

# Trump elect An international business reaction

Global Business Voice: The AGN Global survey on topical business and commercial issues impacting the SME

# ▶ Trump elect

## An international business reaction

November 2016

AGN “Global Business Voice” is a quick fire poll of senior and respected business advisors from some 40 independent accountancy and financial advisory firms based in the major commercial centres across the world.

Our ‘opinion leaders’ are a powerful proxy for gauging the views of small and medium sized (SME) businesses on emerging issues that are impacting the global business agenda right now.

Our latest Global Business Voice survey tackles the US election, the surprise result and its impact on SME’s around the world.

In overview, nearly two thirds of our global panel think that the election of Donald Trump could be less positive for SME business globally than if Hillary Clinton had secured victory – a view shared equally in North America and around the world. Similarly downbeat, just over half of the panel believe that business trade opportunities between the US and other countries will now decrease. However, interestingly in this case, a third of the North American panellists thought the opposite.

With specific reference to the President Elect Trump’s tax proposals as stated during the campaign, views were also split. 81% of the panel believe that plans to reduce US corporate tax from 35% to 15% would only have moderate or low impact on capital and employment leaving the US for low tax low wage economies. But, 19% (and as high as 44% in North America) thought the opposite, and that policy would have a big impact.

Probing this further, we asked if the panel thought that the policy might encourage foreign businesses to set up and invest in the US. 49% (and over two thirds in North America) thought this wouldn’t happen, but again a smaller but significant element of 36% thought it would.

When asked does the US represent the same positive example of the land of opportunity for capitalism that it did 20 years ago, our panel was once again split: 68% said no, but the “yes” voice was significant, at 32%. An eye catching result was that a full 50% of the panel thought that the policies designed to protect the US economy, or encourage inward investment would actually result in US economic retraction rather than expansion, and this was as high as 62% of North American panellists.

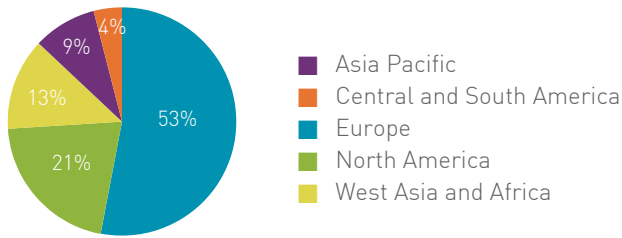
**AGN Global CEO Malcolm Ward** said: “Businesses do not respond well to uncertainty. I think this is why the AGN Global Business Voice panel is in overview somewhat pessimistic about the impact of the Trump agenda on SME businesses globally. However, the underlying reasons are much less clear at this stage, and at the moment panellist hold opposing views on many matters of detail. It is also interesting that there are significant spikes of optimism, for example about the effects of low tax policies.

Perhaps the overall message is that, after this of all elections, business people are unsure what to expect. An overall downbeat assessment is therefore virtually inevitable, but the picture could be very different in 12 to 18 months time when policy intentions start to clarify and the administration gets into its stride”.

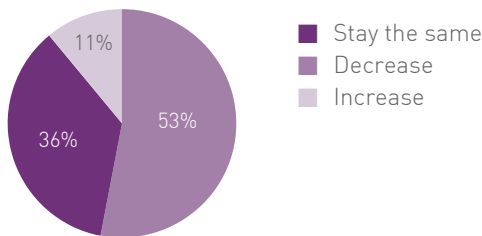
# The survey



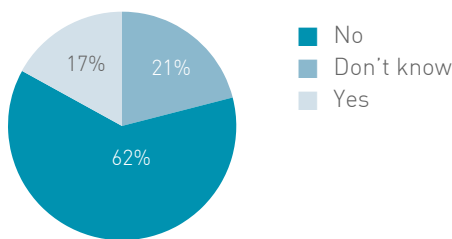
## Participants' AGN region



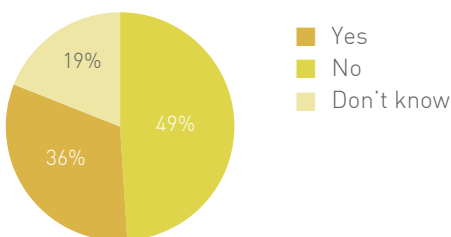
**Q1: Do you think business trade and export opportunities between America and other countries will change due to the election result? Will these opportunities:**



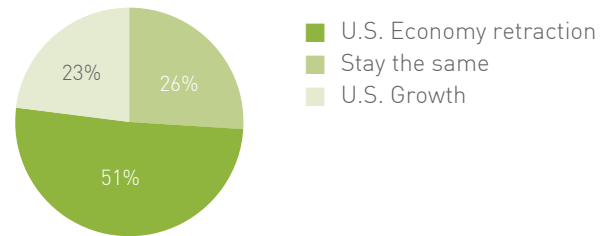
**Q3: There is now a new President Elect. From your perspective do you think this is the best choice of candidate for small business around the world?**



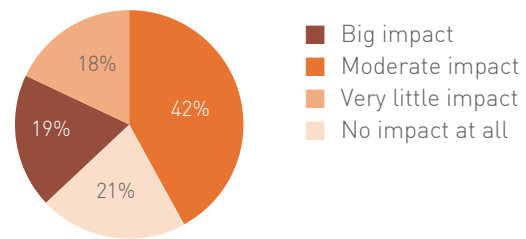
**Q5: Are we likely to see the impact of this tax policy in countries outside the U.S., eg encouraging entrepreneurs to leave and to set up in the U.S.?**



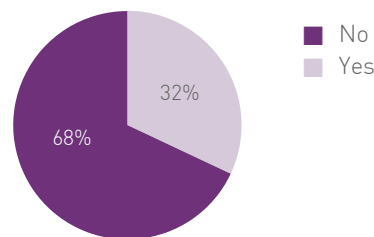
**Q2: Do you think the proposed policies to protect the American economy from overseas economies will lead to:**



**Q4: Will President Elect Trump's strategy of reducing the US corporate tax rate from 35% to 15% have a material impact on capital and employment leaving the US for low tax, and/or low wage economies?**



**Q6: Does the U.S. now represent the same positive example of the land of opportunity for capitalism that it did 20 years ago?**



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