

# ANOTHER ANGLE

By John Ashton

**Are you scared? If so, you're not alone, at least judging by all the people trying to make you worried about China these days.**

There's the giant sucking sound of our jobs vanishing into Chinese sweatshops; the gurgle of intellectual property being hijacked as China passes us in the race to knowledge-based Nirvana; the hiss of 'our' Russian gas, heading Eastward instead.

There is no more powerful dynamic at work in the world than the transformation in progress in China. But our defensive reaction says more about Europe than it does about China's re-emergence as a global force.

None of the spectres haunting us has much substance. What is happening in China is more an opportunity for Europe than a threat. And though there are dangers, they are not the ones we are usually invited to lose sleep over.

The real issue is the impact of China's development on the underlying conditions that allow Europeans to enjoy secure and prosperous lives. The challenge is to build an engagement in which we invest jointly in those conditions, in which China has an equal interest. Our success will do much to determine whether we spend this century responding to unpleasant events beyond our control, or making interdependence work globally as it now does in Europe.

Take energy. A serious Europe-China partnership could shift investment into a new generation of efficient, low-carbon infrastructure. That could fix the template for a new energy economy capable of meeting the world's energy needs reliably without destabilising the climate.

European and Chinese interests coincide. We both want less dependence on imported oil and gas. We both need climate security. We both need zero-emission coal technologies in our energy mix. Because China is deploying capital so

fast, it offers the quickest means to bring new energy technologies to maturity, for deployment in Europe as well as in China.

A strategic energy partnership would harness the world's biggest market to its fastest growing economy, accelerating the infrastructure transitions we both need. It would build expanding markets in an innovation-rich sector at the heart of our Lisbon aspirations. It would open new political space for a global deal on climate, by showing how climate security and energy security can be achieved together. It would benefit European companies. It would foreshadow a sustainable global economy, unshackled from non-renewable resources from unstable regions.

China wants this conversation. It believes in Europe more than we do ourselves: from Beijing, a world influenced by European soft power looks more attractive than one chiselled by the harder US variety. Chinese leaders know the energy crunch they are grappling with threatens their stability.

This is just part of the broader China opportunity. We need a successful, stable China to offer the returns on investment that will fund our pensions. We need a globally-responsible China confident that it can achieve its goals better through transparent multilateralism and the international rule of law than by sweet-heart deals with dictators. We need, through our engagement, to strengthen the hand of those in China who see China's interests in similar terms.

There is a barrier to European diplomacy at this level of ambition. We will not summon the necessary political or financial capital without a more confident and outward-looking sense of purpose for the European project itself. Unless we do this we will not meet the aspirations, nor defuse the frustrations, that European citizens express on the streets and in the ballot box.

This is not merely about designing good



**'A strategic energy partnership between Europe and China would harness the world's biggest market to its fastest growing economy'**

policies. It requires above all an exercise in political mobilisation, to build and animate the coalitions necessary to support those policies. It demands leaders who understand that in the new landscape created by globalisation, Europe must see itself anew in the mirror of the world.

We built the European project because history taught us that in an interdependent continent the only way to guarantee security and prosperity was to share sovereignty. We found we could do this without undermining the diversity of cultures and identities that we equally cherish. The EU became the ultimate weapon of mass construction for our region. We now need the vision and the courage to connect this hard-won experience to the realities of global interdependence.