

Speech: PM speech to the Lord Mayor's Banquet: 12 November 2018

My Lord Mayor, My Late Lord Mayor, Your Grace, My Lord Chancellor, Your Excellencies, My Lords, Aldermen, Sheriffs, Chief Commoner, ladies and gentlemen, this weekend our country came together to commemorate the centenary of the Armistice.

Gathering around memorials across the length and breadth of the land, people of every faith and background stopped and stood together to remember the sacrifice of a generation.

A sacrifice that touched almost every family and every community – including this one, when in 1915, the then Lord Mayor raised the “Bankers Battalion” of the Royal Fusiliers.

From the stories we have heard, to the names we have read, their memories live on engrained in our national consciousness. And will do so, rightly, for evermore.

We will remember them.

As we do so we should reflect with pride on the progress we have made in the last one hundred years, working together with our partners across the international community, to make the world a safer, better, place to live.

From the formation of NATO to the establishment of the United Nations, we have not just stood up to defend global security, we have forged the international partnerships that maintain it.

In the shadow of Mount Washington, with the world at war for the second time in a generation, the foundations for economic reconstruction were laid. And with the creation of the World Bank and the International Monetary Fund the basis for global economic cooperation was set.

As a global trading hub, the United Kingdom has always understood that our prosperity depends on the global rules we uphold and the partnerships we build.

From the world's first insurance market to the creation of the biggest Islamic finance centre outside the Islamic world, we have not only driven the trade and investment that fuelled unprecedented growth, but helped to shape the institutions and governance that sustains it. Not least, right here in this great City of London.

When we look forward to the next century of progress, we know our security can only be upheld by collective endeavour. We know our prosperity can only be advanced by cooperation across borders. And we know our success as a nation depends not just on a strong economy at home, but our role in the world.

At this Banquet last year, I said we could not turn a blind eye to the threats we faced. That as open economies and free societies we needed to increase our collective resolve to tackle them – most pressingly those threats emanating from Russia.

The past year has tragically proven those threats to be ever more real – not least through the reckless use of a chemical weapon on our own streets by two agents of the Russian intelligence services.

But it has also proven our commitment to respond – exactly as I said we would.

Together with our allies, in response to the attack in Salisbury, we coordinated the largest ever collective expulsion of Russian intelligence officers, fundamentally degrading Russian intelligence capability for years to come. And our law enforcement agencies, through painstaking investigations and cooperation with our allies, produced the irrefutable evidence that enabled our Crown Prosecution Service to bring charges against those responsible.

In response to the activities of the GRU in Europe, through the cooperation of western security agencies, the Dutch government were able to prevent and expose Russian attempts to penetrate and undermine the Organisation for the Prohibition of Chemical Weapons.

In these actions, we have seen the impact of international unity and a collective response to these threats.

We have shown that while the challenge is real, so is the collective resolve of likeminded partners to defend our values, our democracies, and our people.

But, as I also said a year ago, this is not the relationship with Russia we want.

We remain open to a different relationship – one where Russia desists from these attacks that undermine international treaties and international security, and its actions that undermine the territorial integrity of its neighbours – and instead acts together with us to fulfil the common responsibilities we share as permanent members of the UN Security Council. And we hope that the Russian state chooses to take this path. If it does, we will respond in kind.

We will continue to show our willingness to act, as a community of nations, to stand up for the rules around the world.

When the Syrian Regime used chemical weapons on its people again in April, we took military action, together with France and America, reinforcing the global norm against the use of such abhorrent weapons.

As part of a global coalition, we have continued to degrade Daesh in Syria and Iraq to roll-back their so-called caliphate.

And as we seek to protect and advance our common security, it is vital that

we and our partners in the international community demonstrate our common adherence to the rule of law.

We have seen this most recently in the terrible murder of Jamal Khashoggi. And as the Foreign Secretary made clear again in his visit to Riyadh today, there must be a transparent and credible investigation and those responsible must be held to account.

And because we know that instability or the erosion of global rules in any part of the world damages our collective security, the UK will continue to increase the depth of our global security partnerships.

We continue to increase our security co-operation in Asia, undertaking our first land exercises with Japan and deploying three Royal Navy ships to work alongside America, Canada, Australia, New Zealand, and Japan to enforce sanctions against the DPRK and reinforce the maritime security on which all trading nations depend.

And today I am proud to be able to announce the naming of HMS London – one of our eight planned Type 26 Frigates.

As she upholds global stability, she will also bear the name of this great centre of trade and finance, reminding us all of the critical link between global stability and global prosperity.

Just as we must work together to uphold those rules that govern our collective security, we must also show leadership in upholding and shaping the rules that govern the global economy.

We are in a time of unprecedented interconnectedness.

And each barrier to trade that has been taken down has brought tangible benefits to everyday lives. For example, before the elimination of quotas for textiles and clothing under the World Trade Organisation in 2005, British consumers were paying a third more for clothes.

But for nations to open up their markets to others, they need the confidence that everyone will play by the same rules. And today this global system is under real stress.

A damaging trade war with spiralling tariffs is in no-one's interests. But we must be honest in identifying problems and do more to work together to fix them.

So we need an ambitious and urgent process for reform of the World Trade Organisation.

This includes increasing transparency so countries can see whether rules and commitments are really being honoured – whether on the declaration of subsidies or respect for intellectual property rights. And updating dispute settlement processes to ensure they operate fairly and efficiently.

It also includes promoting trade in services and digital, not just physical

goods.

For while services now account for 65 percent of global GDP, recent trade negotiations to deliver more ambitious trade in services have stalled.

And while companies like Amazon and Alibaba have changed the nature of consumer behaviour, the World Trade Organisation has been struggling to remove barriers to e-commerce trade for almost two decades.

So these reforms must ensure the rules themselves remain relevant to the modern economy.

But even as we work to bring the rules up to date, we need to go further.

For we are now living through the most extraordinary technological transformation.

A time when flows of data account for a higher proportion of growth than trade in physical goods.

When Artificial Intelligence could almost double the value of the global digital economy to \$23 trillion by 2025.

And when it could increase global GDP by 14 per cent by 2030.

In this new context, our standing in the world – and our ability to retain our position as a global economic hub – will depend not only on the steps we take to innovate at home, but crucially also on the role we play in shaping the rules that will define this new era.

So I am determined that we will lead the way.

At home we will continue to pursue our modern Industrial Strategy: matching the innovation of our world-class scientists and entrepreneurs with growing public investment in research and development and a regulatory environment designed to encourage, not stifle change.

Internationally we will build on our role as an innovator in technology policy and cyber security, and a trusted economic hub between East and West, to position the UK as a pivotal innovation-driven digital economy with global reach and ambitions.

Our new Centre for Data Ethics and Innovation will work with partners across the world to advise on the rules and best practice needed to build the best, most trusted, most innovative AI and data ecosystem in the world. An ecosystem that will help build the foundation of public support for the tech economy that is so critical to its future success.

And we will use our influence in organisations like the Internet Governance Forum, meeting in Paris this week, to establish global norms for free and open development of these technologies.

Because this is not just about economics.

It goes to the heart of who we are and the kind of society we want to build.

Being an open democracy means standing up for our values and freedoms whilst protecting intellectual property and safeguarding against those who would abuse or misuse the access to information that technology brings.

So the global rules and norms we need are those that ensure these transformative technologies develop in line with our values and secure the trust of our citizens

And the UK will be at the centre of this global agenda.

So it is clear that both our security and prosperity will depend on the strength of the relationships we build right across the world.

This begins with our long-standing partners with whom we share the same values – including the transatlantic alliance that is the bedrock of our security and prosperity.

And, of course, it includes the new relationship we will forge with our European allies as we leave the European Union.

The negotiations for our departure are now in the endgame. And we are working extremely hard, through the night, to make progress on the remaining issues in the Withdrawal Agreement, which are significant.

Both sides want to reach an agreement.

But what we are negotiating is immensely difficult.

I do not shy away from that.

The Brexit talks are not about me or my personal fortunes. They are about the national interest – and that means making what I believe to be the right choices, not the easy ones.

Overwhelmingly, the British people want us to get on with delivering Brexit, and I am determined to deliver for them.

I want them to know that I will not compromise on what people voted for in the referendum.

This will not be an agreement at any cost.

Any deal must ensure we take back control of our laws, borders and money. It must secure the ability to strike new trade deals around the world.

And it must also be a deal that protects jobs, our security and our precious Union.

We will have a new relationship with the EU when we have left. But it will still be a close one.

We will still be neighbours, championing the same values of freedom,

democracy and the rule of law, underpinned by a rules-based global order.

But as we leave the EU, it is also an opportunity to raise our horizons towards the rest of the world.

Because the economic and demographic balance of the global economy is shifting. And technology is collapsing the distances between markets.

That is why this summer I visited Africa, where I set out a new partnership of shared interest, including using our international development budget to help enable the private sector to deliver the jobs and investment Africa needs.

Such a partnership will not just be in Africa's interests but also in our own national self-interest. And this is entirely right. For if African countries are able to attract the investment they need, there will be significant global economic opportunities. And they will also be able to mitigate the risks of conflict, instability and mass migration.

And as we look at the coming decades, it is clear our relationships with the high-growth, high-innovation economies of Asia will be increasingly important – not only to our growth, but also to the shape of the global system in the face of technological transformation.

So we will significantly step-up our partnership with Asia, and do so with the confidence of knowing we have an offer they want, just as they have an offer we want.

We are doing so already – as many of you will know better than me.

Trade with China is at record levels. And we are gaining increased access to China's market and looking to expand our co-operation on services.

We have taken significant steps to deepen our strategic relationship with Japan, collaborating on the Grand Challenges we have both identified as being critical to the future of our economies.

Now we will do more to help British business connect with new opportunities, including as we build a new partnership with the Association of South East Asian Nations.

We will work to secure ambitious trade deals when we leave the EU, including potentially embracing the opportunity to join the Comprehensive and Progressive Agreement for Trans-Pacific Partnership.

We will use our aid budget to work with the private sector to improve regional economic co-operation, trade and connectivity – ensuring this is done in line with international standards across the region.

And we will base this long-term partnership on our shared strengths in innovation.

Because from the UK-Republic of Korea FinTech Bridge to our co-operation with

Singapore on cyber security capacity building, this is a region that is home to some of the most advanced, tech-friendly and open economies in the world with huge demand for British innovation, design and quality. And it is a natural partner for the UK in shaping the rules of the future global economy in a way that can support a new era of innovation.

Given the scale of the opportunity, I am pleased to announce that the destination of my first trade mission post-Brexit will be to Asia Pacific next spring.

For I will do everything I can as Prime Minister to accelerate the progress we are making in strengthening relationships across this region.

So tonight, here in this great Guildhall that stands as testament to the pioneering trade and innovation of our forefathers, let us look forward to the future we want to build for our country.

And let us do so with confidence.

Confident that we can secure our place in the world as a global economic hub and once again help write the global rules of the future as we have in the past.

Confident that in this very room we have the unique strengths and ingenuity to forge a global future for our country that is every bit as exciting as anything that has come before.

And confident, that in doing so, together, we can secure our future prosperity, now and for generations to come.