

[Member News](#)[Shanghai Spearheads Reforms of China's State-Owned Enterprises](#)[India's Avenues for Continued Growth](#)[Upcoming Forum Dates](#)

SEPT 2016

Member News

- ✧ [Dominic Barton](#) of McKinsey & Co., in an interview with the *Jakarta Post*, expressed his concern about the increasingly short-term focus of capitalism but expressed a positive outlook on Indonesia. Separately, he discussed [Korea's](#) economic growth forecasts.
- ✧ [Ronnie C. Chan](#) of Hang Lung Properties told the *South China Morning Post* that he had “never seen so much market uncertainty at the same time.”
- ✧ [Tony Fernandes](#) of AirAsia was interviewed in Bloomberg on tapping the Asian market of budget travelers, and, in an interview with the *Malay Mail*, likened AirAsia to a “Walmart in the sky.” He was also quoted in the *Nikkei Asian Review* discussing plans to expand AirAsia into North Asia, especially China.
- ✧ [Alan Joyce](#) of Qantas agreed to a \$20 million partnership between the airline and Tourism Australia to promote tourism in the country. He was also profiled in the *Financial Review* on his success turning Qantas around. Additionally, he spoke at the [CAPA Australia Aviation Summit](#) on Asia and the digital revolution as growth drivers.
- ✧ [Rajiv Lall](#) of IDFC Bank was interviewed in the *Economic Times* about India's new Goods and Services Tax (GST) and in a separate article, outlined IDFC Bank's future [customer growth](#). He also discussed the bank's new partnership with [Backbase](#), a digital banking software specialist.
- ✧ [Charles Li](#) of Hong Kong Exchanges and Clearing was interviewed by Bloomberg about the newly launched Shenzhen-Hong Kong Stock Connect.
- ✧ [Anand Mahindra](#) of Mahindra & Mahindra said that the passage of the country's landmark GST bill meant it was “time for a return of optimism” but that complacency remains a danger. The *Economic Times* also featured two stories about his plans to create a [driverless tractor](#) and an affordable [electric SUV](#).
- ✧ [Azman Mokhtar](#) of Khazanah Nasional organized an Anak-Anak Malaysia Walk, a nationwide initiative that celebrates diversity, in Penang to spread the message of “unity, harmony and tolerance” in Malaysia.
- ✧ Nazir Razak of CIMB Group Holdings and Tony Fernandes of AirAsia expressed their support for racial and linguistic diversity by backing calls for a boycott of the language segregation of film awards at the [Malaysia Film Festival](#).
- ✧ [Satish Reddy](#) of Dr. Reddy's Laboratories urged India's drug-making industry to address quality and regulatory issues.
- ✧ [Jaime Augusto Zobel de Ayala](#) of Ayala Corp. was quoted in an article from the *Nikkei Asian Review* that discussed the company's plans to boost manufacturing in the Philippines by developing and producing self-driving cars.

Shanghai spearheads reforms of China's state-owned enterprises

China's State Council recently issued new [guidance](#) on the reform of SOEs, outlining enterprise restructuring as a tool to increase efficiency. However, [some](#) view the reforms as too weak and not “Darwinian” enough in their lack of focus on ensuring only the strongest SOEs survive. The impediment to reforms stems from China's commitment to short-term growth, even at the cost of long-term competitiveness. The *South China Morning Post* says that SOE inefficiency stems from excess capital investment because many local governments want to keep growth rates high. However, the *Financial Times* notes that Shanghai is spearheading restructuring efforts by categorizing SOEs into three different types (competitive, functional, and public) and developing specific remedies for each.

India's avenues for continued growth

With India's economic growth at [7.6%](#) in the 2015-2016 fiscal year (ending March 31), the country is looking for ways to remain the fastest-growing major economy. In a recent brief, [McKinsey](#) discusses five ways India can continue to expand: provide basic services, make Indian cities more livable, expand manufacturing, harness technology, and unlock the potential of women. [Many](#) see Urjit Patel's appointment as the new central bank chief at the Reserve Bank of India as a sign of policy continuity in fighting inflation—a move favorable to continued economic growth. Additionally, in an effort to create tax uniformity, the [GST](#) was passed in August and is forecast to raise India's GDP by up to 2% over the medium and long term. India's new policies reduce regulatory burden, potentially making the country more attractive for future investment.

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

Upcoming Forum Dates

2016 Autumn Forum: Abu Dhabi, September 22-24

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

2017 Autumn Forum: (location to be confirmed), September 28-30

Not interested anymore? [Unsubscribe](#)

ASIA BUSINESS COUNCIL www.AsiaBusinessCouncil.org