

## Reflections on Global Business Gate Meeting 2.0 (2018-10-19)

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*What was discussed as you expected, what was unexpected, and what was missing in today's conversation?*

- The conversation on a possible trade war was expected as we were told to prepare for it. It was interesting to hear from different official perspectives (especially the language used by the different parties and the focus on national security by the US advisor) as well as people on the ground. There were genuine differences in perspectives which made the debates feel worthwhile.
- This was furthered during the panel discussion at the end when the political perspective was added to the discussion. The speakers clearly knew their topics and the discussion was of a high quality. We appreciated having both comments on current policies from officials and information on initiatives to help companies trade with the US – this was somewhat unexpected and was valuable.
- A discussion about how the Global Business Gate can help Swedish companies, despite current trade barriers, to succeed on the US market or how Swedish companies may experience and be affected by the trade barriers was useful.
- There was a diversity of opinions, yet some topics that are arguably central to the topic were not mentioned, most notably sustainable development. Climate change is the foremost problem we are facing at the moment and it was completely absent from the discussion (save for one mention of the Paris Agreement). Business is central in fighting climate change (while also being responsible for a lot of emissions) and it is therefore very relevant to include in any discussion of the EU-US trade relationship. The Trump government withdrew from the Paris agreement and lower-level authorities as well as businesses are now taking the lead.
- Using sustainability as an anchor to trade with our partners should be central and regardless of the topic of the next Global Business Gate event, climate action has to be mainstreamed.

- The level of discussion/interaction within the room would have significantly improved if there would be more opposition among the participants and speakers. There was a nice dynamic between the two speakers on video, but it would have been beneficial for the overall discussion if both would have been physically present. It sparks a little more tension, which would have improved the overall outcomes.
- We were very much surprised by the overall levels of pessimism among the participants. Despite the current challenges, there are still many opportunities for businesses. One should keep this in mind.

*What were your general impressions about EU-US trade prior to the event: what seems to be difficult and what are the mutual issues for promoting transatlantic cooperation and trade?*

- It is hard to get past the notion that many of the current difficulties seem to centre around Trump.
  - Protectionist policies will ultimately hurt the US economy.
  - Withdrawal from the Paris Climate Agreement may stall any potential deal with the EU.
  - Inconsistency of Trump: In general, inconsistency is not conducive to strengthening trade relations.
- The US midterm elections could be damaging for Trump. It is likely that the democrats will at least take control of the House of Representatives. If the vote goes badly for Republicans, this obviously makes it very difficult for Trump to push through any of his legislative program. This lack of legislative influence may also encourage Trump to further concentrate power in himself individually, leaving him in a potentially fragile and more vulnerable position.
- Internal difficulties for the EU may also be problematic – with respect to events like Brexit, migrant crises, it is important for the EU to assert its own internal strength and ensure enduring support for the EU project more generally.
- Mutual issues for promoting trade: The EU is USA's largest trading partner, and the USA is the EU's largest trading partner. The mutual incentives are clear.
  - These mutual incentives may have a more powerful impact than Trump (i.e. private sector power will help influence more favourable US policy decisions and soften potentially damaging actions Trump may take).
  - There is also a mutual incentive for countering some of the actions and global ambitions harboured by China.

*How can Global Business Gate succeed in becoming an interesting hub and project that promotes innovation, networking, and knowledge sharing "an ecosystem filled with energy that creates new business opportunities" where you would like to work?*

- Gothenburg's Global Business Gate, as presented, seeks to create new business opportunities for the Gothenburg region and consequently Sweden.

- Such a project has already proven to be a success in Copenhagen, where this hub has been a catalyzing force in creating business opportunities.
- Long-term attractiveness. The Gothenburg trade ecosystem is already leading in Sweden and its surroundings. Its favorable geographic location, as well as its close proximity to Gothenburg's academic centres and clusters, has maintained Gothenburg's long-term attractiveness. Through this Global Business Gate, Gothenburg seeks to maintain and strengthen its number one spot as an international trade hub.
- A diverse set up of the building is essential – it should become a place where young talent from different spheres can meet, network, and grow. As the Gothenburg trade region intensively uses the city's academic centres, clusters and relevant stakeholders, it is important for the trade hubs' long-term attractiveness to invest in this group as well.
- Enhanced competitiveness. Clustering all businesses into one hub will increase the ease of business. Nevertheless, the consequences of the protectionist measures imposed by the Trump administration show that Gothenburg's trade business needs to further diversify and innovate in order to maintain its competitive status. Hence, the Business Gate should become a hub which is easily accessible for other potential foreign partners as well, rather than solely US businesses.
- The project, so far, has put considerable effort into promoting the above. In the long-term, it may be of interest to continue with these business meetings after 2021. By doing this, one allows the all participants to reflect, innovate, and set new future goals or standard if required.

*What are your general impressions of the gathered talks about transatlantic cooperation and trade in the light of US protectionism: What were the common points of view discussed?*

- Every speaker agreed that Trump's use of national security as a justification for imposing trade barriers is worrying. And all agreed on the fact that something has to be done about China and its overproduction of steel but that the right channel through which to do so is through the WTO. The US view on protecting domestic production is a worrying development that may divide the world.
- Overall there were a lack of examples on what could be done to solve the situation other than the fact that EU needs to act in a uniform manner and be decisive when negotiating new trade agreements with the US.
- There was a clear consensus amongst the American speakers (during the panel discussions) that the midterm elections would not have an effect for the future of Trump's protectionism policies as all authority to impose trade barriers is delegated to the President.
- There was also a clear consensus about the increased risks of Swedish and European companies doing business with the US and the increased need for 'good business intelligence'.

- It would have been fruitful to hear the American view on what possible scenarios might develop in the months to come and how the EU and Sweden can tackle them. However, everybody agreed on how hard it is to anticipate Trump's next move and thus future planning is difficult.
- One way of getting through to Trump and the US may be the new American ambassador to Sweden, Ken Howery.
- The most likely scenario may be that negotiations between the US and the EU will take place and are likely to result in some sort of trade agreement.
  - However, after the EU statement that it will not develop a trade agreement with a nation that has not ratified the Paris Agreement, the US withdrawal from the agreement in 2020 may pose a difficulty.
- What was missing?
  - A discussion about the future of the WTO and how a possible reform might prevent developments like trade wars in the future would also have been interesting.
  - What if the US keeps up with this trade war and continues to exclude itself from international trade and the US market becomes a harder to penetrate for European companies? What consequences may that have? Alternatively, are there any possible opportunities? New markets growing? More countries following the US path? The end of the WTO? Will globalisation continue to deepen if the US is closing down its market for non-American companies and how will that affect the EU's exports and economy?

#### *Brief discussion about the presenters*

- Paul Narain - It was very interesting and fruitful to listen to a person who has direct insight into the Trump administration and the US government. It painted a clearer picture about the reasoning behind the trade barriers and what the administration is trying to achieve, both when it comes to trade with the EU and Sweden but also with countries such as China. This perspective is easily overlooked in the Swedish and European debate.
- Caroline Vicini - The issue of how current trade barriers threatens and affects US-EU trade relations already was highlighted which stressed the importance of solving the matter from both perspectives. Again, it was a warmly welcomed contribution to the discussion with first-hand knowledge about the issue at hand.
- Jérémie Cohen-Setton - Presented fruitful information and knowledge about the new trade agreements between the US, Mexico, Canada and South Korea. It was an interesting side note that these countries are not at liberty to enter free trade agreements with a 'non-open market economy' because of their agreements with the US (ergo, US has a lot of bargaining power). The issue of protectionism, populism

and nationalism in the development of globalisation was raised as a worrisome development along with the implications of bilateral trade on globalisation and global supply chains.

- Linda Andrén, Mikael Kylberg, Mikael Forslund - The inclusion of three Swedish business people so we could hear their doubts, questions and comments was welcome. It is necessary to have these type of forums so that we can learn from one another and solve situations in the best possible way. It was valuable to get first-hand knowledge from people actually affected by the trade barriers.
- Anna Throne-Holst - The inclusion of a discussion about how SMEs and start-ups can try to make it in the US while these trade barriers are in place and the role of the Swedish-American Chamber of Commerce in NYC fitted in well with the other topics. In the ongoing debate, a lot of focus is put on large multinational businesses while SMEs and start-ups are easily forgotten. They play a crucial role for Swedish innovation and as a part in the local and regional supply chains.
- Michael Koch - The Swedish view on the trade barriers contributed to a broader understanding of the issue as well as fruitful information about what efforts might be needed and what Swedish businesses can do to try to influence the upcoming negotiations. Issues such as other major trading countries now approaching the EU instead of the US (e.g. Japan) and the role of technological innovations was an appreciated contribution. The working group between the US and the EU on removing tariffs was also mentioned as a good contribution.
- In summary, all presenters and their different perspectives really contributed to a more nuanced picture about why the trade barriers were implemented in the first place, what implications they already have and probably will continue to have as long as they are in place, as well as how they are affecting the US, the EU and the Swedish businesses and economy.

*Which question, what invited speakers and audience, and what types of presentation and interaction would you like to look at the next upcoming meeting with Global Business Gate?*

- New market opportunities? Other than US and China.
- More focus on Global Business Gate and the opportunities it will bring for Swedish companies and Gothenburg as a business region.
- Sustainability and sustainable development. How can Global Business Gate help Swedish companies become more sustainable? Sustainable business models (sharing economy, circular economy?). How can Global Business Gate help sustainable Swedish companies be attractive on the international market?

- There were too few women in the audience and even on stage, the meetings would benefit from more diversity. Sweden is known for being a forerunner on gender equality, let's make sure that the event represents that.
- This is a question that should be raised during each meeting. By doing this, one not only generates sufficient input, but it also provides an opportunity to introduce next meeting's focus area and link it to the current meeting.

*What goals, working methods and other things would make Global Business Gate an attractive workplace for you?*

- Strong connections to Gothenburg and Västra Götaland region in general. Not just a standalone 'business park' that provides benefits for the companies but not so much to other actors in the city and the region. Growth should refer not only to the companies but to the employees and other local stakeholders.
- Collaborative/shared spaces and a place where knowledge sharing is promoted and highly appreciated. Businesses with offices at Global Business Gate should not be isolated from each other and should instead learn from each other. Shared spaces would be useful for informal networking between companies, would provide opportunities to host lectures and seminars, and would also provide opportunities to invite and engage with the community outside of Global Business Gate. Lectures and seminars would serve to educate and raise awareness of new technologies, methods, and business models that can help promote Swedish businesses and make them more competitive on the international market.
- Sustainable focus (both environmentally and socially). A development of this scale that focuses on growth and innovation should also be ticking all the 'green' boxes. It should be closely aligned with 'Green Gothenburg' and contribute to the region's strong sustainability identity. From a social perspective, tenant companies should work hard to engage local citizens and to develop local talent. Related to this point, we were surprised to see that there is little to no information or focus on the environmental sustainability and green credentials of the Global Business Gate project anywhere on its public-facing website.
- A broad variety of competences located in the same place - analysts, lawyers, business experts, advisories from different fields (marketing, product development, IT/programming, interface design, etc.).