



RICHARD COOPER

Professor of Economics, Harvard University

We are moving right along, we are a little bit late. We will try to catch up. I am Richard Cooper from Harvard University, and we are going to talk about the world economy in this session. 10 days ago, there was the annual meeting of the World Bank and the IMF, and on such an occasion, the IMF comes out with its World Economic Outlook. Over the past 10 years, the IMF has typically been too optimistic in assessing the near-term – the next two years – outlook, and regularly, they have had to revise downward their estimates, so this past 10 days was noteworthy for one of the very few times they revised upward their forecast, and there is a general sense of buoyancy about the world economy at the present time.

At the same time, however, the IMF comes out with a second, less publicised report, called Global Stability, and there they said things look fine in the short run, but most of the risks in the medium to long run are on the downside. That particular report got less attention, but they point out a number of indicators, particularly rising debt around the world. We have here a marvellous panel, well experienced. I am not going to go through them; you have their names and bios in your book, and I am just going to follow the order on our programme. I have asked each speaker to talk just for eight minutes, and I hope that leaves some time for questions before we have to yield our time. I will just turn it over right away, we will go right down the order, start with Uri Dadush.