



PES AND CHINA SEMINAR

20 March 2006 –Brussels, PES Headquarters

2nd Session: "Social dimension of globalization, Europe and China's response"

Dear colleagues,

Good afternoon. I am very pleased to be here to moderate this second session of our seminar on China, named: "Social dimension of globalization, Europe and China's response".

As you all know, and it has probably been already said, China is today the first world's population and fourth world's economy. The rapid economic development of this country over the past 20 years has had a significant impact on China-EU trade and economic relations. In fact, boosted by the changes in the 80's, now China is also the European Union's largest trading partner.

Furthermore, alongside its UNSC (United Nations Security Council) membership, China is a WTO (World Trade Organization) member since 2001, so this country has become an economic and political superpower which bears more responsibilities and duties on the international scene. As a result, it has great influence not only on today's world economy and on the sustainable and equitable development of Europe itself, but also on the international globalisation.

In fact, Chinese economic expansion brings enormous beneficial possibilities, but also raises legitimate concerns for the citizens. It gives this country greater responsibility in the Asian and global region, which makes crucial that China be committed to improve international stability and prosperity, as well as support multilateralism, and respect of international rule of law.

On the other hand, the EU and China are bringing closer their relations in terms of political, trade, economic, scientific and cultural aspects. Indeed, China today is experiencing challenges which Europe started to tackle a number of years ago in areas such as the environment, the internal market, or competition.

By the moment, the EU is demonstrating its willingness to share this experience with China. And China has showned its interest in using the best EU models and practises in these policy areas. As a result, Sino-European relationship has grown very quickly in many fronts, and doing so by exploring new areas of common interest, exchanging know-how.

And in this context, with the increasing public disquiet about the impact of globalisation, there is a need for us, European Socialists, to develop a proper policy and reflection on the main issues of concern, with the aim of finding a response to offer to the citizens.

In this session, we will have the opportunity to debate on the social dimension of globalization, which actually means speaking about employment, social standards, environment, sustainable and equitable development, social security, as well as about international solidarity and responsibility.

In concrete, the internal development of China, the lack of democratic rules, the lack of respect in human rights and worker's rights and its consequences, as well as the environmental problems and the growing inequalities, are issues to be addressed.

In this field, the European socialists could bring our values and experiences, and should be able to develop even a more constructive dialogue with China, encouraging the country to promote full democracy, to respect the Human Rights, to respect ILO (International Labour Organization) Fundamental conventions and to improve social standards.

Indeed, our dialogue with China could also make for better mutual understanding between this country and the EU.

Given the extent of the economic and demographic changes taking place, both Europe and China should reform and modernise its social systems. Indeed, to combine growth and social progress, these countries, yet at different levels, should carry out appropriate reforms of its market and social system. One example, the high level of external migration expected in the first case -Europe-, and of internal migration expected in the second -China-, requires them to face the social and economic challenges of the future, neither by reducing the social standards nor by bringing the salaries down, but by improving on health, educational and in general social systems.

The European Union has agreed on the goals of the Lisbon Agenda. Indeed, thanks to the socialist contribution, the EU has established a socialist market economy based on the European social model that, with the aim of achieving the goals drawn by the Lisbon strategy, uniting competitiveness, employment and social cohesion, can be a positive and helpful example of the defence of an harmonious development, to ensure the best possible living standards for all the population.

Another important issue to address is the enhancing of the position of women around the world, not only in the labour market, but more in general in the public sphere, promoting equitable rules in case of social and cultural male dominant traditions.

On the other hand, China's increasing need of energy has significant repercussions on global markets and on environment. Nowadays, environmental protection is seen as a major international challenge, since it can make to tackle the challenges of climate change and poverty eradication. Strengthening international cooperation between China and the EU in environment and energy is key for achieving a sustainable energy future and to assure better living conditions of the entire world population. And in this field, China has also an important role to play, not only in finding an effective solution to global warming, but specifically in reducing fossil fuel use.

Socialists in Europe have also contributed to a balanced regional development, being conscious that unbalanced development would entail great dangers for internal and external security.

Some concern exists over regional development disparities emerging in China, particularly in relation to the urban/rural model. Achieving balanced development is already an explicit goal under China's economic policy. And in this area, the EU has a wealth of experience launching addressed policies to disparities in regional growth, which China should take into consideration.

China and EU are both major players in international trade. Their policy makers are fully aware of the benefits of free and open markets, but it is important that we, socialists, emphasise also the social and regional considerations, which play and must continue on playing an important role in decision making. After the entrance of China in the WTO, several problems have emerged in many European economies. However, the liberalisation in the era of globalisation cannot be a problem. As I have already mentioned: the problem is the lack of labour rights, and especially when this lack becomes an element of world competition.

With the celebration of the Olympic Games 2008 and the World Fair in Shanghai in 2010, China has a great opportunity to improve its commitment with the social and environmental international standards. In the meanwhile, since China's rapid economic development has not been accompanied by progress in political and civil rights for the population, the European socialists must carry a more intensive political dialogue with both, the civil organizations and the government, ranging from human right matters to regional and global security issues –with the

view focused also in Japan and India-, to pave the way for a more prosperous and better future not only for the Chinese population, but for all the region.

To finish, we should enhance dialogue and cooperation in the field of education and culture, to improve also our mutual knowledge and contribute to the alliance of civilizations that can be crucial for a peaceful management of the global sphere.

I am sure that my colleague, Harlem Désir, Vice-president of the PES Group, will develop these challenging issues on the international social dimension which the European Socialist should tackle from now on.

Thank you very much for your attention.

The floor is yours, Harlem.

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