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Thank you, Jean-Claude. I will make use of your reference to the creation of the G20, since the creation of the G20 Leaders Summit process was the principal institutional response to the Global Financial Crisis. In my view, this innovation was underestimated in its potential importance because the G20 already existed at the level of Finance Ministers and Central Bank Governors.

The initial G20 Leaders Summit in November 2008 set four principal goals:

Restore global growth

Repair and reform the financial system

Avoid new trade protectionism and promote new trade liberalisation

Reform the International Financial Instituitions (IFIs).

Taking stock of where things stand today in regards of those goals, I would conclude that none of these goals have been attained:

First, with regards to growth, the IMF's latest projections, released a month ago, anticipate 3.1% global growth this year and 3.4% next year, with the advanced economies growing about 1.6% this year and 1.8% next year. In other words, showing some overall improvement, but with the US improving and Europe slowing from their 2016 performance. Emerging and developing economies are forecast to grow by 4.2% this year, and 4.6% next year.

Assuming that the IMF forecast is correct, the implications are that the advanced economies' projected growth – this year, next year and beyond – will remain below their 30-year average growth rates. In other words, not only have the advanced economies not compensated in their post-crisis growth for the recession, they are not even back to their long-term average. This creates the obvious questions of why their growth has been so lackluster, and also how much excess capacity remains unused in the wake of the Crisis?

For the emerging and developing economies, the IMF forecast growth rate means that they would be, are currently, and will remain in the future roughly at their 30-year average growth rate. In other words, the earlier growth leadership that had been assumed in the post-crisis period in which emerging and developing economies grew much faster than their long-term average is receding and the expectation is that even maintaining this rate is going to be a challenge, as it is expected among other things that China's growth is going to slow.

What is the principal problem? The title of the IMF's World Economic Outlook, published last month, was 'Subdued Demand', but when you look at where the demand is subdued, it is not in consumer spending; consumers are spending normally relative to their income. Rather, it is a shortfall of business investment, and this shortfall is seen, in essence, everywhere. China's experience is divergent, however, as I will explain in a minute. In general, business investment has been slowing and, with it – not surprisingly – growth and productivity gains have been slowing, as well. If you are not investing at the same rate as previously, why would you expect productivity growth to do anything other than slow?

At the same time, Chinese investment remains dramatically higher as a percentage of GDP than any other economy. Yet this percentage is starting to recede. Morevoer, despite this very high investment rate, Chinese productivity growth has slowed sharply, according to IMF figures, and is now growing at about the same pace as for emerging markets as a whole. These data underscore China's need for economic reform, as current investments clearly are ineffieicnt.

Aside from China's unique situation, a key policy challenge is to figure out what is inhibiting business investment and how it can be restarted. In the near-term, the financial market response to the unexpected election of Donald Trump as President of the United States, reflects investor anticipation that, at a minimum, US fiscal policy is going to turn more expansionary. As a result, financial market participants apparently have concluded that, if anything, the risks are for somewhat faster US economic growth than was expected previously. That changed view has cemented expectations that new Federal Reserve action to raise interest rates has become more imminent, with the beginning of that process widely expected to begin at their December meeting. As a result, financial market participants increasingly expect that monetary policy among the major central banks will be diverging over the coming months, as new commitments for either sustained or expanded monetary accommodation have been made by both the European Central Bank and the Bank of Japan, while the prospects for the Bank of England's interest rate policy remain uncertain.

I will summarize briefly the current state of the rest of the G20 goals, starting with financial sector repair and reform. As Jean-Claude pointed out, the G20 mandated the expansion of the Financial Stability Forum (FSF) into the Financial Stability Board (FSB) by including all G20 members that were not already FSF members. The G20's twin goals for financial sector reform were to enhance systemic stability and to level the playing field by making reform efforts consistent internationally. I would say that the efforts undertaken so far with regard to both of these goals remains incomplete. If anything, financial markets today are more Balkanised than they were before the crisis, while recapitalization efforts have progressed at an uneven pace.

New uncertainty has been injected by the election of President Trump, as in his campaign he has highlighted his intention to rewrite Dodd-Frank reform legislation. Thus, instead of having the basic framework of reform clearly established – and the remaining work consisting of filling in the details, there is instead the prospect of renewed fundamental regulatory change in the largest financial market.

Prospects for enhanced trade liberalization has moved a long way backwards from November 2008, when President Bush stated that the principal policy goal for the rest of his administration was to finalize the negotiations for the WTO's Doha Development Round. Instead, following the US elections, it looks as though both the recently negotiated Trans Pacific Partnership (TPP) and the Trans Atlantic Trade and Investment Partnership (TTIP) are being abandoned. We are in – let us refer to it charitably – an uncertain moment.

Thank you Jean-Claude.

Jean-Claude TRICHET

Thank you very much indeed, John, and thank you for your very remarkable synthesis that you made. I would like to mention, John, that you are a senior fellow in John Hopkins School of Advanced International Studies and you are of course the legendary former First Deputy Managing Director of the IMF that a lot of us have known and admired when you were in this position. You were also former Vice-Chairman of JP Morgan Investment Bank. As I said, a wealth of experience and of remarkable gathering of prizes, I would say.