News Release

WORLD ECONOMIC FORUM

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Prime Minister Cameron Says Europe Needs to Seize " Re-Shoring " Opportunities

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- Making a success of globalization is a key challenge for European politicians and business leaders
- Jobs previously offshored are slowing coming back, " re-shoring " , from East to West
- Europe needs cheap and predictable sources of energy, including shale gas, to seize the opportunities presented by re-shoring
- The theme of the 44th World Economic Forum Annual Meeting is The Reshaping of the World: Consequences for Society, Politics and Business
- For more information, visit http://wef.ch/Davos

Davos-Klosters, Switzerland, 24 January 2014 – Prime Minister of the United Kingdom David Cameron told participants at the World Economic Forum ' s Annual Meeting that the key challenge for politicians and business leaders in Europe is how to make a success of globalization.

An emerging trend to accomplish this is " re-shoring " jobs, he said. " There is a chance for Britain to become the re-shore nation. Europe needs to act now to seize the opportunities of re-shoring. " He said that a major driver of this trend will be the development of shale gas.

For years, the West has been " written off " and rumours abound that it is facing inevitable decline. " It is the same dystopian vision. The East wins while the West loses; the workers lose while the machines win, " Cameron said. " I don ' t believe it has to be this way. "

He cautioned that the West cannot afford to be " starry eyed " about globalization. He pointed to an emerging trend – re-shoring – where some jobs that were once offshored are coming back, from East to West. " It ' s time to bring the

benefits of globalization home to ensure the benefits are felt by hard-working people in terms of security, stability and peace of mind, ” he said.

Cameron pointed to a recent survey of small and medium-sized businesses that found more than one in ten has brought some production back to Britain in the past year. A survey of leading US-based manufacturing companies indicated that more than one-third was planning, or actively considering, shifting production facilities from China to the United States.

One important factor in re-shoring in the US is the development of shale gas. “ This is flooring US energy prices with billions of dollars of energy cost savings predicted over the next decade, ” Cameron said. These trends can be a “ fresh driver ” of growth in Europe and across the United Kingdom.

“ Right now economies in Europe have a unique opportunity to accelerate this new trend of jobs coming back

home, ” he said. But for re-shoring to happen, it is important to uphold the core values of liberal democracy, including the rule of law, freedom of speech and freedom of the media, property rights and accountable institutions. “ These are vital foundations for long-term stability commercial success. We need to build on these foundations, ” Cameron said.

However, before Europe can benefit from re-shoring, he said two key arguments that risk undermining competitiveness must be settled. First, the overall business environment: macroeconomic stability, European economies with debts and deficits under control, strong finance, free trade, and “ an unashamedly pro-business regulatory environment ” . There are still people who think the key to success is “ ever greater social protections and more regulation, ” Cameron said.

Second, Europe needs cheap and predictable sources of energy, including renewables, nuclear and shale gas. “ We need to explore the opportunity offered by shale gas, ” he said. Cameron acknowledged the needs for the right

regulations and public reassurances about environment dangers. However, he warned that if the EU or member states impose burdensome, unjustified or premature regulatory burdens on shale gas exploration in Europe, investors will quickly head elsewhere. “ Oil and gas will still be plentifully produced, but Europe will be dry, ” he said.

When questioned about Britain ’ s relationship with the European Union, Cameron pointed to the “ enormous unhappiness and public disquiet ” about the EU. “ Let ’ s reform the EU and reform the UK ’ s relationship with the EU, ” he said. “ It is doable, deliverable and winnable for Britain to stay in a reformed EU. ”

The 44th World Economic Forum Annual Meeting is taking place from 22 to 25 January under the theme The Reshaping of the World: Consequences for Society, Politics and Business. More than 2,500 participants from 100 countries are taking part in the Meeting. Participants include more than 30 heads of state or government and 1,500 business leaders from the Forum ’ s 1,000 member companies, as well as Social Entrepreneurs, Global Shapers, Young Global Leaders and representatives from civil society, media, academia and the arts.

The **Co-Chairs of the Annual Meeting 2014** are **Aliko Dangote**, President and Chief Executive Officer, Dangote Group, Nigeria; **Kris Gopalakrishnan**, President, Confederation of Indian Industry (CII); Vice-Chairman, Infosys, India; **Jiang Jianqing**, Chairman of the Board, Industrial and Commercial Bank of China, People ' s Republic of China; **Joseph Jimenez,** Chief Executive Officer, Novartis, Switzerland; **Christophe de Margerie**, Chairman and Chief Executive Officer, Total, France; **Marissa Mayer**, Chief Executive Officer, Yahoo, USA and **Judith Rodin**, President, Rockefeller Foundation, USA.

Notes to Editors

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