhan. Her choice was apt, considering Wuhan has historically been home to the largest number of university students of any city in the world (with Guangzhou only recently overtaking it). It also ranks just after Beijing and Shanghai in terms of postgraduate students, indicating that its seats of learning are not just about volume but quality too.

Its best known schools, Wuhan University and the Huazhong University of Science and Technology (HUST), have nurtured a long list of prominent Chinese, including Xiaomi’s founder Lei Jun, WeChat’s founding programmer Allen Zhang Xiaolong, tennis player Li Na and Chen Dongsheng, founder of Taikang Insurance Group. The prominent Chinese artist Zeng Fanzhi (famed for his record-setting Mask Series; see Week in China issue 210) was born and educated in Wuhan at the Hubei Institute of Fine Arts.

There are 84 higher education institutions in Wuhan, which in 2017 enrolled a combined 948,000 students. The number dropped from 966,400 in 2013, a downtrend that somewhat exacerbated the brain drain that the city has long struggled with. In 2007 about 55% of Wuhan graduates chose to stay in the city after schooling. That portion dropped to less than a third by the end of 2016. Many left for better work opportunities and higher living standards elsewhere. According to a 2017 survey by HUST, about 21% of its postgraduates preferred to work in Beijing, Shanghai and Guangzhou, 18% opted for Jiangsu and Zhejiang provinces, and 17% for other prosperous coastal cities.

Since February 2017 the local government has pushed through a slew of measures with a goal of retaining one million graduates over the next five years. Apart from lowering the threshold for graduates to obtain a hukou (the important household registration certificate that grants access to social welfare), and raising the minimum wage, the government also started offering eligible graduates a 20% discount on buying a home.

But the government understands that the young and
Students wearing academic gowns attend their graduation ceremony at Wuhan University.
bright need more than financial sweeteners to stay. To create better career prospects, it is aggressively enticing companies to set up branches, research and development centres, or even regional headquarters in Wuhan (see page 63), so that young graduates can work for companies they admire.

It is also encouraging start-ups and more entrepreneurial activity. A Rmb50 billion matching fund to foster new economy companies was set up in the East Lake High-Tech Development Zone. The government envisages a positive feedback loop whereby more investment and a bigger economy attract more skilled personnel, fuelling more innovation and higher quality GDP growth. Direct investments from Wuhan alumni into the city totalled Rmb1.3 trillion in 2017, representing 50.4% of the funds that the city raised that same year. It remains to be seen whether the policy will yield lasting results. After all, this is not the first time that Wuhan has mobilised a ‘talent programme’. In 2013 it offered similar incentives, only to see their impact sag after the first year. Besides, the battle for talent among its Chinese peers has intensified over the years. Changsha, Chengdu, Nanjing, Ningbo, Xi’an and Zhengzhou are all upping the ante too.
Wuhan University

This elite school is considered to be the best in Hubei and one of the top 10 universities in China. It can trace its history back to the Self-Strengthening Movement of 1893, when reformist Zhang Zhidong established a school, called the Ziqiang Institute, primarily to train a new generation of diplomats.

Located in Wuchang, the Ziqiang Institute offered four disciplines initially, namely foreign languages, mathematics, science and business, and took only 20 students for each. Its name and identity shifted many times over the course of its history, with its campus briefly moved to Sichuan during the Japanese Occupation.

Although some have argued the true predecessor of Wuhan University should be the National Wuchang Higher Normal College established in 1913, the university pays homage to Ziqiang Institute with its motto: “Self-improvement, Perseverance, Truth-seeking and Innovation”. (‘Self-improvement’ is the equivalent of ziqiang in Mandarin Chinese.)

Today, Wuhan University boasts a massive campus of 3.46 square kilometres, thanks to its absorption of three other institutions that specialised in surveying, medicine and hydraulic engineering in 2000.

It had a student body of 55,811 as of November 2017, of which 53% are at undergraduate level, 34% master’s and 13% PhD. There are also 2,265 overseas students studying full-time or on exchange programmes.

With an outward-looking attitude, Wuhan University has also partnered with Duke University in the US. The pair formed the Duke Kunshan University, which started admitting students in 2014.

Academic excellence aside, the university’s beautiful campus has always been a draw for visitors, especially during spring when its cherry blossoms bloom. The main campus features palatial buildings that blend Chinese and Western styles, with the scenic Mountain Lojia and the East Lake completing the vista.
Huazhong University of Science and Technology (HUST)

The history of HUST is much longer than its official founding in 2000. It was formed by a merger between Tongji Medical University, Huazhong Institute of Technology and Wuhan Urban Construction Institute, all of which had been through earlier consolidation processes too. The Huazhong Institute of Technology, for instance, came from a folding together of the electricity and mechanical engineering departments of Wuhan University, Hunan University, Guangxi University, Nanchang University and South China Institute of Technology in 1953.

HUST’s tradition made the school particularly strong in the areas of science and technology, as its name suggests. It runs a large numbers of research centres including the Wuhan National Laboratories for Optoelectronics, which is one of the six such national laboratories in China, as well as nine top-tier hospitals. In 2017 about 31% of its graduates went to work at Fortune Global 500 companies. Huawei, in particular, has historically hired a large number of its staff from the school, including two of its rotating chairmen and CFO, Sabrina Meng (daughter of Huawei’s founder Ren Zhengfei). Other notable alumni include Zhou Yunjie (chairman of Haier Electronics), Gong Hongjia (the angel investor most famous for forming surveillance equipment maker Hikvision), and Yao Xin (founder of video-streaming platform PPTV).
Case study: Zhang Wenming

**Douyu – a university unicorn**

E-sports live-streaming platform Douyu is the pride of Wuhan. Established in 2014, it took less than three years to become the city’s first unicorn with big-ticket investments from Sequoia and Tencent. Ergo its two co-founders, Zhang Wenming and Chen Shaojie, also became the city’s lionised millennial entrepreneurs. The 34 year-old Zhang, in particular, was widely seen as the poster child of young talents making it big with backing from the city.

Zhang is actually from Peixian County in Jiangsu province, but he majored in computer science at the Wuhan University of Technology. After trying his luck in Shenzhen for a year upon graduating in 2006, he moved back to Wuhan with a view to doing something in the booming online gaming sector. In the process he discovered people not only liked playing video games, but also enjoyed watching contests among gamers. He then created a website where viewers could comment on and reward competing gamers in real time. By being creative in attracting traffic – hiring professional Korean gamers as contestants and using pretty faces as presenters – Douyu saw its revenue surge 708 times in the three years
manage dealings. However, there are downsides in tier-one cities too,” said Zhang, noting that Douyu would hardly stand out among the vast array of tech companies in Beijing, Shanghai, Guangzhou and Shenzhen, and that operating costs in those cities are also considerably higher. More skilled staff also tended to jump ship more often in tier-one cities as they are exposed to more career opportunities.

In its initial stage of development, Douyu was actually registered in Guangzhou because that was where its angel investor was based. But it decided to move all its assets back to Wuhan and make Optics Valley its headquarters in May 2015. The strong support it had received from the officials overseeing the high-tech zone was a key reason.

“They met us every two weeks to see if we were up against any kinds of difficulties,” said Zhang.

With Tencent doubling down on its investment in March 2018, Douyu saw its valuation rise to $1.5 billion. The streaming site is preparing for an initial public offering on Nasdaq to raise $600-700 million.

Douyu means ‘Siamese fighting fish’ in Chinese, and as its name suggests, it says it is ready to wrestle with any challengers.