

RYU JIN ROY

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Richard BURT

Another important stop-off for President Trump in East Asia this week will, of course, be South Korea. We are very lucky to have a key South Korean business figure with us this morning, Mr. Ryu Jin Roy, who is the Chairman and CEO of the Poongsan Group. In fact, he told me just a few minutes ago before we started, that he was meant to speak tomorrow but is speaking today, but he has to get back to South Korea to attend a dinner with Donald Trump when he is in Seoul. Again, in South Korea, I think that President Trump faces this tension or dilemma between trying to strengthen the economic and investment climate between the United States and South Korea, and protecting KORUS, the United States-South Korea trade agreement negotiated in recent years and the security dilemmas posed by the North Korean nuclear threat. Mr. Roy, we look forward to your thoughts on how President Trump might resolve this dilemma.

Jin Roy RYU

I believe I am the only one from this session who spoke last year in the similar session regarding America and President Trump who had just won the election. I hope I was invited back because I did such a great job in predicting what was going to happen with the new Trump presidency.

It is very ironic that I will be speaking about President Trump whom I have never met yet but whom I will meet in the next few days after my presentation here today. As I was going through my notes from what I said last year, I was correct in most of my predictions except for one which I will explain later.

First, I predicted that you will see an immediate shift from president Obama's liberal policies to very conservative policies of President Trump. President Trump in one of his first appointments appointed a very conservative Supreme Court judge as I predicted and he will continue to appoint conservative justices as some of the older ones retire.

I also predicted that his winning slogan "Make America great again" will be good news for those who do business inside the US but a big challenge for those who export to the US from abroad. He has really turned the world upside down in that respect. For example, I have a big factory in the US where we just celebrated our 25th anniversary. My late father, the founder of our company built the factory and passed away a few years later after it was in full operation.

Unfortunately, the factory didn't do very well over the years so every time I visited my father's grave I reported to him: "your company is doing very well but you made one big mistake in building the factory in America". Our factory is thriving this year and when I visit his grave now, I tell him "Dad, the factory is a big success, you were a genius! How did you know that someone like Donald Trump was going to be president some day?"

And there's more good news, President Trump is going to lower the corporate tax from 35% to 20%. Thierry, this is also good news for you, because just from the tax cuts my company will be able to continue to support your conference for years to come.

I also said that President Trump will demand changes in the existing trade agreements, which is already happening now with NAFTA and the free trade agreement between Korea and the US.

I predicted that Mr. Trump will ask ally countries like Korea, Japan and NATO to pay more for the cost of US presence in their countries and regions. You remember that when he visited NATO President Trump said: "I like your new building, but I won't ask you how much it cost". As soon as he said that, I think all countries started spending about 2% in defence.



Finally, I said that the biggest change will be in the area of immigration, especially for those coming from Muslim countries and Mexico. The good days of an entire family immigrating to America for better lives and opportunities are almost over unless you are qualified with some skill sets and are able to speak English.

I mentioned earlier that I was wrong in one prediction which was: I thought once President Trump took office, he will speak with more caution and in a more conciliatory tone with some demeanour. I was completely wrong in every aspect and in fact, President Trump has gotten worse: he brags, he lies, he tweets and can't seem to control himself. But despite all that, a lot of Americans still like him and support him. The polls show that his popularity is the lowest for a president in his first year but don't believe those polls – how wrong were the polls when they predicted Hillary Clinton was going to win by a landslide? Likewise, there is a lot of Americans who criticize President Trump, because it's embarrassing to support him or say otherwise, but deep down their hearts, a lot of Americans quietly like and support him.

So, since I was correct in most of my predictions except one, let me give you my predictions for the next year. President Trump's slogan "Make America great again" really means make America strong and rich again. I think his tax cuts will be popular with both the corporate world and for those who are in the lower income bracket. The US economy is thriving these days as stock markets are breaking records every few weeks. The unemployment rate is very low and getting lower, and around 250,000 new jobs have been created just for the month of September. So, economically America is going to do very well next year at the expense of other countries. There will be a re-adjustment in the trade agreements like NAFTA and the US-Korea trade agreements that will benefit the US. With changes in the tax laws and tax cuts, many American companies will bring their assets and cash back to the US from overseas. There will be a lot of foreign companies that will be building factories and buying assets in the US. I mentioned earlier the late successes of my factory in the US and we are, at the moment, already planning to build another facility in the US.

So the economic outlook is very good for the US next year.

The challenge for President Trump next year will be the mid-term elections but with such good economic outlook I think the Republican Party will be able to hold the majority or even increase the majority in both the Senate and the House. The biggest challenge for President Trump will be the outcome of the special prosecutor's inquiries on his Russian connections before the elections but I don't think it is going to lead to his impeachment. There are so many layers to get to the top and I don't think it will reach him. On the diplomatic side, you may not like to hear this but I think Mr. Trump is the right person in dealing with North Korea as well as with terrorist organizations. America was very weak and passive in dealing with North Korea and the situation in Syria during the Obama years. I think President Trump will resolve the North Korean issue one way or another, hopefully in a peaceful way but that will depend on Kim Jong-un. I think the terrorist organizations will continue to be weakened almost to a point of extinction as he will spend all the military resources and intelligence to go after them. So overall, despite the fact that he is uncontrollable, vulgar and insulting, President Trump is going to survive. I just wish that he could be more honest, modest and compassionate person but I don't think that will change. I ended my presentation last year by singing a line from Nobel Prize winner Bob Dylan's song called "The times, they are changing", and boy, have the times changed. I won't end with a song this year but I think there's a perfect song that somewhat depicts both President Trump's personal and political life, it's called "The winner takes it all" by the group ABBA and yes, President Trump knows he's the winner and he wants to take it all. Thank you.

Richard BURT

I have to say Mr. Roy, if Donald Trump needs a first class roving ambassador, you are the man.