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## Setting the scene for Europe in 2020

**Hans Martens**  
**Chief Executive**  
**European Policy Centre**

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## Will globalisation continue?

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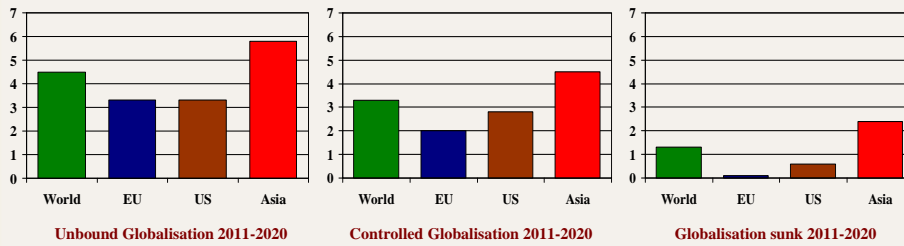
It is about nationalism versus cross border

Globalisation has created some basis for increased nationalism –  
mostly though fear factor

In Europe of 27 not possible to create an “us against them”  
situation

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## Predictions about globalisation

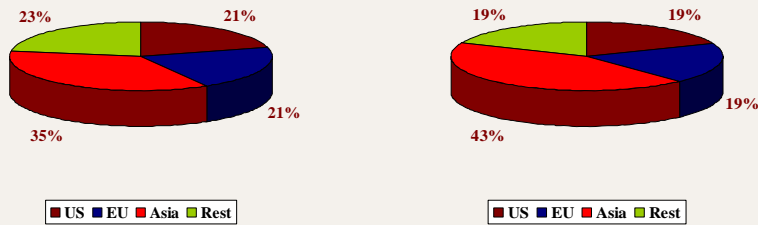


**Tampering with globalisation will cost welfare**

**Europe will be a big loser**

Source: Economist Intelligence Unit: Foresight 2020

## The World Economies now and in 2020

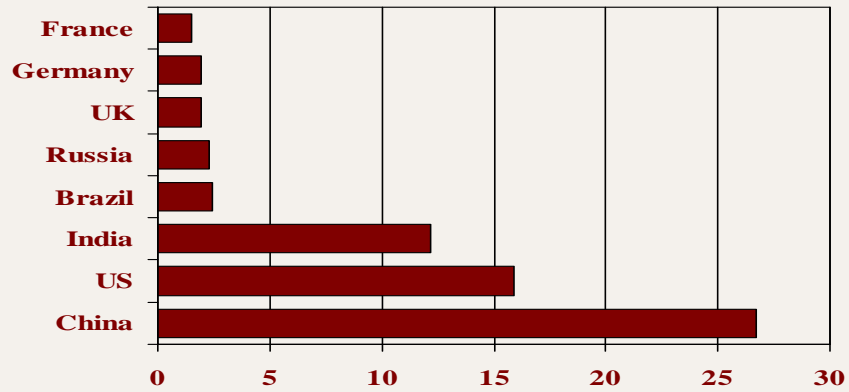


**Now**

**2020**

Source: Economist Intelligence Unit: Foresight 2020

### Contribution to global growth (2006-2020 - %)



Source: Economist Intelligence Unit: Foresight 2020

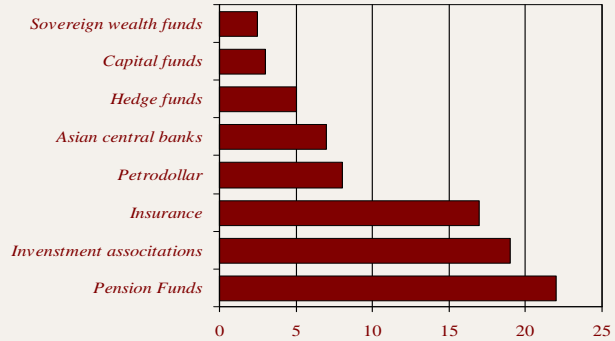
### Capital flows

**Greatest surplus (USD bn)**

China	379
Japan	196
Germany	175
Saudi Arabia	83
Russia	73
Switzerland	66

**Greatest deficits (USD bn)**

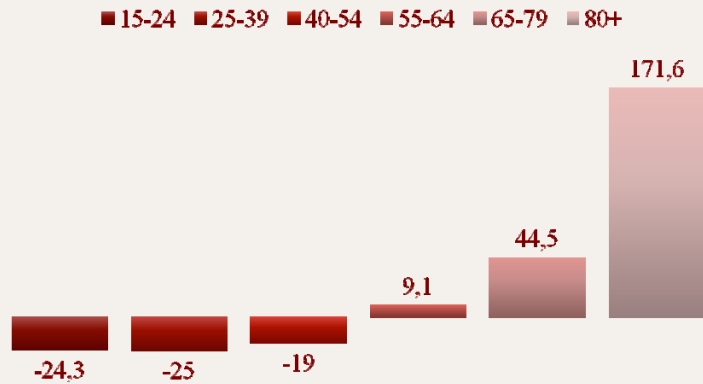
USA	784
Spain	139
UK	97
Australia	51
Italy	48
France	39



We need to be relaxed about global funds

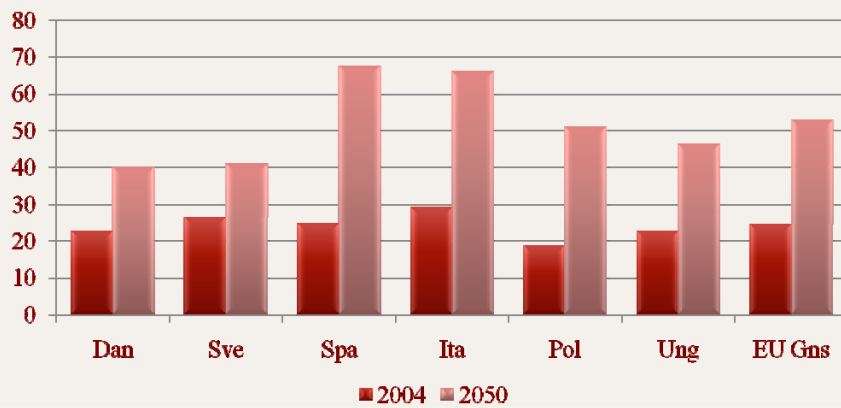
Source: IMF World Economic Outlook 2007

### Europe's population 2005-2050



Eurostat, 2004

### Part of population over 65 as % of population 15-64



Eurostat, 2004

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## Europe

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Low growth economies to 2020

We will need to spend more on new things, such as adapting to demographics and climate change

No room for waste – in private and public sector

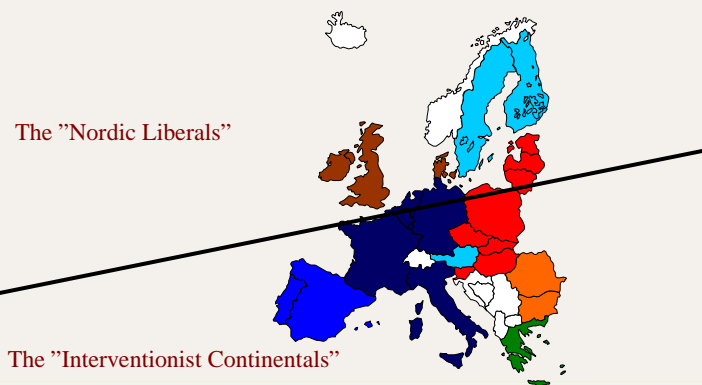
Will we realise advantages of closer European integration?

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## North and South in Europe

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## Entrepreneurship in Europe

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More value to be created in knowledge industries

SMEs must internationalise

Knowledge must be ploughed into traditional sectors

Material assets are going up relative to material assets

How good are we at measuring immaterial values?

Where will growth capital come from?

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