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JAN 2017

Member News

- ✧ [Dominic Barton](#) of McKinsey & Co. was profiled by the *Toronto Star*, where he discussed his career at McKinsey and his concerns about capitalism and technological disruption, and recounted some of his childhood stories.
- ✧ [Tony Fernandes](#) of AirAsia spoke at the World Travel Award Grand Final in the Maldives, where the company was named the World's Leading Low-Cost Airline and World's Leading Inflight Service. He also met with [Pope Francis](#) at the Vatican, where they spoke about making a difference to society. Separately, he commented on the airline's effort to increase [Chinese tourism](#) to Thailand and highlighted his [bullish outlook](#) for 2017.
- ✧ [Jamsheed N. Godrej](#) of Godrej & Boyce Manufacturing Co. hosted Bill Gates at the company's campus in Vikhroli, Mumbai, where they spoke about doing philanthropy more intelligently. He also spoke to the *Economic Times* about urban governance and demonetization.
- ✧ [Atsushi Horiba](#) of Horiba discussed the company's first technical center in Pune, India and investment opportunities in the country's automotive and scientific equipment sectors.
- ✧ [Alan Joyce](#) of Qantas appeared on *The Australian Financial Review's* 50 LGBTI leaders list. He launched the [G'Day USA](#) initiative aimed at attracting more U.S. tourists to Australia.
- ✧ [Rajiv Lall](#) of IDFC Bank remarked that a new partnership with Capital Float, an online lending platform, will help deliver digital credit services to small merchants and entrepreneurs. He also commented on the government and bank's jointly-developed [Aadhaar Pay](#), a digital solution allowing retailers to use smartphones for cashless transactions.
- ✧ [Charles Li](#) of HKEX spoke at the official launch of the Shenzhen-Hong Kong Stock Connect on December 5.
- ✧ [David K.P. Li](#) of The Bank of East Asia highlighted the importance of two-way investment flows between the U.K. and China at the launch of the bank's expanded London branch.
- ✧ [Nazir Razak](#) of CIMB Group Holdings was interviewed by Bloomberg on the bank's recent cost-cutting measures and the challenges of constantly-changing government regulations.
- ✧ [Satish Reddy](#) of Dr. Reddy's Laboratories commented on the company's launch of Redibike, a bicycle-sharing program that encourages healthy and sustainable transportation.
- ✧ [Chartsiri Sophonpanich](#) of Bangkok Bank was interviewed by Bloomberg on Thailand's short- and long-term growth, the rise of non-performing loans, and the future of digital banking.
- ✧ [Teresita Sy-Coson](#) of SM Investments Corp. received the MAP Management Man of the Year 2016 award from the Management Association of the Philippines. She spoke about the company's [expansion plans](#) and her personal experience in family business.
- ✧ [Mark Tucker](#) of AIA Group discussed the company's China strategy and his positive outlook for 2017.
- ✧ [Jaime Augusto Zobel de Ayala](#) of Ayala Corp. spoke at the Manufacturing Summit 2016 on the need for the Philippines to capitalize on technology-driven manufacturing. He also spoke at the [Forbes Global CEO Conference](#), at which fellow members Liang Xinjun, Yoshihiko Miyauchi, Douglas Tong Hsu, and Serge Pun were also speakers, on how the Philippines has benefited from globalization, while acknowledging populist sentiments. At the [Pilipinas Conference](#), he commented on the need to release constitutional limitations on foreign investment. He also voiced the company's commitment to supporting [small- and medium-sized enterprises](#) in the Philippines.

U.S.-China Economic and Strategic Relations

With the U.S. Inauguration Day of President-elect Donald Trump fast-approaching, different voices weighed in on what U.S.-China relations will look like under the new administration. The [Council on Foreign Relations](#) (CFR) blogs that though the President-elect's Tweets questioning U.S. policy toward Taiwan raised tensions with China, his move to appoint [Iowa governor Terry Branstad](#) as U.S. ambassador to China may signal a strategy that leverages Branstad's personal ties with senior Chinese leadership to push for more open Chinese markets for American goods. In addition, the [CFR](#) asked various experts to weigh in on the future of U.S.-China relations; predictions included continued tensions between Beijing and Washington over Taiwan, the U.S.'s rejection of the Trans-Pacific Partnership pushing Asian countries toward China, and more difficult economic relations with China pushing the U.S. closer to India. The CFR blog also predicts that China will enjoy a more hands-off approach as the U.S. increases its focus in the Middle East. An opinion piece by Professor Eswar Prasad in [Project Syndicate](#) takes a bleaker view, suggesting that the President-elect's rhetoric on China will carry more weight once he is in office and could trigger a trade war.

Will International Cooperation Continue in the New Administration? Japan and India Considered

The Obama administration has forged strategic ties with Japan and increasingly strong ties with India, but the trajectory of these relations may become less certain with the incoming U.S. administration. President-elect Trump lauded Japanese tech billionaire [Masayoshi Son](#) for promising to bring jobs to the U.S. However, Japan's plans for [future growth](#) rely on a now-uncertain Trans-Pacific Partnership and its security and nuclear policy on potentially-waning military support from the U.S. One columnist draws parallels between [India](#) and the U.S., pointing out India's increasing populist sentiments, blaming trade for job losses, and desiring the return to manufacturing via the "Make in India" movement, as well as greater protectionism. But despite the negative parallels, Trump's win may have a positive effect on India's foreign policy, especially when dealing with [Pakistan](#).

Acceleration of Technological Disruption and Jobs

The introduction of technological disruptions into the market, dubbed the 'fourth industrial revolution,' has been largely perceived as a threat to human jobs. This topic has been discussed at both the Council's forums in 2016, as well as by selected Council members when talking to media at the end of the year. Dominic Barton of McKinsey & Co. described technological disruption as both a growth opportunity

and concern. Rajiv Lall, Chartsiri Sophonpanich, and Jaime Augusto Zobel de Ayala have discussed the effects of increased technological innovation or strategies aiming at adjusting their businesses to the increasing use of new technology. The [World Bank](#) reports that technological disruption threatens displacing women's jobs since women fill a great portion of job types that can be automated easily. The International Labor Organization's [Director-General Guy Ryder](#) discussed the need to shape policies to manage technology in a way that can help meet social goals. Technology is expected to make supply chain processes in Asia more efficient with the introduction of artificial intelligence, but [Asia Outlook](#) magazine suggests that greater efficiency and transparency that technology brings will improve workers' well-being. While new technology eliminates some jobs for humans, a [Financial Times](#) article suggests that it can create complementary jobs in the monitoring of newly-introduced technology.

Optimism Ahead as ASEAN Turns 50

The ASEAN region has shown continued economic promise in the past year, as is evident both in the news and in Council members' future decisions to increasingly invest in the region. In 2016, members have pursued various ASEAN markets. Mark Tucker of AIA Group discussed the growth in the company's Philippine arm and the planned infrastructure projects in the country; Nazir Razak of CIMB obtained a license for the company's commercial banking arm to expand into Vietnam; Thapana Sirivadhanabhakdi of Thai Beverage plans to further expand the beverage business in Vietnam and Myanmar; and Daniel Tsai of Fubon Financial opened the firm's new branch in Singapore in order to expand the bank's footprint in ASEAN, to name a few. [Indonesia](#) has shown stable growth in 2016 and is projected to continue to do so if the government enacts necessary reforms that address the disparity between the country's narrow tax base and large expenditures on infrastructure projects, as well as improve private investment growth. [Thailand's](#) economic growth is expected to continue in the new year, driven by private consumption, public investments, tourism, and liberalization of professional services. But while ASEAN as a whole is expected to grow, [Singapore](#) is not projected to fare as well as the average due in part to the continued slump in oil prices, depressed demand from China, and global financial market uncertainty.

2017 Elections in Asia

Singapore, South Korea, Hong Kong, Mongolia, and Iran are scheduled to have elections of their heads of governments in 2017. In Singapore, a constitutional amendment dictates that the election of the next president will be reserved for Malay candidates. [Tommy Koh](#), Ambassador-At-Large at Singapore's Ministry of Foreign Affairs, welcomes the change as a Malay president has not been elected freely in 47 years. South Korea may face a general election sooner than scheduled if the country's constitutional court decides to uphold President Park Geun-hye's impeachment. [Lee Jae-myung](#), the first candidate who has declared a bid and who likens himself to Bernie Sanders, is rising in popularity. [Hong Kong](#), whose current chief executive announced in December that he would not seek re-election, faces a chief executive race in March that currently has no clear frontrunner, causing discomfort for Beijing, who wants a winner that can elicit strong support to carry out policies.

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

Upcoming Forum Dates

2017 Spring Forum: Ho Chi Minh City, February 23-25

2017 Autumn Forum: Taipei, September 28-30

2017 Informal Council Trip to Mongolia: June 20-23

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