

# What we can learn from each other

By **STEPHEN PERRY**

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**STEPHEN PERRY** is the Chairman of the 48 Group Club, the oldest UK trading partner with the People's Republic of China and one of the longest-standing in the world. In addition, Mr Perry is Vice Chairman of the China-Britain Business Council and a trustee of the Needham Research Institute. He is also the Chairman of London Export Corporation and has made over 200 trips to China, negotiating numerous joint ventures with a value in excess of US\$1 billion.

Northern Powerhouse: Manchester, the cradle of the Industrial Revolution

The visit of President Xi Jinping is a watershed in international relations, and UK-China relations in particular. He will be greeted here in the UK as a partner in so many ways – for investment in infrastructure projects, investment in British companies, fast-growing trade, and a variety of other measurements which demonstrate that China is still outgrowing the world, and the UK is growing faster with China than most.

In the early 1950s, the ambition of the 48 Group was for the United Kingdom to be always in the top three trading nations with China. Latterly, we have slipped a long way down the scale, but I am pleased to see we are now rising back up the charts.

As the Presidential car sweeps into the courtyard of Buckingham Palace, we should salute the Chinese and British engineers of this truly special, unfolding relationship and the opportunities which it brings.

The palace guards will in turn salute the President, and in the process, signal our deep welcome and wish for this reciprocal trade and investment to grow and grow. It certainly seems set to do so for the foreseeable future. The only inhibiting factor is if London should cease to be the leading centre for finance in Europe.

Provided we can maintain that important position, China will only have increasing reasons to focus on London and the UK, as the country's government continues to internationalise the renminbi.



It does not mean we have to stay in or out of the European Union, we just have just to remain the European capital of finance.

The Chancellor of the Exchequer, George Osborne, who saw the opportunities with China, based on mutual interest, knows this well, and will take the necessary steps to ensure we maintain the role we have worked so hard to create.

China has studied the UK for many years and knew what would interest the British. They have accordingly worked hard at many levels to improve relations and develop meaningful people-to-people dialogue across many areas, including sport, the arts, and education.

So, as the President moves up to Manchester he will explore the history of the world's first industrial revolution, learning how we coped with the transformation from a low-cost exporter into a modern economy. We underwent many social and economic crises in the process, but we maintained our stability. In so doing, we managed to find a balance in the distribution of wealth, and move from a predominantly working class population to a predominantly service-based economy.

The President will be fascinated to hear what we managed well – and what not so well. He will see how we managed to move the majority of our population off the land into cities, and into new areas of the economy.

China is now experiencing that same transition, from a rural to an urban way of life.

In all this he will enjoy our traditions and culture, at the apex of which is our Royal Family, embodied by Her Majesty The Queen. He will see how he and our Queen combine the most important characteristic for a leader of nations – to hear the people, to listen and respect.

In this way, they will set an example of how two different cultures and systems can find common understandings and build a special economic relationship, based upon understanding and trust. **F**