

IN THIS ISSUE

[Member News](#)[The State of the Region 2011-2012: Weak Growth Predicted](#)[Al Gore and David Blood: A Manifesto for Sustainable Capitalism](#)[China in 2012: New Leaders, Continuing Challenges](#)[Japanese New Year's Reform Agenda: Healthcare and Trade Liberalization](#)**Member News**

- ✧ [Khalid A. Al-Falih](#) of Saudi Aramco spoke about a renaissance for the oil industry at the 20th World Petroleum Congress in Doha.
- ✧ [Mukesh Ambani](#) of Reliance Industries Ltd. was featured in the *Economic Times*.
- ✧ [Dominic Barton](#) of McKinsey & Co. authored an article in the *Ottawa Citizen* discussing Canada's economic ties with China.
- ✧ [George Buckley](#) of 3M was interviewed by *Bloomberg Television's* "Countdown."
- ✧ Hang Lung Properties Ltd.'s [Ronnie C. Chan](#) expressed concern about China's economy in an interview with *The Wall Street Journal*.
- ✧ Godrej & Boyce Manufacturing Co.'s [Jamshyd Godrej](#) shared his thoughts on infrastructure and manufacturing in an interview with *Business Line*.
- ✧ [David K. P. Li](#) of The Bank of East Asia was appointed head of Henry Tang Ying-yen's campaign in Hong Kong's chief executive election.
- ✧ [Narayana Murthy](#) of Infosys Ltd. received the Lifetime Achievement Award at the CNBC Asian Business Leaders Awards in Singapore, the [Lifetime Outstanding Achievement Award](#) by the Indore Management Association, and the [Mother Teresa Memorial Award 2011](#) by the Indian Development Foundation. He was also interviewed by the *Deccan Chronicle* and discussed his career in a [CNBC-TV 18](#) interview.
- ✧ [Nazir Razak](#) of CIMB Group addressed investment opportunities in Sri Lanka at the Sri Lanka Corporate Day conference in Kuala Lumpur.
- ✧ Siam Cement Group's [Kan Trakulhoon](#) was named Businessman of the Year by *The Nation*.
- ✧ SOHO China's [Zhang Xin](#) spoke with *Forbes* about her career as a female entrepreneur and social media in China.

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

The State of the Region 2011-2012: Weak Growth Predicted

A recent [Asian Development Bank \(ADB\) report](#) predicts that emerging markets in Asia will see moderate growth rates and China's growth is expected to slow due to its efforts to achieve a soft landing. The GDP growth rate in 2012 is expected to slow to 7.2 percent in emerging Asia (7.5 percent in 2011) and 8.8 percent in China (9.3 percent in 2011). The report points out major downside risks in the region, including a weaker external environment, protectionism, tight trade finance, destabilizing capital flows, and persistent inflation. The annual Pacific Economic Cooperation Council (PECC) [State of the Region](#) report found growing pessimism toward the 2012 economic outlook. The report says that the world economy faces a stalled recovery or even a double-dip economic downturn due to economic weakness in the Eurozone and fragile recovery in the U.S. China is still unable to be a sustained source global demand for global economic growth.

Al Gore and David Blood: A Manifesto for Sustainable Capitalism

[Al Gore and David Blood](#), guest speakers at the upcoming Asia Business Council's 2012 Summer Forum in Sydney, criticize short-term corporate thinking for its damaging effects on society and argue for more sustainable business practices. They argue that companies should incorporate environmental, social, and governance (ESG) metrics in their investment strategies and say that good ESG practices are correlated with long-term success. They contend that good corporate ESG policies will yield tangible benefits, ranging from better energy efficiency to lower risks and debt costs.

China in 2012: New Leaders, Continuing Challenges

China's [leadership transition](#), which will take place this year, will give rise to almost an entirely new lineup for the Politburo Standing Committee, the State Council, and the Central Military Commission. Recent [Chinese retaliation](#) for U.S. anti-dumping investigations of Chinese tire and solar-power producers has sparked fears of rising trade tensions. [Fears of a growth slowdown](#) are also spreading. Optimists on China think that "China is not Japan" because of its increasing domestic consumption, an emerging large middle class, and fast-paced urbanization. Pessimists fear that the global economic crisis and China's attempts to rein in property prices could precipitate a dramatic slowdown, perhaps even threatening political and economic stability. China is trying to transform itself into a more innovative and sustainable economy in the current 12th Five Year Plan, and 2012 will be an essential year for [China's manufacturing sector](#) to move up the value-added chain. Building a high-tech industry will be the key for Chinese business leaders, say [David Barboza and John Markoff](#).

Japanese New Year's Reform Agenda: Healthcare and Trade Liberalization

The Japanese economy appears to have temporarily rebounded, with GDP growth nearing six percent in the third quarter, but the nation faces significant barriers: two of them are health care and trade liberalization. Long-term radiation exposure as a result of the Fukushima nuclear disaster, the attainment of radiation reduction targets, low morale, and an inadequate healthcare labor force challenge domestic reconstruction efforts, writes CSIS's [J. Stephen Morrison](#). In addition, Japanese economic revival will depend on greater Japanese participation in multilateral trade agreements, such as the Trans-Pacific Partnership, as well as the stimulation of domestic demand, argue two Japanese economists. Read [more](#).