

Member News

[U.S.-China Trade Tensions Remain High as Tariffs Set to Go into Effect](#)

[U.S.-North Korea Summit Shakes Up Diplomacy in East Asia](#)

[Upcoming Forum Dates](#)

JULY 2018

Member News

- ✧ [Dominic Barton](#) of McKinsey & Co received an honorary degree from the University of Toronto. He also [accepted](#) the 20/20 Visionary Award from the Trevor Project for his support for the LGBTQ community.
- ✧ [Morris Chang](#) of TSMC retired and was profiled by *Bloomberg*, which described his invaluable contributions to the semiconductor industry. He also [predicted](#) that the semiconductor industry will grow more quickly than global GDP over the next decade.
- ✧ [Tony Fernandes](#) of AirAsia received an honorary doctorate from Cranfield University.
- ✧ [Lance Gokongwei's](#) JG Summit Holdings, Inc. partnered with Oriente, a global financial services and technology firm, to introduce Cashalo, a mobile lending platform offering cheaper credit to consumers not served by the formal banking sector.
- ✧ [Gerard Kleisterlee](#) of Vodafone Group plc oversaw the company's commitment to source 100 percent of its electricity from renewable energy by 2025 and its decision to join the RE100.
- ✧ [Charles Li](#) of Hong Kong Exchanges and Clearing Ltd. was reappointed as CEO of HKEX for another three years. He also [expressed](#) confidence that Saudi Aramco will choose to list in Hong Kong.
- ✧ [William Meaney](#) of Iron Mountain commented on the company's plan to use renewable energy to source all of its energy by 2050 and its decision to join the RE100.
- ✧ [Amin Nasser](#) of Saudi Aramco commented on the company's longstanding commitment to women, with women accounting for 20 percent of the company's new recruits.
- ✧ [Hiroaki Nakanishi](#) of Hitachi, Ltd. spoke about the need to raise Japan's consumption tax rate and how, as chairman of Keidanren (Japan Business Federation), he will advocate for structural reforms to the economy.
- ✧ [Penny Pritzker](#) of PSP Partners, in an interview with Recode, discussed her legacy as former U.S. Secretary of Commerce, her concern about the lack of a strategic approach in the U.S. to trade disputes with China, and how policymakers can better manage the changing nature of the workplace in America. She also [spoke](#) at the Chicago Forum on Global Cities.
- ✧ [Takumi Shibata](#) of Nikko Asset Management Co. Ltd. oversaw the company's signing of a statement of support for the United Nations' Women's Empowerment Principles.

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U.S.-China Trade Tensions Remain High as Tariffs Set to Go into Effect

U.S.-China trade tensions remain high in the run-up to the U.S. plan to impose tariffs on \$34 billion in Chinese imports on July 6. China promises to impose tariffs on an equal amount of U.S. imports. In an article for [Nikkei Asian Review](#), William Pesek argued that U.S. tariffs on China not only discourage bold reforms in the country, but may also incite "China's debt reckoning" as high levels of government and corporate debt threaten Beijing's economic fundamentals. Writing for the [Global Times](#), Hu Weijia supports the Chinese government's protection of Chinese companies, particularly those in the high-tech industry, through subsidies and other policies, to curb any losses due to U.S. tariffs and possible discrimination in the U.S. In an article for [East Asia Forum](#), Mari Pangestu and Christopher Findlay argued that growing trade protectionism driven by advanced economies offers a unique opportunity for Southeast Asian nations, especially Indonesia, to play a stronger role in regional leadership on trade. In an article for [Project Syndicate](#), Minxin Pei observed that current trade tensions signify an end to the U.S.'s long-term policy of engagement with China and the start of one grounded in the perception of the U.S. and China as strategic rivals.

U.S.-North Korea Summit Shakes Up Diplomacy in East Asia

In an article for [Project Syndicate](#), Richard Haass argued that North Korea's nuclear threat remains and that if later negotiations with North Korean leader Kim Jong-Un fail, the U.S. will have three options: compromise on the U.S.'s full denuclearization ask, inflict tougher economic sanctions on North Korea, or resort to threatening North Korea with military force. Writing for the [South China Morning Post](#), Cary Huang observed that China was the biggest winner; given the halt to U.S.-South Korea joint military exercises and North Korea's nuclear and missile tests, along with the possibility of a withdrawal of U.S. troops from South Korea. In an article for [Nikkei Asian Review](#), Bilahari Kausikan contended that Japan should be less dependent on the U.S. to ensure its own strategic interests are met, especially as its future role in negotiations is expected to diminish. In another article for [Nikkei Asian Review](#), Katsuji Nakazawa predicted that China will improve its relationship with Japan before Tokyo normalizes relations with North Korea, in addition to strengthening ties with South Korea, as China seeks to be at the center of negotiations. In a [South China Morning Post](#) article, Anthony Rowley argued that as Kim's focus shifts to the country's economic development, investment opportunities will increase. However, recent [evidence](#) indicating that Kim continued to increase weapons production before the summit suggest these opportunities are a long way off.

Upcoming Forum Dates

2018 Autumn Forum: Shenzhen, September 27-29

2019 Spring Forum: Yangon, February 28-March 2

2019 Autumn Forum: New Delhi, September 26-28

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