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- ✧ McKinsey & Co.'s Dominic Barton was interviewed for Bloomberg Television's [Bloomberg Surveillance](#). He was also interviewed for *The Wall Street Journal* website on leadership as well as about the [state of McKinsey](#) now.
- ✧ Henry Kravis of KKR gave a press briefing covered by [FinanceAsia](#) and [Reuters](#) in Hong Kong, in which he said he thought the Japanese were "fired up" during his trip to Japan for the Asia Business Council's Autumn Forum in Kyoto.
- ✧ Ronnie C. Chan of Hang Lung Properties spoke at the [Forbes Global CEO Conference](#) in Bali, which was built around the theme that times of change and volatility demand solid business leadership
- ✧ Anand Mahindra was interviewed by the [Press Trust of India](#) about his view that the negativity surrounding India's economy has been exaggerated.
- ✧ Kan Trakulhoon of Siam Cement was interviewed by the [Bangkok Post](#) on the need for Thailand to shift toward creativity and innovation.
- ✧ Ayala Corp. and Asia Business Council Chairman Jaime Zobel de Ayala spoke at the [Philippine Economic Briefing 2013](#), urging Filipinos to be bolder in undertaking reforms and reducing poverty.

To send us member news, or for member news questions, please click [here](#).

What Will Japan's Olympic Win Do?

Tokyo is set to join a small group of cities who have held the Olympics twice after its winning bid for 2020. According to a write-up in [The Diplomat](#), Tokyo expects the Games to add 0.3 percent to GDP, and it may provide the sort of political capital Prime Minister Shinzo Abe needs to help Japan stomach a tax hike he announced October 1. A report [in the Japan Times](#) highlighted how positive the Japanese business community and Abe administration are on how the Games will impact Japan's economic revival. However, [Fortune's](#) Michael Fitzpatrick says hosting the Olympics may prove a distraction for a country with very little to show for a 10 trillion dollar rebuilding effort after the Fukushima disaster.

India's New Central Banker

A rotten domestic economy and the shock from the U.S. Federal Reserve signaling that it might roll back its quantitative easing earlier than expected have led to a slump in India's economy and a flagging currency. In September, former World Bank economist and University of Chicago professor, Raghuram Rajan, took the reins of the Reserve Bank of India. Immediately before he took office, Rajan wrote a column for [Project Syndicate](#) arguing that India's slowdown is not primarily due to structural problems and that the government should implement modest reforms swiftly. [The Economist](#), however, was skeptical of his policy prescriptions for India's ailing economy. [Others argued](#) that India's problems are far more structural and Rajan cannot expect to be able to do much more than brace for a hard landing.

Two Views on China

A China slowdown has been a topic for years now, and this year has seen an actual dip in Chinese growth, adding fuel to the bearish side of the argument. Bloomberg recently published two takes-- one from a former Goldman Asset Management Chairman, [Jim O'Neil](#) who argues he sees no signs to be pessimistic, and [Michael Pettis](#), who argues China is "running out of room to restructure." [Lee Jong-Wha](#), a Korea University professor and former chief economist of the Asian Development Bank, sees the need for Asia to rebalance in its own way and focus on domestic growth.

2013 Annual Survey

The Asia Business Council conducted its eighth annual survey of members asking about their economic outlook and investment plans. This year, members were more upbeat than in 2012, although optimism was tempered by concerns of a Chinese slowdown. Japan was mentioned as a positive element, where Abenomics loose monetary and fiscal policy coupled with structural reform has spurred hopes of sustained growth. The survey also found a rising concern about geopolitical issues and continued concern about attracting and retaining talented employees. In terms of investment locations, excluding members from China, the proportion of who have invested or increased investment in China dropped from 65% to 41% this year. Africa and Latin America showed the largest increase in investment interest among members.

2013 Autumn Forum in Review

The Asia Business Council's 2013 Autumn Forum was held on September 12-14 in Kyoto. Some participants arrived a day early for a pre-Forum tour of Kyoto. Kyoto Mayor Daisaku Kadokawa officially welcomed participants at the Kenninji Temple, the oldest Zen Buddhist temple in Japan, where our Welcome Dinner was held. Forum sessions commenced the following day and were conducted at the Hyatt Regency Kyoto. That evening, our Japanese members hosted a tea ceremony and reception at the private Tairyu-sansou Garden, followed by dinner at the Okaku-en restaurant nearby. After Saturday's discussions, a small group of participants visited the Miho Museum.

During Friday morning's Round-Robin session, participants discussed the maturing of Asian financial markets and the region's increased ability to weather financial shocks. However, concerns were expressed both about currency volatility and nationalistic tendencies in banking regulations. Participants also discussed the need for China to achieve sustained and consumption-driven growth; discussions also noted that the slow but steady recovery in the United States is hobbled by weak employment growth, outdated infrastructure, and a lack of quality jobs. On a brighter note, shale gas is helping the U.S. to become more energy-independent and may be attracting manufacturing back to the country. However, lessened U.S. reliance on Middle East energy may cause a vacuum in the region at a critical time, leading to a larger Russian presence in the region. While recovering, Europe's southern half and Ireland remain risky; social risks stemming from unemployment are particularly worrisome.

Members also voiced concerns about challenges to ensure that workers have needed skills (including English-language) in a rapidly changing global economy; the manner in which technology is transforming work and learning; the need for governments to enforce environmental standards; and the positive effects the Trans-Pacific Partnership could have on regional trade and integration.

Luncheon speaker Koji Murata, President of Doshisha University, gave his views on Japan's political risks and international relations. Kathy Matsui, Managing Director and Chief Japan Strategist for Goldman Sachs, spoke about the global economic outlook and the successes and challenges for Japanese Prime Minister Shinzo Abe's "Abenomics" policies. Atsushi Horiba, President of HORIBA, Ltd., and Hiroaki Nakanishi, President of Hitachi, Ltd., both spoke about the ways in which their companies are breaking out of the mold of rigid Japanese corporate practices. Saturday morning, a session on Sino-Japanese relations featured Ronnie C. Chan, Chairman of Hang Lung Properties Ltd., and Yoichi Funabashi, Chairman of the Rebuild Japan Initiative Foundation. Finally, Japanese Minister for Economy, Trade and Industry Toshimitsu Motegi spoke about how his government is pursuing new growth strategies through Abenomics' "three arrows."

All presentations and summary notes from the Forum are available on our secured participants-only Web site. The user name and password are included in a separate e-mail.

Upcoming Forum Dates

2014 Spring Forum: Mumbai, February 20-22

2014 Autumn Forum: Bali, September 18-20

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