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APRIL 2019

Member News

- ✧ [Dominic Barton](#) of Teck Resources spoke with leading Vietnamese firms about the need to focus on developing talent to remain competitive. He [was](#) also appointed as an independent director of Singapore Telecommunications.
- ✧ [Somruedee Chaimongkol](#) of Banpu Public Co. announced investments in gas and renewable energy technologies, including solar, to reduce carbon emissions.
- ✧ [Razak Dawood](#) of Descon Engineering spoke in an interview about the signing of a free trade agreement to help Pakistan double its exports to China, and Pakistan's initiatives to deepen cooperation with Saudi Arabia, Malaysia, and countries in Africa.
- ✧ [Tony Fernandes](#) of AirAsia talked to *CNBC* about the limited effects of Sino-U.S. trade disputes on Southeast Asia and the airline's new fund to support start-ups in the region. He also [said](#) AirAsia plans to transform itself into a travel technology company and may [set](#) up a base in Macau to serve Chinese travelers.
- ✧ [Peter Grauer](#) of Bloomberg L.P. spoke of his company's experience investing in gender equality and the importance of setting the tone at the top. He also [pledged](#) support for The Valuable 500, a global campaign driving disability inclusion in the workplace.
- ✧ [Charles Li](#) of Hong Kong Exchanges and Clearing won the market reform award at the International Law Finance Review Asia-Pacific Awards 2019 for his work on the bourse's listing rule changes.
- ✧ [Li Dongsheng](#) of TCL Corp. announced the company's major investments in areas including artificial intelligence and big data, and called for fairer competition and stronger legal protection for businesses in China.
- ✧ [John McFarlane](#) of Barclays plc noted that a no-deal Brexit would hurt the European Union greatly and that financial sector trade would continue between the U.K. and E.U. regardless of the Brexit outcome.
- ✧ [Amin Nasser](#) of Saudi Aramco talked about the company's natural gas strategy and its interest in gas projects in Russia, Australia, the U.S., and Africa. He was [named](#) one of the five most powerful Arabs in Saudi Arabia in 2019 by *Gulf Business*.
- ✧ [Takeshi Niinami](#) of Suntory Holdings spoke to *Bloomberg* about the eventual impact of global trade tensions on Japanese consumption, Suntory's diversification into healthier beverages, and the potential of e-commerce for its China business.
- ✧ [Nazir Razak](#) of Ikhlas Capital pointed out that Malaysia will need to overhaul its socio-political system in order to rebuild the country.
- ✧ [Weijian Shan](#) of PAG Group spoke in a Chinese interview about his experience during Mao's China, his investment strategies, and his take on China's market transformation.
- ✧ [Chartsiri Sophonpanich](#) of Bangkok Bank told *Forbes* about his family's legacy in banking, the bank's role in helping companies get through the Asian financial crisis, and its goal to stay close with customers. He also [highlighted](#) the importance of adopting digital banking and the need to limit the bank's non-performing loans.
- ✧ [Peter Voser](#) of ABB has been named as Chairman of Singapore's state-owned port operator PSA International.
- ✧ [Yuanqing Yang](#) of Lenovo Group talked about the necessity of industrial upgrading for China's traditional manufacturing sector and the need to increase the protection of intellectual property rights.
- ✧ [Zhang Xin](#) of SOHO China expressed her doubts to *CNBC* about introducing a property tax in China that could hurt the country's softening economy. She also [shared](#) her experiences in promoting gender equality and called for greater tolerance of mothers who return to the workforce.
- ✧ [Jaime Augusto Zobel de Ayala](#) of Ayala Corp. discussed how Sino-U.S. trade tension has benefited ASEAN, the threat of artificial intelligence on manufacturing jobs, the role of conglomerates in filling the region's infrastructure gap, and Ayala's issuance of the first U.S. dollar-denominated certified green bond in Southeast Asia.

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China's New Deal with Italy Brings Renewed Vigor, Uncertainty to BRI

Italy has become the first G7 nation to endorse the Belt and Road Initiative (BRI), a move that potentially gives a new boost to the Chinese initiative that has faced international scrutiny and setbacks. Michele Geraci argued in the *Financial Times* that Rome's agreement with Beijing could become a model for developed countries as it brings BRI projects closer to E.U. standards on the environment and transparency. But as Xuan Loc Doan wrote in *Asia Times*, the memorandum of understanding signed between Rome and Beijing is non-binding and it is far from certain Italy's populist government will still be in power in a few years' time. Paola Subacchi argued in *Project Syndicate* that joining the BRI is far from sustainable for Italy as this bilateral pursuit will hurt its relations with traditional allies in the E.U. and that Italy's own institutional weakness would put it in a weak position to make China comply with E.U. standards. While BRI is entering its sixth year, Lucio Blanco Pitlo III noted in the *South China Morning Post* that for the plan to gain popularity, China should refrain from using its economic might to influence domestic policies of participating countries.

Thailand's Unsettled Election Outcome Threatens Economic Outlook

Thailand's national election on March 24 was followed by confusion, with both the pro-junta Palang Pracharat Party and an anti-junta coalition led by Pheu Thai claiming a mandate to form the next government, amid allegations that the vote was manipulated by the military. The *South China Morning Post* commented that the election should be the start of a new reform process that reshapes Thailand's economy rather than one that creates new political turmoil. A *Reuters* report highlighted the possibility that murky election outcomes will put strain on Thailand's softening economy by disrupting government budgets and discouraging foreign investment into major initiatives,

such as the Eastern Economic Corridor project. A [Japan Times](#) editorial noted that the election represents another missed opportunity to heal the deep political divide in Thailand, a trend that worries Japanese investors. [Bloomberg](#) wrote that any prolonged power struggle would threaten to undermine Thailand's recovery from the 2014 coup and government efforts to tackle underlying challenges ranging from ageing population to rising household debt.

Is the 21st Century Really the Beginning of the Asian Century?

Some observers have hailed the current century as the "Asian Century" with global power shifting from West to East. Parag Khanna put forward the rosy view in his book, [The Future is Asian](#), that the region is once again at the center of the world, thanks to its growing population, economic strength and technological capabilities. According to the [Financial Times](#), Asian economies (by the United Nations' definition) will be bigger than the rest of the world combined in 2020, for the first time since the 19th century. However, Joe Zhang argued in [Nikkei Asian Review](#) that these optimistic forecasts overlook Asia's daunting demographic and environmental challenges, which may heighten the risks of regional conflicts due to competition for scarce resources such as water. Instead of countering Asia's rise with protectionist measures, Siemens CEO Joe Kaeser wrote in the [Jakarta Post](#) that Germany and its companies have much to gain by offering their technological expertise and forging a reciprocal relationship with their Asian counterparts.

Upcoming Forum Dates

2019 Autumn Forum: New Delhi, September 26-28

2020 Spring Forum: Tokyo, March 26-28

2020 Autumn Forum: Riyadh, October 22-24

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