

World Knowledge Forum 2013

Global CEO Roundtable

A panel of CEOs from the shipping, energy, technology, and global management industries tackled an array of topics at the 14th World Knowledge Forum. The panel included Herbjorn Hansson, CEO and Chairman of Nordic Tankers Ltd., Peter Voser, CEO of Royal Dutch Shell, Stephen Woo, President of Samsung Electronics LSI Business, and Adam Zhu, CEO and Chairman of IMG Greater China. Each brought their own perspective from their sector of the global economy.

Despite a potential US default looming in the next few days, several CEOs on the panel remain optimistic regarding the potential of the current economy.

China was a hot topic of discussion, and its position in the role of the global economy was adequately stated. "China will play a major role," said Mr. Zhu, although he did express concern. "China is so big and growing so fast, honestly it's time to take a break. They really have to rebalance their growth model from the old model, the double-digits growth model."

Mr. Hansson admitted to being no expert on China's unique position, but he elaborated on discussions he has had with the country's decision makers. He said, "When I ask the people in power what their main concern is, they say, 'How will we employ 35 million new Chinese people coming to the market?'" Mr. Hansson speculated that the Chinese system of governance would not survive a lack of employment among the populace. "They survive because they are in a position to offer the population welfare. If they don't offer it, the Chinese system is gone," he said.

Offering a comparison, Mr. Hansson added, "In Europe, they say, 'We know what to do, but if we do it, we are not re-elected.' In China, they don't have elections."

On the topic of solar energy, China's outlook seemed bright. Mr. Voser stated, "By the 2040s or 2050s, solar could be the biggest energy provider in the mix. And China will be one of the biggest producers and manufacturers in the world."

Tech giant Samsung is also staking a claim in the renewable energy and low consumption sector, what Mr. Woo called "low power technology." He explained, "We can do the same things at one-third to one-fifth of the energy level of say, two or three years ago."

The technology market is not only interested in reduced energy consumption, but also in expanding the market. Giants such as Samsung and Apple have thrived, where smaller companies have been less successful and have even gotten weaker. A surprising result occurs.

"With a small number of strong players remaining in the industry, it is inevitable that you must compete and collaborate at the same time," Mr. Woo pointed out. What you end up with is a Samsung processor in an Apple iPhone.

Mr. Zhu called this and similar creative partnerships a win-win situation.

For those who resist the modern approach, Mr. Zhu offered this advice, "If you always keep the old mindset, it's not easy to develop new business models. People don't like to change."

Despite the various issues facing the world economy today, including decreasing growth in China and an impending US debt default, Mr. Hansson, in particular, remained positive.

"There are two starting points: the world goes on, or the world doesn't go on. I take an optimistic approach. The world will go on."