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Thank you so much for inviting me to participate in this meeting with Mr. Trichet.

I would first of all like to underscore that the financial crisis has now become a global economic crisis. Six months ago it was thought that despite the financial crisis economic growth would still hold. But now it is clear that we are in the midst of a crisis in which the adverse repercussions on the real economy are even more significant than anticipated even a couple months ago. We must brace ourselves for a very serious slowdown of global growth in 2009 and, needless to say, endeavour to stimulate an economic recovery. Asia can count on the Indian and Chinese economies to ensure some growth and as such, it will be in a somewhat better position to endure the crisis. But I am very uneasy about the situation of countries in Europe and Latin America, which have experienced growth over the last five years. We should do our utmost right now to address the crisis confronting the real economy.

I would like to make four comments that are to some extent elicited by the fact that Mr. Trichet is with us.

First the question, that has been debated for many years, of the supervision of the financial system and especially of banks. What is the role that central banks could or ought to play? In the current environment, we find that central banks are on the front lines, managing the financial system on a day-to-day basis. The key question is whether or not we should have in place banking supervision conducted by the central banks themselves or whether banking supervision should be, instead, exercised by separate agencies. In theory the separation of functions may seem preferable because this guarantees a focus by central banks on an independent monetary policy. But I think that our present situation leaves little doubt that central banks should do more than simply carry out monetary policies.

Furthermore, I tend to think that any human society needs to strike a balance between the incentives for risk-taking in a competitive environment as a catalyst for growth on the one hand, and the need for safety on the other. It is difficult to escape the conclusion that the kind of financial capitalism that we have come to know so well over the last decade is too heavily tilted towards risk-taking. In fact, by 2007 the US financial industry accounted for a disproportionate share of corporate profits (40 percent of the total profits of the business sector after taxes) while the value-added of this industry was less than 10 percent of the total US corporate value-added. I would argue that there is an imbalance here. As a result, we should not only concentrate our efforts on monetary policy but on redesigning social and economic policy comprehensively in an effort to achieve greater safety.

Consider also the recent evolution in commodity prices. It is clear that we are not simply facing normal variations in prices but rather extreme volatility that is without precedent. Just imagine the challenge for poor countries that have to import oil: their oil bills will obviously not be the same if the oil price is close to \$150 a barrel as it was over the summer or less than \$50. So there is the issue of how small and poor countries can manage the risk of this extreme volatility in commodity prices.

The last issue that I would like to address relates to international aspects. Mr. Trichet has spoken to us about the excellent cooperation that exists between central banks. This is essential. I also hope that there is a high degree of cooperation between Finance Ministers. But what should be the role of international financial institutions? Mr. Trichet has mentioned the Financial Stability Forum but he did not mention the International Monetary Fund (IMF). What role should the IMF play in the 21st century? After all, the IMF's membership is almost universal. IMF shareholders come from all over the world. We should, of course, rebalance the weight in decision making at the IMF in favour of emerging countries. But I wonder whether the IMF--an institution that can call on the advice of many economists and experts--ought not to play a more important role in the current context. Couldn't the IMF also play a role in assisting all countries with consultations, advice and fostering cooperation on fiscal and financial policies?

Thank you very much.