



Mr Charles Goodyear believes a compromise in the US-China trade war is coming soon, though probably not by March 1. He also says the US' stance on forced technology transfers is unfair: "Any time companies do joint ventures... they both have to make concessions and allow the other to use their technology or production opportunities or distribution systems... but the net is a benefit." ST PHOTO: GAVIN FOO

Former CEO-designate of Temasek upbeat on S'pore

It can weather uncertain times if it remains premier business centre: Charles Goodyear

Tee Zhuo

These are uncertain times for global trade but if Singapore stays the course and continues to make itself an attractive business centre, it will prevail in the long run.

That is the view of Mr Charles "Chip" Goodyear, former chief executive of mining giant BHP Billiton and, for a brief time, Ms Ho Ching's successor to run Temasek.

Mr Goodyear told *The Straits Times* in a wide-ranging interview last Wednesday that there is continued attraction to Singapore as a business centre, given its meritocracy and the competitive environment that embraces free trade.

It is not hard to see why Temasek found the American a good candidate to be its first foreign chief; Singaporeans may recall that he nearly took over in 2009.

He left after six months as CEO-designate but said he still keeps up

with the "fantastic people".

"Ultimately it was not going to be the right arrangement, I think... (but) I have lots of respect for Ho Ching and the team."

Mr Goodyear, who heads Goodyear Investment Company in addition to doing non-profit work, was here to deliver a lecture on tariffs and protectionism at Yale-NUS College last Thursday.

His talk to about 250 people traced the history of views on protectionism and addressed the benefits and costs of tariffs.

Singapore's trade slowed overall last year, but total merchandise trade grew 9.2 per cent year on year to hit \$1.1 trillion, crossing the trillion-dollar milestone for the first time since 2014.

With speed bumps on global trade set to continue, at least for the short term, is Singapore equipped to meet these challenges?

Mr Goodyear, 61, said: "Slowdown in global trade will, of course,

have an impact, given so much of the country's economic activity is related to it. But, in the long run, as production and business activity go towards where it is most efficient, Singapore will continue to be a beneficiary (of trade)."

US-CHINA TRADE WAR

Mr Goodyear's choice of topic for his talk is a timely one.

Tit-for-tat tariffs between the US and China have been hurting international trade for the past seven months and dragging down the global economy.

Negotiators have yet to reach a compromise with a looming March 1 deadline, when US tariffs on US\$200 billion (S\$270 billion) worth of Chinese goods are set to rise from 10 per cent to 25 per cent.

Mr Goodyear believes a compromise is coming soon, though probably not by March 1.

Washington has accused Beijing of forcing American companies operating in China to share technology with local partners and hand over intellectual property secrets, which China has denied.

Mr Goodyear said the comment

UPBEAT OUTLOOK

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MR CHARLES GOODYEAR, on whether Singapore is equipped to cope with the slowdown in global trade.

on forced technology transfers was unfair: "Any time companies do joint ventures, both bring things to the table.

"So they both have to make con-

cessions and allow the other to use their technology or production opportunities or distribution systems, and there's always a sacrifice – but the net is a benefit."

It is only when technology is actually stolen outside the agreement in a joint venture, for example, that it becomes a problem, he added, noting: "I think you'll see an agreement that starts to address these issues."

FOREIGN WORKER QUOTAS

Trade and Industry Minister Chan Chun Sing said Singapore aims to be a neutral place for China and the US to conduct economic activity.

He told Bloomberg TV last Thursday: "I don't think we want to be in the position whereby we are only dealing with one and not the other, and I believe this is the same position for the rest of the Asian countries as well. Everybody wants to be plugged in."

Mr Goodyear similarly pointed to the trust Singapore engenders with business people: "It's a place where many different cultures, countries, can feel comfortable."

While last Monday's Budget had commitments to strengthening eco-

nomics competitiveness, it also tightened foreign worker quotas.

Mr Goodyear sees the change as a short-term one to support local jobs and families, but one that will not affect the Government's long-term commitment to competitiveness.

While unfettered free trade might be good in theory, politicians have to "live in the real world", he said. "You can't do things which are seen to be detrimental to your voters."

Mr Chan said as much in the Bloomberg interview, calling the move to tighten foreign worker rules a "surgical" one targeted at specific industries to fine-tune the labour market.

The aim is "to make sure that the Singapore foreign manpower dependency is on a sustainable trajectory", the minister said, adding that Singapore remains open to talent and is "playing for the long game" with this Budget.

STAYING COMPETITIVE, RESILIENT

Mr Goodyear's key hopes for Singapore over the next five years involve staying true to its foundations, but also embracing critical thinking in its education.

He used to visit twice a year but has not been able to return as much as he would like in the past three years.

"I look out the door, and it's incredible what's going on in Singapore," he said.

Although based in the United States, Mr Goodyear, a married father of two, has stayed connected to Singapore, thanks to Yale-NUS College, where he delivered the lecture.

He is a trustee at Yale University – one half of the partnership with the National University of Singapore.

Yale-NUS president Tan Tai Yong said: "Mr Goodyear strongly believes in the value of establishing a liberal arts college in Singapore and has been a constant supporter."

Mr Goodyear said Yale-NUS is an example of how Singapore can continue to stay resilient: "Moving from a technical education with one that has critical thinking.

"Questioning in the right way why and how things are being done. That sort of critical thinking will continue to improve society in years to come."

Singapore should also continue to do some of the things it has always done that make it a unique place.

He said: "Singapore began as a meritocracy, a level playing field, minimal tariffs. This created strong companies that can compete globally... I think that gives it a strong platform."

He recalls the first time he was in Singapore, in the mid-1980s, and being impressed by how everything just worked as compared with the rest of the region at the time.

While that has stayed the same, he marvels at how the landscape has improved and how the city is now much more vibrant, something he attributes to the nation's ability for long-term planning.

"Singapore does a better job than any other place in thinking 30, 40 years down the road. Whereas in other countries, they think to the next election."

He is optimistic about Singapore's future if it continues to do what it has been doing.

He said: "There are places where you take a look and you say, 'Oh gosh, they need to change direction'. But for Singapore – keep doing what you're doing."

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