

Europe's challenge for the next ten years is to remain competitive as income and trade patterns shift

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*The coming decade will see patterns of trade and investment move towards Asia, and with this movement, new challenges to Europe's prosperity. **Margot James MP** shares her views on 'Europe in the world in 2023' – which was the latest topic discussed in the Foreign Office's series of Jubilee Dialogues. The recent dialogue discussed the spread of economic power and influence of emerging countries and explored the impact on Europe.*



Ten years ago, the world was a very different place. No one had heard of Twitter and there was no Facebook. Ten years before that, we didn't even have the World Wide Web. Given the pace of change, what will the world look like in ten years' time, and what does this mean for Europe?

How do we in Europe, remain competitive as income and trade patterns shift? How do we leverage the EU in strategic partnerships with the US, China, India, Russia and others, in a way that complements national diplomacy? How should Europe work with neighbours to encourage them on a path to prosperity? And how will we ensure our security, in a world of threats but also new opportunities to work with emerging and established partners?



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These thought-provoking questions were among many raised in a wide-ranging discussion at the Foreign Office last week, involving international experts from business, journalism, non-governmental organisations, academia and Parliament.

The discussion was the second in a series of Jubilee Dialogues organised in partnership with [Wilton Park](#). They explore political, economic, social and environmental trends over the coming years, and help to sharpen our policy by inviting challenge from outside government. I was particularly interested to hear thoughts on how Europe's trade patterns will shift over the coming decade. UN figures published this month suggest that the global middle class will grow to over 3 billion by 2020, of which over half will be in Asia.

In China alone, there are over 160 cities that have over one million people. How will this change the way we do business? During a visit to the United States last week, the Foreign Secretary delivered a speech on [international foreign policy](#) at the Reagan Library. The Foreign Secretary argued that free and open societies are best placed to make the most of changes in the world.

The Jubilee Dialogue picked up on this theme and discussed the spread of economic power and influence to more countries, many of which do not fully share our values. The position of the BRICs in relation to the G7 was raised. I predict that these new and ever more powerful countries will not want to live by the norms that have evolved over centuries; they will want to define new norms by which to live.

The EU has managed power and conflict through rules and institutions since the Second World War. Countries outside the EU and the G7, however, have been less inclined to assert their interests through internationally-accepted rules and norms. It will be interesting to see how the union of ASEAN states develop their economic potential. To what extent will they follow an EU model of pooled sovereignty and rule-making for every eventuality for their future decision making?

At the G8 Summit two weeks ago, the Prime Minister, President Obama and Presidents Barroso and van Rompuy of the EU launched negotiations on an EU/US Transatlantic Trade and Investment Partnership (TTIP). TTIP could add over £100 billion to EU GDP and over £80 billion to US GDP. The rest of the world would benefit too, with potential gains of £85 billion worldwide. Overall, TTIP could create over two million jobs across the European Union, worth over £10 billion a year to the UK, or £380 per family.

One pointer to the future of the UK's relationship with Europe came towards the end of the Foreign Secretary's speech in California last week, when he said "In this turbulent and interconnected environment, we need more engagement with the world, not less: we must build more connections with other countries, adapting our global role, not pulling back from it."

This was one statement with which all present at the Jubilee Dialogue could agree.

Europe in the world in 2023 and Britain's place within it; what do you think it will be like? I'd be interested to hear your views.

This article originally appeared on the Minister for Europe, David Lidington's [FCO blog](#)

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Note: This article gives the views of the author, and not the position of EUROPP – European Politics and Policy, nor of the London School of Economics.

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