July, showed that while optimism for business prospects over the next five years remains high, it is still down 10 percent from several years ago, pressured by a slowing Chinese economy, growing domestic competition and a perceived increase in favoritism by the government toward domestic companies.

"China's use of industrial policies to develop what they call 'national champions' is one example," says AmCham President Kenneth Jarrett.

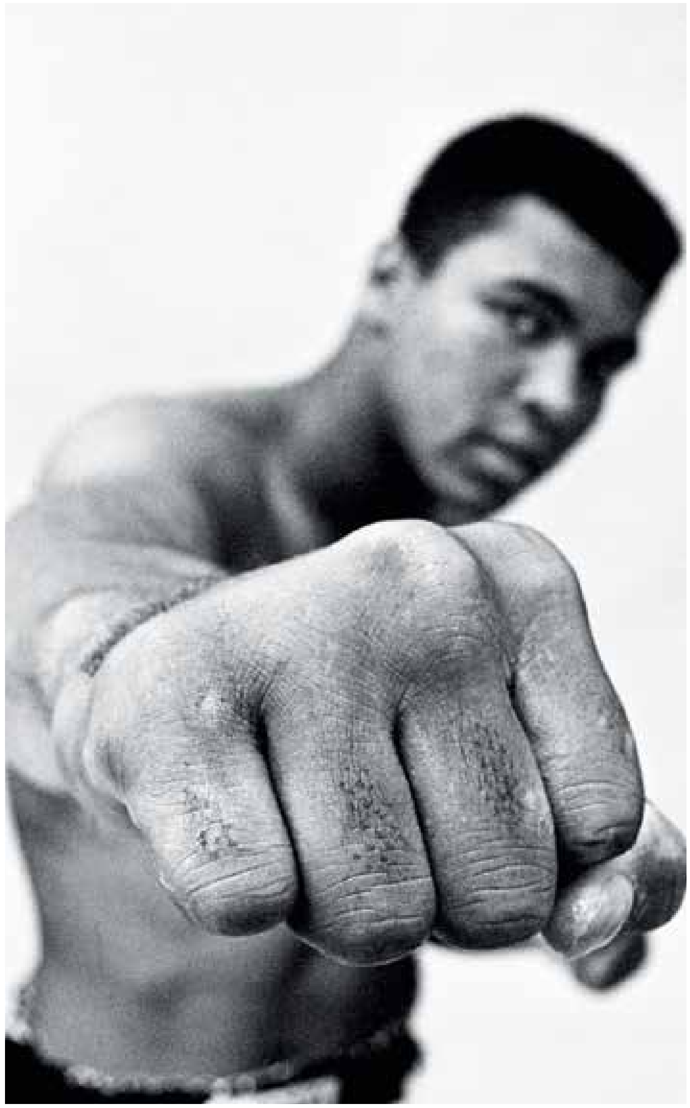
"Local companies in certain emerging technologies with long-term strategic importance – like AI, Internet of Things, new energy vehicles, robotics, new materials – receive the full resources of the state. That makes it hard for American companies to compete."

On the other hand, businesses seem to be shrugging off uncertainty from the Trump administration's trade relationship with China, and Chinese companies remain eager for US deals, Jarrett says. "Many Chinese see Trump as a president sympathetic to investment, given his focus on job creation, and there are plenty of US states that eagerly welcome Chinese investors. Yes, there is some anxiety growing among Chinese investors looking to make technology acquisitions, but that is specific to that industry."

More important to the Chinese investors, he says, is the scrutiny from the President Xi administration's recent tightening on offshore investment flows, which has at least temporarily reduced cross-border M&A activity. "This has been very significant indeed," Jarrett says. "The number of deals has dropped, the size of deals is much smaller, and deals are taking longer to close."

For a full transcript of our interview with Kenneth Jarrett, visit *www.brunswickgroup.com/review*.

***Rory Macpherson**, a Partner, and **Anne Bark**, a Director, are based in Brunswick's Shanghai office.*



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"The Greatest" as CEO

Muhammad Ali was a role model, but not as a business leader, says his biographer

"YOU THE BOSS WITH THE HOT sauce!" Drew "Bundini" Brown once shouted at his employer, Muhammad Ali, as Ali stepped across the ring to begin a fight.

Ali was indeed the boss. He ran a multi-million-dollar sports and marketing company, employing his corner man Bundini Brown and dozens of others at any given time. Unfortunately, though, when it came to business, Ali was decidedly not the greatest. While his workers adored him, he made consistently poor decisions, burning through cash, investing foolishly, and hiring workers and advisors who routinely ripped him off.

At the start of his professional career, when Ali was still known as Cassius Clay, he didn't have to be the boss and didn't want to be. He turned over business decisions to a group of wealthy white businessmen from his hometown of Louisville. The Louisville consortium kept the mafia and the IRS away from Clay, and Clay quickly became one of the highest-paid athletes in America.

But in 1964, when the boxer joined the Nation of Islam and accepted the name Muhammad Ali, he took more control of his career. The results were ugly.

Ali's entourage grew. "What does he do?" became a common question in the fighter's training camp, as new employees showed up in a seemingly endless parade, their duties unspecified, salaries to be determined. Ali liked it that way. He liked company. He liked chaos. Budgets were for ordinary people, not world champions. Only late in his career did Ali understand that business expenses were tax deductible. Similarly, it was not until too late that Ali learned he could purchase health insurance for employees; for years, he paid their bills out of his own pocket.

Ali's poor business decisions had devastating consequences. In 1974, after defeating George Foreman in Zaire, Ali was urged by some of his most trusted advisors to retire. Instead, he kept fighting, even when he knew that boxing was causing cognitive damage. He went on, like so many others, because boxing was the thing he did best – and the thing that paid him best. Sadly, at the age of 39, Ali still needed the money, and he was still fighting.

Would he have been better off if he'd recognized his limitations and let someone else be the boss of his enterprise? Perhaps. But Ali's greatness sprang from his refusal to do what others expected. That was his secret power. That was his hot sauce. I doubt that any boss was ever going to change that.

***Jonathan Eig** is a former senior special writer for The Wall Street Journal and the author of several books, including the newly released* Ali: A Life *(Houghton Mifflin Harcourt) and two other acclaimed bestsellers,* Luckiest Man: The Life and Death of Lou Gehrig, *and* Opening Day: The Story of Jackie Robinson's First Season, *both published by Simon & Schuster.*