

OMFIF China-UK investor forum

4 December 2024, London

Opening remarks: David Marsh, Chairman, OMFIF

Welcome to you all.

This is the third OMFIF China-UK forum. It comes at a time of strain and tension in world politics and economics. As we have said before at these gatherings, we will try to concentrate on practicalities – especially the questions of economics, money, trade, finance, industry and investment, which are the specialities of OMFIF.

At the outset, I would like to thank all who played such a big role in this conference. Especially our sponsors and the many tireless organisers, above all my colleagues at OMFIF, who have been labouring for weeks and months to bring us together.

The relationship is a complex one. Let me say what I have said before: where there are interests, let us show respect. Where there are differences, let us try to understand and, if possible, overcome them. Where there are common points of view, let us build on them. And, above all, let us engage openly with each other.

Which is what we seek to do today in a very broad array of speeches and panel discussions on the big themes of the joint relationship.

It has not been a good year for incumbent governments, as the disarray in Germany and France, the biggest economies of the euro area, reminds us. And, with the continuing horrific conflicts in Ukraine and the Middle East, it has not been a good year for those upholding jaw, jaw rather than war, war.

We have a new government in the UK guided by pragmatism, which has been trying to breathe new warmth into Sino-British relations.

In pre-Trump Two America we read the runes emanating from Palm Beach: so far, in relation to China, the president-elect seems to be keeping open room for manoeuvre. Not ‘decoupling’ but ‘escalate to de-escalate’ may turn out to be the order of the day. A year ago we were speaking about the welcome deflation of the mysterious Chinese balloon, this year we are speaking about the welcome reflation of the Chinese economy – and whether President Xi is keeping more up his sleeve in bargaining with the new incumbent in the White House.

There will be plenty of that in store.

One positive effect of Mr Trump may be to encourage China to invest in US factories. And to rely less on investment-fuelled exports and more on internal consumption. This much-discussed shift was in evidence up to the time of Covid-19. Perhaps Trump will tantalise back the transition.

In this dance between the superpowers, could Britain be go-between, rather than trampled-on? Still more figuratively: serving the food, or even maitre d’ – rather than on the dessert course?

Whatever happens we must not lose sight of the economic mismatch. The Chinese economy may have slowed. But in the five years since the last UK-China economic and financial dialogue in 2019, China’s GDP in current dollar terms has risen by an amount roughly equivalent to the whole of the UK economy in 2024.

So if the UK and China are to prosper together, Britain will have to choose very carefully, perhaps in concert with our European partners, the fields of engagement where it can make a difference.

I hope that this conference can play a part in narrowing down these choices, and it will be an enlightening and enriching experience. In this constructive spirit, I have great pleasure in declaring the conference open and handing over to Ambassador Zheng. Thank you all for being here.