

Media release: Wednesday, October 4: Strict embargo 10.30am

***CHINA AND EURASIA'S ENGAGEMENT WITH EUROPE - AND JOBS THAT CAN COME FROM IT - IS 'BIGGEST STORY IN TOWN' FOR WORLD ECONOMY, SAYS GORDON BROWN**

***WORLD NEEDS REFORMED GLOBAL INSTITUTIONS SUCH AS WORLD BANK AND IMF TO ENCOMPASS THE RISE OF CHINA, FORMER PM TELLS SILK ROADS CONFERENCE**

***ANTI-GLOBALISATION POPULISM WILL GROW UNLESS ASIA, EUROPE AND AMERICA CAN DEVISE 'RULES OF THE ROAD ' FOR LIVING TOGETHER**

China and Eurasia's engagement with Europe - and the potential for a jobs boom - is the 'biggest story in town' for the global economy, Gordon Brown said yesterday.

Delivering the keynote address at the Sustainable Silk Roads Conference in University of Edinburgh's McEwan Hall, the former Prime Minister said:

"I fear for the stability and prosperity of a world where North Korea is acquiring nuclear weapons, where the American-China relationship is faltering, where protectionism remains on the rise, where the West remains divided and where globalisation is leaderless and lacks a human face.

"But the fourth industrial revolution IS underway, creating opportunity and insecurity in equal measure.

“China has said that it will shed 80million manufacturing jobs between now and 2030 as the country moves out of low-cost manufacturing and begins to specialise in higher-value products and services.

“The \$900billion investment China is making in the new Silk Road from China to Europe will create jobs in Asia and Eastern Europe and, with stronger transport links by road, sea and air, will enable the United Kingdom and the European Union to sell to an Asia continent which will be responsible for 40 per cent of all consumer spending during the 2020’s.

“Eurasia, linked by the Silk Road - and China' s new engagement with Europe and the jobs that can come from it - is THE biggest story in town for the future of the world economy.

“Eurasia, as a whole, is one third of the world’s land mass, has 70 per cent of the global population and could very soon be 60 per cent of world economic activity

“And I believe the world will need reformed global institutions, from an updated World Bank and IMF to an expanded G20, to cope with the rise of China and Asia.

“Anti-globalisation protests will almost certainly mushroom unless Asia, Europe and America can devise new rules of the road for living together.

“At one level Chinese and US co-operation - a grand bargain between the two countries - may now be needed to halt the nuclear ambitions of North Korea. At another level, West and China co-operation needs to be enhanced if we are to prevent future financial crises.

“The G20 we created in 2009 needs to be strengthened with its own secretariat, a wider and more broadly-based membership and an agenda designed to deliver jobs and sustainable growth.”

Ends