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AUGUST 2019

Member News

- ◇ [Dominic Barton](#) of Teck Resources moderated a dialogue on leadership in the digital age with Singapore Prime Minister Lee Hsien Loong at the Smart Nation Summit.
- ◇ [Jamshyd Godrej](#) of Godrej & Boyce Manufacturing commented on the company's provision of critical engineering components to India's second lunar exploration mission.
- ◇ [Charles Li](#) of Hong Kong Exchanges and Clearing said that he expects Chinese firms listed abroad to return and issue new offerings in Hong Kong or mainland China. He also [commented](#) that the Chinese military is not needed to do the job of Hong Kong's police force, adding that the principle of "one country, two systems" governing Hong Kong should be safeguarded.
- ◇ [Takeshi Niinami](#) of Suntory Holdings said that the company will hold off further investment in China amid uncertainties from the U.S.-China trade war, and focus on markets in Southeast Asia and India.
- ◇ [Weijian Shan](#) of PAG Group was profiled in an *Economist* article featuring his memoir *Out of the Gobi*, detailing his journey from being a victim of China's Cultural Revolution to becoming a U.S.-trained economist and eventually one of Asia's most successful private equity investors.
- ◇ [Dong-Bin Shin](#) of Lotte Group stressed the need for the company to earn public trust by being socially responsible amid difficult times such as the trade conflict between Japan and South Korea.
- ◇ [Chartsiri Sophonpanich](#) of Bangkok Bank announced the expansion of the bank's digital footprint in Asia with the launch of a cardless QR code payment service in 10 Asian markets.
- ◇ [Teresita Sy-Coson](#) of SM Investments Corp. was named Asia's Best CEO in the 9th Asia Excellence Awards by *Corporate Governance Asia* magazine.
- ◇ [Daniel Tsai](#) of Fubon Group announced the launch of Taiwan's first television channels based on 4K, or ultra-high-definition, technology.
- ◇ [Peter Voser](#) of ABB spoke about his expectation that slowing markets and U.S.-China trade tensions will make 2019 a turbulent year.
- ◇ [Marcus Wallenberg](#) of SEB talked about his family's investments in artificial intelligence programs and startups to help Sweden keep up with the rapid pace of technological change.
- ◇ [Jaime Augusto Zobel de Ayala](#) of Ayala Corp. spoke of the launch of an employee-based community for data experts within the company to collaborate and drive digital transformation.

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Japan-South Korea Feud Heats Up Over High-Tech Export Curb

Japan has restricted exports of critical chemicals used in South Korea's semiconductor industry, a move that followed a South Korean court decision over wartime compensation claims. Andrew Salmon wrote in [Asia Times](#) that the dispute threatens to disrupt the global supply chain for smartphones and chips, weigh on a fragile global economy, and change regional dynamics in Northeast Asia by pushing Seoul closer to Beijing. Writing for [Foreign Policy](#), S. Nathan Park argued that Tokyo's actions are likely to hurt Japanese chemical suppliers more than South Korean chipmakers as the latter can take the export curb as a chance to ease a supply glut of semiconductors. Noting that Japan's move to weaponize trade risks hurting its global reputation as a champion for free trade, the [Nikkei Asian Review](#) urged Tokyo to engage in dialogue with Seoul to resolve disputes. Lee Jeong-ho of the [South China Morning Post](#) suggested that China could emerge as beneficiary of the dispute as its semiconductor makers could take advantage of their Korean counterparts' difficulties, while worsening relations between Tokyo and Seoul will alleviate the geopolitical pressure of a U.S.-Japan-South Korea alliance.

U.S.-China Trade Conflict Takes A Toll On Asia's Economic Growth

Major Asian economies are showing signs of sluggishness as the impact of a protracted U.S.-China trade conflict continues to bite. As China reported its slowest economic growth in 27 years, the [Nikkei Asian Review](#) stressed the need for Beijing to go beyond short-term stimulus and accelerate market liberalization to attract foreign capital and foster stable growth. Vietnam, as David Hutt wrote in [Asia Times](#), could be turned from being a beneficiary of shifting supply chains to Southeast Asia to becoming a loser in the trade conflict if the U.S. slaps punitive tariffs on Hanoi's exports based on allegations that Vietnam allows Chinese companies to use it as a base to re-route goods to the U.S. Other export-dependent Asian economies also have been hit by the trade conflict, including Singapore, leading a [South China Morning Post](#) commentator to call for efforts to reboot Asian economies through stimulus measures in order to sustain growth that includes all countries, not just a few. Wendy Cutler and Kevin Doyle suggested in an interview with [The Diplomat](#) that middle powers and trade-dependent economies in Asia should step up to initiate reforms efforts at the World Trade Organization and uphold the vitality of regional trade agreements.

Plastic Waste Backlash In Asia Raises Global Concerns

Following China's restrictions on foreign plastic waste imports last year, Cambodia has become the latest in a growing number of Southeast Asian countries to return waste shipments from developed countries, according to [The Guardian](#). Danny Marks, in [East Asia Forum](#), argued such moves do not necessarily suggest that waste management in Asia has vastly improved, owing to underdeveloped infrastructure that leads to low recycling rates and lax restrictions that allow illegal plastic waste to be imported

as paper scrap in parts of Asia. James Crabtree wrote in the [Nikkei Asian Review](#) that imposing outright trade bans in Southeast Asia does not address the root problem but risks shifting unwanted plastic waste to places like South Asia or Africa. Instead, he suggested that wealthier exporting nations can assist those doing the dirty work overseas by sharing recycling technologies with recipient countries. Malaysia's environmental minister Yeo Bee Yin noted in a [Newsweek](#) article that global partnership is key for controlling the transboundary flow of plastic waste, but the burden of doing so should be shared more equally among developed and developing countries.

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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