

MEETING OF 30.11.2020**Insights from the meeting**

- Sir Martin Sorrell highlights the rise of digital media as a proportion of overall advertising spend, propelled even faster by the COVID crisis. He expects a rapid recovery from the crisis in Asia, cautious optimism in America but a more muted recovery in Europe. He sees inflation coming sooner under a Biden than a Trump, perhaps in 2023-24, driven by a rise in commodity prices as global GDP recovers post-pandemic. He accepts the possibility that inflation could remain low in Europe (Japan-like 'stagflation').

➤ [Sir Martin's take on Monetary Policy \(video\)](#)

- This led to a discussion on comparative business conditions in Asia, with a focus on China. It was broadly accepted that Europe is not seen as aspirational and its role in a G2 world lacks clarity. Also that business leaders in the West have a short-term time horizon which is having a detrimental impact on society. In Europe the challenge is to merge common values and strengths with a consistent political, economic and social strategy.

➤ [Europe's role in a G2 World](#)

- It was suggested that the matter of US-EU-China relations should be considered with a wider lens than competition in business only. Questions revealing distrust towards China were brought forward and debated, resulting in the conclusion that at a deeper level we are experiencing a competition of value systems. It was also noted that the Chinese government has a coherent strategy across business, government and civil society which Europe lacks.

➤ [Discussion on conflict between Western and Chinese values \(video\)](#)

- At the same time it was pointed out that Europe has many strengths which it must leverage to its advantage. Its history provides civilisational wisdom and a culture of social progress. There is a solid foundation of technological innovation however capital allocation requires improvement, particularly for "scale-up" companies (as it is in the US).

Follow-Up Action

With the direct involvement of a 4-5 global companies, we are in the process of developing a platform for influential business leaders in Europe and Asia to engage in regular dialogue to foster a deeper understanding one another's worlds, not only on the topic of business, but also political structures as well as value systems.

- [Write to Callam if you would like to join our next meeting](#)
- [See the archive of 270+ video clips from past Asia Leaders Series meetings](#)