



**“The Hamburg Summit: China meets Europe”**

Closing Words

by

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Ladies and Gentlemen,  
Dear Professor Mundell,

I like to extend – on behalf of all of us – our heartfelt thanks and applause to you, Professor Mundell, for your outstanding lecture. You have expressed what I personally feel for many years – the disadvantages of our currency floating systems.

I am especially grateful that you explained your position academically which will give us business people hope that one future day the world will return to fixed exchange rates. It was very enlightening to listen to you, Sir, and to participate from your profound knowledge and experience especially but not limited to China. Your analysis of a possible or probable development of the relationship between China and Europe is a final highlight of our 1<sup>st</sup> Hamburg Summit: China meets Europe. Your proposal to think about discussions between the EU and China of the establishment of a large free trade zone sounds perhaps futuristic but likewise fascinating.

We are, dear Professor Mundell, most grateful for your participation in our conference. You have surely by now witnessed that we wish to thank our speakers individually by giving them a small gift in the form of a bottleship , especially manufactured for our Summit. In this small bottle the artist inserted a square rigged sailing ship, the “Rickmer Rickmers” –

now moored as a museum ship in our port – which has been trading between Europe and China about 100 years ago. As you can see – there is also a junk inserted - the traditional Chinese cargo carrying sailing vessel of ancient times. Please accept this small gift to place it on your desk in remembrance of our today's meeting in Hamburg.

Ladies and Gentlemen,

When a few years ago the Finnish Export Promotion Office for Germany was opened in Hamburg and the director of this Bureau was asked why his committee had decided to come to Hamburg and not to another city in Europe, his answer was:

*“Well, it's very simple:*

*We just had to go where the trade is!”*

You, Ladies and Gentlemen, also knew “where the trade is” – and allow me to add: “where the trade with China is” – when you decided to come to Hamburg for our first “Hamburg Summit: China meets Europe”.

Throughout the last two days, approximately 400 decision makers from 12 countries discussed with enthusiasm a wide variety of current political and economic issues, which open up our minds and which gives all of us many new views to think about.

In summing up the Summit's results, I like to stress the following points:

- First: China's further integration into global politics and into the global economy is inevitable.

The People's Republic is on its way to becoming a large global player.

This is true for foreign politics, but above all it is true for foreign trade.

No one should make the error of ignoring China's growing influence. We have heard from the panel discussion that perhaps WTO needs China more than China needs WTO. The consequence is that it is a primary task for politicians, world wide but also for entrepreneurs to pro-actively involve China as partner in all international and transnational issues.

The European Union should view the People's Republic as a strategic partner and give impulses in order to forge a beneficial relationship of equals.

Realistically speaking for the time being, there is regrettably no purely European way of doing business with China and of jointly representing our interests vis-à-vis the central government in Beijing.

**In this respect, national interests still are predominant within the EU.**

This certainly has to change.

**We do need a common European position when it comes to the key issues that are to be discussed and solved with our Chinese partners!**

- Second: China is definitely a must for most European companies. For some firms facing growing competition from China, it is a question of survival to arrange partnerships with Chinese firms.

We Europeans have to be aware that we need to work harder to keep up.

The People's Republic is constantly opening up its markets for foreign businesses, and companies in Europe, the US and from all other parts of the world can benefit from that, if we use our chances.

The process of opening up, which is a direct result of China's accession to the WTO, holds plenty of new opportunities in store.

They should not be missed!

- Third: The European Union should support the Chinese government in its endeavors to reform the economy and establish a stable society. All speakers and panelists of "The Hamburg Summit" unanimously pointed out that there still is an enormous need for reforms in the People's Republic in its present situation of a developing country.

The banking system needs to be freed from old bad loans in order to bring it up to international standards. A stable social security system which needs to be established is of utmost importance. The social gap between the rich provinces in the South-Eastern part of the country and the Western provinces still tends to grow. Finally the need for a broader political participation and a more open society on the basis of law and order is a tremendous task for the Chinese political elite.

The Chinese government has demonstrated its capability to successfully keeping the economy growing and creating political stability on its way to a real market economy.

The European Union has a lot of experiences which it can share with China, for example in creating a long term sustainable social welfare system and successfully coping with problems of social disparities.

It is exactly the aim of "The Hamburg Summit" to offer a forum for China and Europe in order to exchange ideas and experiences for the benefit of both sides in the spirit of our joint power of partnership.

Ladies and Gentlemen,

The first "Hamburg Summit: China meets Europe" was a remarkable success as far as the quality and quantity of speakers and participants is concerned.

Our Chamber of Commerce will therefore organize the second "Hamburg Summit" in autumn 2006. Since logistic infrastructure is a "hot topic" already today for Chinese-European business and will become even more important in the future, we decided for the second "Hamburg Summit" to put a special focus on logistics-related questions.

Ladies and Gentlemen,

dear speakers,

dear delegates,

Thank you very much for participating in our first "Hamburg Summit: China meets Europe" and for making it a success. I heard many of you saying that our organization was to their satisfaction. And I agree because we owe this two very professionally acting Ladies, Mrs Hauer and Mrs Nienstedt. On behalf of all of you, Ladies and Gentlemen, I wish to thank both most cordially for their handwork. It was worthwhile because many participants promised to come again in 2006. You have done a wonderful job. Thank you so much.

I now invite you all for lunch and declare the 1<sup>st</sup> Hamburg Summit: China meets Europe closed.

