



# VIRGINIE ROBERT

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Good morning everyone. My name is Virginie Robert and I am a reporter for *Les Echos*, the French business daily. We are here today to talk about the main challenges of the global economy, and here are words we thought we would never hear again, or hardly ever: isolationism and protectionism.

Maurice Obstfeld, the IMF chief economist, in his latest world economic outlook, said that turning back the clock on trade can only deepen and prolong the world economy's current doldrums, yet we see less and less support for trade agreements in the US, as in Europe. Meanwhile, the pace of exchange is slowing down; it will be a mere 1.7% this year, half of what it was in 2015. Worse, its growth will be inferior to that expected of the world economy, at 2.2% in 2016.

Furthermore, as you well know, geopolitical factors are bringing much instability. President-elect Trump, for instance, brings a whole new level of uncertainties, as did Brexit earlier last summer. Add to this the refugee crisis, and we now wonder if there is a real threat of deconstructing Europe, even more so if populist leaders find their way in the upcoming elections. The central banks, although keen on giving their support, will be slowly tightening their policies. The Fed, as you know, will probably be raising their interest rates as early as December, and it is almost the end of free money. The European Commission has given a little leeway to the states so they can add more stimuli. Will that be enough? Income per capita in Europe is still beyond its pre-crisis level, and the situation in Asia is not very glorious either. China's growth is slowing, and that impacts the whole region if not the whole world.

We have today, to discuss the main challenges of the world economy, Mr Bark, who is Professor at Seoul National University and was former Minister of Trade in the Republic of Korea. Mr Jean-Claude Trichet is the former President of the European Central Bank. John Lipsky was the first Deputy Managing Director of the IMF and is nowadays at Johns Hopkins University. Mr Qiao is Vice President and Secretary-General at the Shanghai Development Research Foundation.

There was a video somebody showed me this morning in which Donald Trump gave his directions for his upcoming presidency. We wonder what will be the effects of a Trump presidency on the global economy. John, we were discussing that earlier. Can you give us a hint of what the president-elect said this morning?