

Protectionism would be 'disaster' for autos: Renault-Nissan's Ghosn

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Renault-Nissan chief Carlos Ghosn warned Thursday that protectionist trade policies could spell "disaster" for an automotive sector that depends on open borders for a complex supply chain.

Ghosn, speaking at a forum on the future of mobility, said automakers depend on parts and technologies that move freely around the world.

While he did not specifically mention President Donald Trump, the comments came as the new US administration has threatened to impose taxes on imports, and vowed to move unilaterally to attack what it sees as unfair trade practices rather than using global forums like the World Trade Organization.

Trump's "America first" agenda includes pressing manufacturers to produce more goods domestically, rather than sending US jobs offshore.

But Ghosn warned that supply lines for automakers cross borders.

"On average a car has 3,000 parts and these parts are coming from all over the world," Ghosn told the forum at the tech incubator 1776.

"When people talk about development of protectionism—for carmakers it's a disaster because the whole supply chain has been built on open borders."

Ghosn, who recently announced he is giving up the CEO job at Japan's



Nissan to take the reins at Mitsubishi Motors, while remaining chairman of Nissan and the top Renault executive, said the auto industry is becoming increasingly borderless as it moves into advanced technologies such as <u>autonomous driving</u> and improved connectivity.

"We are using technology from companies coming from everywhere," he said.

Ghosn told the audience the <u>auto industry</u> is going through rapid changes that will be on the road in the near future.

"The car of tomorrow is going to be very different from the car of today because there are so many things that people are expecting from it," he said.

Within a few years, a growing number of vehicles will be largely autonomous so motorists can decide whether they want to take the wheel or let the car drive itself.

"You can videoconference, you can email, you can see a movie, you can consult your doctor," he said.

"This is not 'Star Wars' technology you'll see in 30 years, this is going to happen very soon. This is something that will be coming to the market in the next five years."

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