



POLITICS

# Donald Trump reels from an executive exodus

By Ed Crooks and Patti Waldmeir

In the end, the call came from Stephen Schwarzman. The Blackstone founder has been one of Donald Trump's closest advisers among the business community this year, speaking regularly on the phone as the new president was trying to find his feet.

But on Wednesday, Mr Schwarzman delivered a very different message to the White House. The chief executives in Mr Trump's strategy and policy forum, which Mr Schwarzman chaired, were outraged by the president's comments the day before when he claimed there were some "very fine people" alongside the neo-Nazi protesters in Charlottesville, Virginia last weekend. As a result, the executives had collectively decided to resign.

Many of the executives in Mr Trump's manufacturing council, his other high-profile body of private sector advisers, had come to the same decision.

In a week of heightened national drama when so many established assumptions about politics have been thrown out, this was one of the most extraordinary moments: corporate America decided that it could not be seen standing alongside a US president - and a Republican president at that.

Their discomfort reflects the central tension that is threatening to tear apart the Trump administration and, with it, potentially

the Republican party. Despite the populist tone of his election campaign, Mr Trump has pursued in office an agenda on tax and regulation that is in tune with the wishes of most US companies. However, his open flirtation with the supporters of white nationalism has sparked panic among executives who fear alienating both their customers and their employees.

John Flannery, the new chief executive of General Electric, told staff that the white supremacist march in Charlottesville "could not be further from the values that we hold dear".

**For a Republican, Mr Trump has always had an awkward relationship with mainstream corporate America**

For a Republican, Mr Trump has always had an awkward relationship with mainstream corporate America. In his mind an outsider from Queens, New York, he was shunned during long parts of his real estate career by many of the biggest Wall Street banks. However, during the campaign, some parts of the business community warmed to the idea of having a fellow businessman in the White House.

At Manhattan lunches and dinners, executives and investors would suggest that while they did not like or admire him personally, and rejected his restrictive impulses on trade and immigration, they liked his pro-business agenda.

Seven months into Mr Trump's presidency, those hopes have been partially fulfilled. The administration has launched with gusto into a campaign of cutting regulations enacted or proposed

under President Barack Obama, with fossil fuel producers and the big banks the principal beneficiaries.

The Office of Management and Budget said last month that 469 regulatory actions proposed by the Obama administration had been withdrawn, and 391 more had been sent for review. The Trump administration is promising both a continuing rollback of regulations and less stringent enforcement of many rules that remain on the books.

Mr Trump's appointments to key regulatory bodies, including the Securities and Exchange Commission and the Federal Energy Regulatory Commission, also indicate that both Wall Street and coal country will be heard with a more sympathetic ear.

Among smaller businesses, it is still easy to find enthusiasts for Mr Trump. In the Midwest industrial heartland that delivered him his unexpected election victory last year, his comments about Charlottesville are not generally front of mind. At the Merlin auto repair franchise in Kenosha, Wisconsin, co-owner Erin Decker says: "I don't see how his comments on race are bad for business. This will all blow over - it's just politics."

The economy in the rust belt area of southern Wisconsin is looking up. Customers are coming in to get their air-conditioning fixed, instead of just driving around with the windows down. ▶▶

## Donald Trump reels from an executive exodus (continued)

Ms Decker, who is also chairwoman of the Kenosha County Republican party, is happy to credit the president with inspiring an economic boost. "The positive attitude he has towards America has already gone a long way," she says. "People have hope again that things will get better, and the president has got rid of lots of regulations that hurt small business."

But other small business owners in Kenosha say that they are still waiting for Mr Trump to come through for them. Chris Tenuta, whose family delicatessen has been a fixture in Kenosha for 67 years, says: "I thought he'd be positive for small business, but so far nothing has happened."

Whether big or small, the real prize for many US companies promised by a Trump presidency and a Republican-controlled Congress has always been tax reform: simplifying the convoluted US system and cutting rates for both corporations and individuals.

Infrastructure investment, which the administration hopes to galvanise with a commitment of USD200bn of federal money, is also a priority for many businesses. To make any progress on either is-

sue, Mr Trump will have to be able to work with Congress. After the fiasco of the failed attempt to repeal Obamacare, that already seemed an outside bet. The criticism of Mr Trump's stance on Charlottesville from his own party this week makes the odds look longer than ever.

Bob Corker, a former business owner and now Republican senator for Tennessee, said on Thursday that Mr Trump "has not yet been able to demonstrate the stability, nor some of the competence that he needs to demonstrate in order to be successful".

Even before this week's furore, executives had become much less eager to talk up the benefits of the Trump administration. Last December, Jeff Immelt, then chief executive of GE, enthused about rising optimism in the US economy, fuelled by hopes for what the new administration could achieve.

By July, Jeff Bornstein, the company's chief financial officer, was taking a more sceptical line. "The House and Senate are still promising tax reform in the year, [but] we'll see . . . We don't have an infrastructure bill that anyone would recognise," he told the Financial Times. "I think we've

reached 'show me' time."

The barely concealed power struggle at the White House between Gary Cohn, director of the National Economic Council, and Steve Bannon, the president's chief strategist who left his position on Friday, also unsettled business leaders. They see Mr Cohn as a voice of reason in the administration.

When the storm started to break over Mr Trump's response to the Charlottesville protests, executives on his two business advisory groups were already wondering whether the rewards of engaging with the president justified the risks. Kenneth Frazier, the chief executive of Merck, who is African-American, was the first executive to quit one of the groups, announcing on Monday morning that he was stepping down from the manufacturing council because "I feel a responsibility to take a stand against intolerance and extremism".

Mr Trump responded in his familiar way with a couple of tweets attacking Mr Frazier and Merck over drugs prices. But as other executives on the council followed Mr Frazier's lead, soon there were too

many for him to target each individually.

For a while Mr Trump appeared to have steadied the ship with a statement from the White House on Monday, unequivocally condemning "the KKK, neo-Nazis, white supremacists and other hate groups". Some chief executives found it difficult to balance competing demands: Doug McMillon of Walmart on Tuesday issued a statement criticising the president, but said the company "should stay engaged to try to influence decisions in a positive way and help bring people together". He was attacked by both supporters and opponents of Mr Trump.

That delicate balance was tipped decisively against the president by his extemporised comments about Charlottesville on Tuesday afternoon. The chief executives on the strategy forum started calling each other, and some began arguing for a collective resignation rather than a piecemeal break-up. By the evening, Mr Schwarzman, the forum's chairman, had drafted a statement saying the group would disband and set up a call for the following morning to approve it. On that call only two members dis-

agreed with the decision, according to people familiar with the discussion.

Meanwhile, the manufacturing council was being hit by a steady stream of departures. With both groups clearly collapsing, Mr Trump decided to make the best of it, tweeting on Wednesday lunchtime that "rather than putting pressure on the businesspeople" involved, he was shutting them down. "Thank you all!" he added.

Fear of a consumer backlash was part of the motivation. But some executives indicated that their employees' views had also been important factors in their decisions to quit.

Mr Flannery said he had talked to GE staff "affinity groups", which include its African-American forum and the women's network, in coming to the decision that Mr Immelt should stand down from the manufacturing council.

Jamie Dimon, chairman of JP-Morgan, wrote to the bank's staff: "It is a leader's role, in business or government, to bring people together, not tear them apart."

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# Bannon exit provides only temporary relief to China

By Ben Bland in Hong Kong

The departure from the White House of Steve Bannon, one of China's strongest critics within the Trump administration, is likely to provide only temporary relief to Beijing, China foreign policy analysts say.

Mr Bannon warned shortly before he was ousted on Friday that the US and China were locked in an existential battle for domination of the global economy, telling *The American Prospect* that the US should be "maniacally focused" on that "economic war" with China.

Despite the exit of one of US president Donald Trump's most outspoken nationalist advisers, the Trump administration went ahead on Friday with the formal launch of an investigation into allegations of Chinese intellectual property theft.

The *Global Times*, a tabloid newspaper that is owned by the *People's Daily*, the mouthpiece of

the Chinese Communist party, argued in an editorial on Saturday that Mr Bannon's "toxic legacy" when it comes to China should leave the White House with him.

"It is sincerely hoped that Bannon's departure is more than just a symbolic exit," it said. "It should hopefully allow people to feel reassured that the strategic mindset of the Trump administration is hitting an inflection point."

But analysts argued that any respite would be temporary.

"It may be good for China in the short run but it won't have a profound impact in the long run because he's just one person and Trump has the final

say," said Chen Dingding, a professor of international relations at Jinan University in Guangzhou.

While some analysts have argued that Beijing can take advantage of Mr Trump's transactional approach to politics and his diminution of the traditional foreign policy establishment, Professor Chen said that the high turnover among the President's staff made it very hard for China.

"Beijing does not prefer the personal approach, as it's highly risky and unstable," he said. "The Chinese government would prefer to deal with institutions as they provide more certainty."

Ashley Townshend, an expert on China-US relations

**The Global Times... argued in an editorial that Mr Bannon's 'toxic legacy' when it comes to China should leave the White House with him**



Steve Bannon

at the University of Sydney, said that even with Mr Bannon gone, many other Trump administration officials - including senior trade advisers Robert Lighthizer, Peter Navarro and Dennis Shea - are still pushing for aggressive measures to reduce the US trade deficit with China.

"If Beijing expects Trump's Asia team to go soft in the wake of Bannon's dismissal they will be sorely disappointed," said Mr Townshend.

Some Chinese observers even argued that life could get tougher for Beijing without Mr Bannon in the White House because his isolationist views undermined Washington's stan-

ding in Asia and enhanced China's position as a result.

"It was his nationalist economic agenda that led to the death of the Trans-Pacific Partnership, which was a huge strategic gain for China, said Zhang Baohui, a professor of political science at Lingnan University in Hong Kong.

Beyond killing off the TPP, a 12-nation trade agreement promoted by the Obama administration and seen by many as creating a rival economic bloc to China, Professor Zhang said that the nationalist approach promoted by Mr Bannon had undermined the international legitimacy of the US more generally.

If Trump's foreign policy tilts back to its more "traditional roots" without Mr Bannon, Beijing would stand to lose, he warned.

"The odd reality could be that while the establishment types in the Trump administration may tone down economic conflicts with China, they may also up the ante on strategic, security, and diplomatic fronts," he said.

The Chinese foreign ministry did not respond to a request for comment by the time of publication.

Additional reporting by Nicolle Liu

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By Daisy Nguyen, Los Angeles

## OBITUARY

## Comedian, civil rights activist Dick Gregory dies

**D**ICK Gregory, the comedian and activist and who broke racial barriers in the 1960s and used his humor to spread messages of social justice and nutritional health, has died. He was 84.

Gregory died yesterday [Macau time] in Washington, D.C. after being hospitalized for about a week, his son Christian Gregory told The Associated Press. He had suffered a severe bacterial infection.

As one of the first black stand-up comedians to find success with white audiences, in the early 1960s, Gregory rose from an impoverished childhood in St. Louis to win a college track scholarship and become a celebrated satirist who deftly commented upon racial divisions at the dawn of the civil rights movement.

"Where else in the world but America," he joked, "could I have lived in the worst neighborhoods, attended the worst schools, rode in the back of the bus, and get paid USD5,000 a week just for talking about it?"

Gregory's sharp commentary soon led him into civil rights activism, where his ability to woo audiences through humor helped bring national attention to fledgling efforts at integration and social equality for blacks.

Democratic Sen. Cory Booker of New Jersey tweeted, "Dick Gregory's unflinching honesty & courage, inspired us to fight, live, laugh & love despite it all." A tweet by actress/comedian Whoopi Goldberg said, "About being black in America Dick Gregory has passed away, Condolences to his family and to us who won't have his insight 2 lean on R.I.P"

Gregory briefly sought political office, running unsuccessfully for mayor of Chicago in 1966 and U.S. president in 1968, when he got 200,000 votes as the Peace and Freedom party candidate. In the late '60s, he befriended John Lennon and was among the voices heard on Lennon's anti-war anthem "Give Peace a Chance," recorded in the Montreal hotel room where Lennon and Yoko Ono were staging a "bed-in" for peace.

An admirer of Gandhi and Martin Luther King Jr., Gregory embraced nonviolence and became a vegetarian and marathon runner.

He preached about the transformative powers of prayer and good health. Once an overweight smoker and drinker, he became a trim, energetic proponent of liquid meals and raw food diets. In the late 1980s, he developed and distributed products for the popular Slim-Safe Bahamian Diet.

When diagnosed with lymphoma in 2000, he fought it with herbs, exercise and vitamins. It went in remission a few years later.

He took a break from perfor-

AP PHOTO



ming in comedy clubs, saying the alcohol and smoke in the clubs were unhealthy and focused on lecturing and writing more than a dozen books, including an autobiography and a memoir.

Gregory went without solid food for weeks to draw attention to a wide range of causes, including Middle East peace, American hostages in Iran, animal rights, police brutality, the Equal Rights Amendment for women and to support pop singer Michael Jackson when he was charged with sexual molestation in 2004.

"We thought I was going to

be a great athlete, and we were wrong, and I thought I was going to be a great entertainer, and that wasn't it either. I'm going to be an American Citizen. First class," he once said.

Richard Claxton Gregory was born in 1932, the second of six children. His father abandoned the family, leaving his mother poor and struggling. Though the family often went without food or electricity, Gregory's intellect and hard work quickly earned him honors, and he attended the mostly white Southern Illinois University.

**Where else in the world but America could I have lived in the worst neighborhoods, attended the worst schools, rode in the back of the bus, and get paid USD5,000 a week just for talking about it?**

DICK GREGORY

"In high school I was fighting being broke and on relief," he wrote in his 1963 book. "But in college, I was fighting being Negro."

He started winning talent contests for his comedy, which he continued in the Army. After he was discharged, he struggled to break into the standup circuit in Chicago, working odd jobs as a postal clerk and car washer to survive. His breakthrough came in 1961, when he was asked to fill in for another comedian at Chicago's Playboy Club. His audience, mostly white Southern businessmen, heckled him with racist gibes, but he stuck it out for hours and left them howling.

That job was supposed to be a one-night gig, but lasted two months -- and landed him a profile in Time magazine and a spot on "The Tonight Show."

Vogue magazine, in February 1962, likened him to Will Rogers and Fred Allen: "bright and funny and topical ... [with] a way of making the editorials in The New York Times seem the cinch stuff from which smash night-club routines are rightfully made." "I've got to go up there

as an individual first, a Negro second," he said in Phil Berger's book, "The Last Laugh: The World of Stand-up Comics." "I've got to be a colored funny man, not a funny colored man."

His political passions were never far from his mind - and they hurt his comedy career. The nation was grappling with the civil rights movement, and it was not at all clear that racial integration could be achieved. At protest marches, he was repeatedly beaten and jailed.

He remained active on the comedy scene until recently, when he fell ill and canceled an August 9 show in San Jose, California, followed by an August 15 appearance in Atlanta. On social media, he wrote that he felt energized by the messages from his well-wishers, and said he was looking to get back on stage because he had a lot to say about the racial tension brought on by the gathering of hate groups in Virginia.

"We have so much work still to be done, the ugly reality on the news this weekend proves just that," he wrote.

He is survived by his wife, Lillian, and 10 children. AP

**GETTING** fresh water to Peru's desert capital is no easy task.

Lima relies on a vast network of concrete tunnels to transport water originating in lakes in the Andes mountains to the bone-dry coastal city some 200 kilometers away.

By the time it arrives, it is so contaminated it must pass through four treatment plants that filter out potentially dangerous microorganisms.

Despite the complexities involved in keeping the taps flowing, authorities say water consumption in Lima ranks among the highest in the Andes region.

"There is no culture of conservation," said Yolanda Andia, a chemical engineer with state water company Sedapal. "It's pitiful."

In the richest parts of Lima, residents use 447 liters a day, nearly five times what is recommended by the World Health Organization. Overall, average daily usage is 250 liters for the city.

That compares with 168 in Colombia's capital, Bogota; 220 in Quito, Ecuador; and 200 in Santiago, Chile.

Authorities believe the high consumption stems partly from unawareness of the lengths officials must go to to ensure an abundant supply of clean water.

With a population of 9.1 million, Lima is the world's second-largest city located in desert terrain — second only to Cairo.

"Our work is hard," Andia said. "And even though in Lima it almost never rains, people don't know we get water from the lakes of the Andes." AP

## THE ANDES

# Getting water to Peru's desert capital is no easy task



A herd of llamas run on a path alongside the Marcapomacocha Lagoon in the heights of the Andes where the rain falls for five consecutive months

## ASK THE VET

by Dr Ruan Du Toit Bester

### CANINE BLOOD SUGAR GUIDELINES FOR DIABETIC DOGS

**M**onitoring canine blood sugar on a regular basis is a critical part of caring for a diabetic dog in order to ensure the dog's diabetes is under good control. Maintaining good blood sugar control helps keep the diabetic dog healthy and avoids potential complications such as vision loss and kidney failure.

#### Recommended canine blood sugar levels

Blood sugar levels are measured in milligrams per deciliter of blood or mg/dL. Maintaining a good balance allows your dog's systems to function well and avoids the potential damage that elevated blood sugars or low blood sugars can cause. In caring for a diabetic dog, optimal blood sugar range is between 100 to 180 mg/dL. These levels of blood sugar are within the normal range for dogs and help keep your diabetic dog healthy.

#### Hypoglycaemia or low blood sugar

Hypoglycaemia can be just as problematic as elevated blood sugars in a diabetic

dog. 90 mg/dL is considered to be the safe low end of canine blood sugar levels. As the blood sugar continues to fall, you risk your dog becoming disoriented and unable to function. Low blood sugars can also cause seizures and various systems, such as vision and bladder control, to fail. If the low blood sugar is not resolved by feeding quick sugars, your dog is at risk of death. Once a proper blood sugar level is achieved, your dog should return to normal function.

#### Hyperglycemia or high blood sugar

Hyperglycemia or high blood sugar levels are readings of 180 mg/dL or higher. If your dog is consistently above this level, there are various systems within his body that are at risk of failure if they continue to have to fight the high blood sugar levels. When your dog's blood sugars are high, he will be lethargic, drink a lot of water and urinate frequently. The excessive thirst and high volume of urine are his

body's way of trying to rid itself of the extra sugars in his system. These high levels of sugar put added stress on his kidneys as they try to flush the high sugar levels out of his system. High sugar levels also make his heart work harder and put a strain on his cardiovascular system. High sugar levels also draw in sugars to the eye, causing the lens of the eye to crystallise and form cataracts.

#### Frequency of blood sugar testing

Testing your diabetic dog's blood sugar is an important part of maintaining good control of his diabetes. Depending on your dog, his activity level and his overall health, your veterinarian may recommend testing anywhere from once daily to once a week. A dog who is highly active, such as a hunting dog or a dog competing in agility may require once a day testing to ensure his blood sugars are remaining at a healthy level, where a dog who spends most of his days just relaxing around the house



may only require testing once a week as his blood sugars will remain at a more consistent level.

Maintaining proper blood sugar levels is a balance of proper medication, proper diet and appropriate exercise. Each of these elements is part of the equation in caring for a diabetic dog and helps him to lead a long healthy life.

Hope this helps  
Till next week  
Dr Ruan

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