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# **Europe should let China subsidise its energy production**

If Chinese policy makers are intent on subsidising solar panels for the European market, the correct policy response should be to let them.

If cheap panels from China mean that more solar power replaces coal or gas power then an externality is corrected, and that correction comes free for Europeans. More so, a movement of panel production from Europe to China will have a minimal effect on jobs – panel production is heavily mechanised and needs few workers. On the other hand, installing and repairing solar panels is a job that is impossible to outsource. Europe can have its cake and eat it too, at China's expense.

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