

Has the tide turned from British companies buying in to India to Indian companies buying in to Britain?

For the past four centuries India has been the jewel in the British crown in more ways than one. Even in these “dark” times, India offers salvation for British business with its vast wealth and expansion, and our historical links, and not just for exports. According to a report in *The Economist* the tide has changed with Indian companies now investing heavily in Britain. It suggests that the *old* “empires of Portugal, Spain and Britain are starting to re-emerge and form the basis of a new financial globalisation”. In fact it is not just India, it is much of Asia as a whole, as these countries find new wealth and expand, their new super rich businesses are seeking new markets in the West, and Britain seems to be top of the shopping list. Some food for thought: According to The World Bank Britain attracted \$129Bn of the emerging market acquisitions, whilst America attracted \$193Bn, which proportionally meant that Britain attracted four times as much in the 10 years, 2000 ~ 2010.

The old imperial map, an open economy and the weakening of sterling are making the UK a particularly favourable place for Asian investors over and above anywhere else. Other attractions are a plentiful supply of two things emerging-market multinationals want: expertise and strong brands. Britain’s imperial past and commercial reach mean that it has spawned lots of globally successful consumer brands. That was the attraction of Tetley to Tata. And Britain is a world-class centre for the skills these new giant companies need, such as law, accountancy and branding.

Many of these high net worth investors move to Britain after making their investment, which brings additional wealth and opportunity and ultimately job security. One such is Lakshmi Mittal, an Indian whose steel company took over Arcelor in 2006, has been Britain’s wealthiest inhabitant for seven years.

Inward investment in to Britain, could be it's saving grace, and allow it to grow again post the difficult times, if we can not be too fussy about who ultimately owns our business, we know our strengths and where we fit in the new global economy and stay ahead of the game. Foreign-owned factories in Britain like Nissan, Honda and Toyota, which arrived when the British motor industry was dying in the 1980s, revived the business, where-as both Ford and BMW failed to make Jaguar or Land Rover profitable, when Rover group collapsed, yet Tata has succeeded in turning both around. Britain is home to 22% of all the Japanese manufacturing bases in Europe.

So, may be our welcoming, open way of life, could be Britain's way out of the economic down turn in the longer term.