# sustainable japan

Banker sees virtuous psychology-finance loop to low-carbon future

## Goldman partner Ben Ferguson in it for long term

#### Name: Ben Ferguson

Title: Head of Goldman Sachs Asia Pacific Equities and co-head of Japan

**URL:** www.goldmansachs.com/japan/ Hometown: Cleveland, Ohio Years in Japan: 23

#### **Leaders & Readers**

JOE MUNTAL CONTRIBUTING WRITER

In 1998, Japan's government began implementing its "Big Bang" financial reforms, a three-year program to open up financial markets to foreign investors. That same

year, Ben Ferguson, an American who had

just graduated from university, got his

start at Goldman Sachs Japan. Growing up in the 1980s, Ferguson developed a fascination with Japan, which at the time was a target of scorn for many



Ferguson's motto is Douglas MacArthur's quote, "even when opportunity knocks, a man still has to get up off his seat and open the door."

Americans. The U.S. seemed to be on the losing side of an intense economic rivalry with the country, and Toyota and others were being blamed for stealing car sales and U.S. jobs. Television stations aired reports of outraged autoworkers smashing Japanese cars with baseball bats.

"Japan was an enigma to me growing up in the Midwest," he said during an interview via Zoom. "I really felt like I had to figure out what was happening. I was intrigued by Japan and their economic

Ferguson's desire to understand the economic dynamic between the U.S. and Japan has since flourished into a nearly twenty-five year career in the financial industry.

When asked about what has kept him in Japan, Ferguson cited the endless discoveries and challenges that come with the culture. "It felt like I had jumped on a spaceship and gone to a different planet," he said. "I found every day fascinating. There was an incredibly steep learning curve, whether in terms of language, society or culture. All those things made every day feel like an exciting new challenge, and I think that sense of reward is what kept me in Tokyo."

When Ferguson graduated, he sought out employment. However, his job search was a bit unusual. Rather than cast a wide net in search of prospective employers, he set his sights on one firm. He would only settle for a job with Goldman Sachs.

"I made one of those terrible decisions to put all my eggs in one basket and apply to one firm. I was focused on getting a job at Goldman. I wasn't going to take

no for an answer," Ferguson said before revealing that he had indeed received "no for an answer a few times for different

In 1998, Ferguson finally landed a position at his dream employer as a financial analyst in Tokyo on the convertible bond desk. His introduction to the financial industry brought an immense amount to learn. "It was like drinking from a firehouse when I joined the firm," he recalled. "Every day you were learning, and it was as if the people around you were speaking a foreign language. In my first year in the industry, I thought they were going to tap me on the shoulder and say, 'Hey, sorry, we got the wrong Ferguson."

Ferguson entered Goldman Sachs with an interest in development economics. He wanted to understand which economic models drive growth, and how countries emerge from poverty. As he familiarized himself with the industry, however, he shifted his interest to the "micro side" of the field: why some businesses succeed and others fail, and why markets respond in certain ways. These questions have been a source of intellectual stimulation for him throughout his career. "I wanted to be in the industry as long as it was interesting and challenging, and it never ceased to be," he said.

A through line in Ferguson's interests is the relationship between finance and psychology. He noted how belief in a company's success or failure among investors can lead to significant, tangible outcomes. As an example of this dynamic, he cited a recently listed technology company with a market capitalization already in



HIROMICHI MATONO

the billions despite having only recently turned a profit. "Even a small amount of dilution (when a company issues new shares, reducing the ownership percentage for existing stockholders) basically wipes out all of the company's debt," he explained. "If you rewind 10 years, there were moments when they had a very levered balance sheet and there were questions of whether or not they were going to make it. Now they are one of the

most valuable companies on the planet that's psychology."

The relationship between psychology and finance will play a significant role in the transition to a low-carbon economy, he said. "There's this virtuous loop that's starting to kick in now. At the most basic level, megabanks don't want to be seen lending to project finance that's developing coal plants or palm-oil-burning plants in Indonesia. All these banks have share-

#### One semester in 1993, and still here

Ben Ferguson is the head of Goldman Sachs Asia Pacific Equities and co-head of Japan Securities Sales. He joined the firm in 1998 as a financial analyst on the convertible bond desk and was named managing director in 2005 and partner in 2008.

He has since served in various roles in Tokyo, including as head of Asia Flow Equity Derivative Sales, co-head of Core Japan Equity Sales and co-head of Hedge Fund Sales, and served as co-head of Asia Pacific Ex-Japan (APEJ) Equities Distribution, based in Hong Kong, from 2012 to 2015 and in his current capacity from

In 1993, he came to Japan for the first time to study at Sophia University's Japanese Language Institute. He had intended to stay for only one semester, but one semester turned into two years, and his passion for the country impelled him to return after completing his bachelor's degree at Pepperdine University in Malibu, California, where he studied finance and economics.

holders that don't want to be seen as driving things that will have negative effects for the environment and for climate change."

Ferguson explained that these psychological tailwinds, which effective government policy can accelerate, will result in more available capital for renewable projects such as solar and wind, and less for projects that do not meet ESG (environmental, social and governance) standards.

This incentive alignment between finance and sustainability has given Ferguson a new perspective on his career. "The cynic thinks that banks will do what's in their own interest, and while there's some truth to that statement, the beauty of this is that our firm's interests align perfectly with driving ESG. There's no shame for us in pursuing our interests as it helps address a pressing need in society'

### the japan times

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## At 2020 Games, NTT made watching events remotely feel live

#### **ESG/SDGs**

MAIKO MURAOKA CONTRIBUTING WRITER

Spectators heard many athletes express appreciation in postgame interviews for Japan holding the Olympic and Paralympic Games even before they thanked their families and supporters. No one in the world had ever before done or witnessed anything like Tokyo 2020. It was a tremendous challenge for those who strove to make it happen, including NTT Corp., a leading telecommunications company that sponsored both the Games and the Olympic Torch Relay as a Tokyo 2020

Gold Partner. NTT proved its power of technology and how it can connect people, starting with its torch relay support. It used trailer trucks with huge LED screens to display messages, pictures and videos from across the nation to cheer the torchbearers. This turned out to be especially effective in a situation where the COVID-19 pandemic worsened daily as the relay proceeded. In some places, no roadside spectators were allowed, and in others — including Tokyo — the relay did not take place on public roads at all.

NTT staff members supporting the relay did not stop there — they did not forget about the prospective torchbearers who became unable to take part because of changes in routes and plans. NTT created a movie for each such runner, with messages and videos submitted for that particular person.

"Remote cheering had already been the main part of the project from the beginning, but we had not imagined a situation



in which some runners could not run. So that was our impromptu idea," said Isao Yoshikawa, a director of the 2020 Projects,

Strategic Business Development Division.

As part of the torch relay, two major celebration events presented by NTT took place in Yokohama and Osaka, showcasing NTT's virtual and remote technologies. Daily celebration events for runners and local residents also were full of entertaining features such as a virtual reality tour of the National Stadium in Tokyo.

The events in Tokyo and Osaka, initially planned to accommodate 5.000 people each, also had to be conducted with almost no spectators. NTT quickly switched to online distribution using Realive360, a video streaming service that offered real-time 360-degree views of the stage. NTT also used holographic technology to let people in different places interact virtually. The total number of viewers reached 100,000.

During the Games, NTT provided not only the network and systems for conducting and broadcasting competitions but also many innovative solutions for making the Games interactive and inclusive.

Spectators' cheers are what encourage athletes the most, especially in long and solitary races like marathons. However, almost all the games of Tokyo 2020 were conducted without spectators on site, and marathons were no exception.

NTT set up LED displays stretching for about 50 meters along the Olympic marathon course in Sapporo and also at a venue in Tokyo. The long displays in Tokyo let selected officials and staff members who gathered to send cheers see the runners in real time and feel how fast they

The torchbearer, Akihito Tanaka (from the visually impaired soccer team), and the 2020 NTT trailer displaying messages of encouragement for the torchbearers traveling in each region.

were running. The roadside screens in Sapporo displayed suppoters cheering for runners as they passed. Thanks to technologies developed by NTT, video processing and transmission times were minimized, allowing video of 4K quality with a delay of only 20 mil-



The Tokyo 2020 Real-time Remote Cheering Project displays the real-time support from **Tokyo to marathoners in Sapporo.** NTT

liseconds. This enabled both remote supporters and runners to feel each other's presence even in a situation where crossprefectural travel was discouraged and people were asked to refrain from cheering along roadsides.

At some of the Olympic badminton matches, NTT used its Kirari! technology to capture the shapes and motions of players and transmit them as holographic live video in real time, enabling remote spectators to watch as if they were in the

stands. "There is a real badminton court, just like the one used at the matches, and the three-dimensionally extracted shapes of players and the shuttlecock appear and move on the court," said Shinsuke Awano, another director of the 2020 Projects, Strategic Business Development Division.

These are only some of NTT's technologies that contributed to the Games. None of them will forgotten or neglected now that the events are over — they will con-

tinue to evolve and expand. Through these unprecedented Olympic and Paralympic Games, NTT demonstrated to the world how technology

can contribute to enriching people's experiences and lives.

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