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**Member News**

- ✧ [George Buckley](#) of 3M was featured in an article in *Fortune* on his business strategy and the company's continuing innovation.
- ✧ [Morris Chang](#) of the Taiwan Semiconductor Manufacturing Co. spoke at the Eighth Annual Global Views Business Forum about his expectations for currency and strategic development.
- ✧ In an interview with the *Economic Times*, [K.V. Kamath](#) of ICICI bank discussed his views on the Indian economy.
- ✧ KKR's [Henry Kravis](#) pledged \$100 million to the Business School at Columbia University for the construction of new facilities.
- ✧ Alibaba's [Jack Ma](#) was interviewed about his approach to corporate culture on *Charlie Rose*.
- ✧ [Anand Mahindra](#) of Mahindra Group was featured in the *Wall Street Journal* for his donation of \$10 million to the Humanities Center at Harvard University and his views on liberal education.
- ✧ Khazanah Nasional's [Azman Mokhtar](#) was featured in the *Wall Street Journal* for his company's business strategy and interactions with Singapore.
- ✧ [Narayana Murthy](#) of Infosys was recognized in *India Today* for his donation of \$5.2 million to Harvard University.
- ✧ [Lubna Olayan](#) of Olayan Financing Co. and [Teresita Sy-Coson](#) of SM Investments Corporation both appeared on *Fortune's* 'World's 50 Most Powerful Women in Business' list.
- ✧ [Qin Xiao](#) of China Merchants Group was profiled by *Caixin* for his views on modernity, the role of the government, and a philosophical approach to leadership.
- ✧ CIMB's [Nazir Razak](#) shared his thoughts on the need for an Asian banking framework in *Bernamea*.
- ✧ [Kan Trakulhoon](#) of Siam Cement Group delivered a speech regarding the building of sustainable businesses at the Thailand Sustainable Development Symposium 2010 and was featured in *Business World Online* for his approach to management and green initiatives.
- ✧ YTL Corporation's [Francis Yeoh](#) received the 2010 Oslo Business for Peace Award.
- ✧ SOHO China's [Zhang Xin](#) made her big-screen debut in the recent Oliver Stone film *Wall Street: Money Never Sleeps*.

**EU and Korea Trade Deal**

The [free trade agreement](#) (FTA) between the European Union (EU) and South Korea (signed on October 6, 2010) is the most ambitious trade agreement that the EU has ever negotiated with an Asian economy. The agreement, which will come into effect on July 1, 2011 (if it is ratified by both legislatures as scheduled), will remove 98.7% of import duties on industrial and agricultural products between the two economies within five years. According to the [EU](#), the FTA will create new trade worth \$26.4 billion for the EU and \$17.7 billion for Korea (trade between the two totaled [\\$90.7 billion](#) last year).<sup>i</sup> According to the [Asahi Shimbun](#), this new FTA is a worrying development for Japanese manufacturers of home appliances, automobiles, and electronics, who will lose \$3 billion worth of exports to the EU. [Jeffrey J. Schott](#) of Peterson Institute for International Economics says the Korea-EU FTA increases the urgency for action on the long-stalled Korea-U.S. FTA.

**China's Next Five-Year Plan**

China will put less emphasis on GDP growth, according to [the 12th Five-Year Plan](#) (2011-15) that has recently been approved by the Central Committee of the Communist Party of China (CPC). The proposal highlights 1) increased innovation and efficiency, especially energy-related and 2) the improvement of public welfare by expanding public services, narrowing income gaps, and developing a comprehensive social safety net. [Arthur Kroeber](#), editor of the *China Economic Quarterly*, argues that clear signaling from the top indicates that China is ready to get on with structural reform and rebalance the economy. The recent hike in China's lending and deposit rates by 25 basis points, the first rate rise since 2007, signals that the People's Bank of China is serious about curbing investment and raising the return on savings, says [Michael Pettis](#).

**Reserve Bank of India Actions on Capital Inflows**

While many governments are trying to keep their currencies weak and hot capital out, the Reserve Bank of India (RBI) announced the liberalization of foreign inflows into India's government and corporate bond markets. The move, which is an effort to develop domestic bond markets and increase local infrastructure by increasing access to finance, may put upward pressure on the rupee. [Arvind Subramanian](#) argues the move is detrimental to the development of the domestic bond market because it relieves pressure on the government to fix the government bond market's problems. [Montek Singh Ahluwalia](#), the deputy chairman of the Planning Commission and arguably the most important economic policy maker after the Prime Minister, reassured citizens that the RBI has tools to manage inflows if they become excessive.

**Solutions for Asia's Water Crisis**

China and India are forecast to have a combined water supply shortfall of one trillion cubic meters in 2030. Other populous countries around the region, including the Philippines, Pakistan, and Vietnam, are also water-stressed. Rapidly rising demand for food and energy will shrink the region's accessible freshwater supply. An op-ed in the [Jakarta Post](#) suggests a focus on increasing the efficiency of water use and pricing water as an economic good. At a regional conference on water in mid-October, the [Asian Development Bank](#) (ADB) developed an action framework for the next 10 years, focusing on creating public-private partnerships to manage and deliver water services and developing technologies to reduce water footprint.

<sup>i</sup> Exchange rate used: €1=\$1.38