

France, Japan uphold auto alliance amid Ghosn crisis

December 1 2018



French President Macron Japanese PM Abe have called for maintaining the stability of the Renault-Nissan-Mitsubishi alliance

The leaders of France and Japan on Friday stood by the Renault-Nissan auto alliance despite ructions from the arrest of its chief executive, officials said.

President Emmanuel Macron and Prime Minister Shinzo Abe met on the sidelines of the G20 summit in Argentina hours after a Tokyo court extended the detention of sacked Nissan chief Carlos Ghosn.

"The president for his part recalled his commitment that the alliance be preserved, as well as the stability of the group," a French official said.

The partnership also includes Mitsubishi Motors.

The Kyodo news agency quoted a senior Japanese official as saying Abe stressed the importance of all three companies "maintaining their stable relationship".

But the fate of the group should be decided by "private businesses", and that "governments should not commit to how the alliance should operate going forward", the Japanese premier said, according to the official quoted by Kyodo.

Macron is well versed in the sensitivities of the car-making partnership. As a young economy minister in 2015, he triggered a crisis in the alliance by increasing the French state's stake in Renault, which rattled Japan.

The move doubled the French state's voting rights, alarming the Nissan side, which saw itself at risk of coming under French control.

Paris subsequently reduced its stake in the alliance.

The rules of the partnership state that Renault chooses the [alliance's](#) CEO, who wields a tie-breaking vote in board decisions, while Nissan names the deputy.

Ghosn was arrested on November 19 amid allegations he under-reported

his salary by millions of dollars over five years.

Ghosn denies any wrongdoing.

© 2018 AFP

Citation: France, Japan uphold auto alliance amid Ghosn crisis (2018, December 1) retrieved 23 April 2024 from <https://phys.org/news/2018-12-france-japan-auto-alliance-ghosn.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.