



The Lord Aldington, Norbert Strohschen



Coffee break

## REGION HAMBURG/NORTHERN GERMANY BCCG ANNUAL GENERAL MEETING AND CONFERENCE, 15 MAY 2014

The British Chamber of Commerce in Germany's Annual General Meeting took place in Hamburg on 15 May 2014. As always, it was accompanied by a conference, which this time focused on: UK Invisible Trade and European Destiny – a dialogue, which in fact turned into a podium discussion between Prof Dr Laurenz Czempiel, Member of the Board, Donner und Reuschel AG, Hamburg, Lord Aldington, Member of Council, the Ditchley Foundation London, (former Chairman Deutsche Bank London), and Prof David Marsh, CBE, and was moderated by Bernd Ziesemer, Publicist, Hamburg.

The topic was chosen because relations between the United Kingdom and Europe are entering something of a critical phase. In January last year the British Prime Minister David Cameron gave a highly noted interview on Bloomberg, in which he delineated his and Britain's thoughts on Europe, and how he envisaged future relations between the UK and the EU.

Invisible Trade is all about the British financial industry, the importance of which goes well beyond London and the UK. The financial services sector employs over one million people, with another million in the related professional services industry. Through their domestic and international activities,

financial and related professional services in the UK contributed £174 bn to the economy in 2012. This gave the audience some impressions of the relevance the financial services sector has to the UK economy. Prof Czempiel also noted that the sector's flexibility relative to those of other European jurisdictions has been among the reasons for the UK government's inherent reluctance to move toward adopting the Euro as a common currency. When preparing for this theme, Prof Czempiel came across an article in the Irish Journal, from which he quoted the following:

"The British, and the English in particular, have never fallen in love with the European Project. The European Community they joined in 1973 and the European Union they find themselves in now was not the product of UK engineering. It was an economic and pragmatic decision to apply for EC membership..."

The same economic logic applies today and argues for the UK to remain in its loveless but lucrative marriage to the EU. But one should not underestimate how unpopular the EU is in England. The arrangement represents a pragmatic, not heartfelt, union. The Germans and French saw the EU as a political project, reconciling historic wounds. Smaller countries like Greece, Spain, and most of Eastern Europe



Bernd Ziesemer, Prof David Marsh CBE



Prof Dr Laurenz Czempiel



Mark Roberts, Dieter Jötten, The Lord Aldington

saw membership as a return to Europe after decades of isolation and dictatorship. The UK has never felt the need for either. For the UK, the purse strings are not attached to the heartstrings, and the EU is taking on ever more political and social powers."

He further quoted from David Cameron's speech on Europe: "Complex rules restricting EU labour markets are not some naturally occurring phenomenon. Just as excessive regulation is not some external plague that's been visited on European businesses. These problems have been around too long and the process in dealing with them, far too slow..."

If Europe today accounts for just over 7 per cent of the world's population, produces around 25 per cent of global GDP and has to finance 50 per cent of global social spending, then it's obvious that it will have to work very hard to maintain its prosperity and way of life. And there is a growing frustration that the EU is seen as something that is done to people rather than acting on their behalf." The relevance of the UK's financial sector and its influence on the British economy cannot be denied.

Understandably, the UK will want to retain her flexibility when it comes to invisible trade. Without these benefits, the UK would have had and might in future have a much larger trade deficit. And without the flexibility to adjust exchange rates, her economy might run into trouble. The UK is Germany's largest trading partner. Bilateral trade between the two countries is even larger than the bilateral



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trade between Germany and the United States. According to Prof Czempel, we must hope that it remains that way. The punch line: The UK did not marry the EU for love, but for convenience. Yet, although Europe's destiny is not dependent on the UK alone, it is nonetheless a common – our common – destiny. At the end of an ensuing very open discussion, the participants went on a five-minute walk to the Krugkoppelbrücke around the corner, where an Alsterboat was waiting to take them on a tour of the Außenalster and the Binnenalster.

We had asked the skipper to point out sights and interesting places. He tried, but the animated discussions and the networking over tea and coffee in the cabin basically drowned out his attempts. The tour lasted one and a half hours and brought us back to the Anglo-German Club, where dinner awaited us. Norbert Strohschen gave the welcoming address and The Lord Aldington a short, but memorable dinner speech.

After dinner about half of the participants retired to the bar for further discussions and networking. A bit of a pity that the golf tournament, which had been organised by the Regional Group, namely Deputy Chair Morag McLean, did not find a sufficient number of keen golfers to make it viable. All of the guests' feedback at the AGM was positive. Many thanks to the Regional Committee for all their efforts.

Dr. Rainer M. Giersch  
Chairman Region Hamburg/Northern Germany



Boat trip Hamburg



Dinner at the Anglo-German Club