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In spite of the efforts to maintain what is called the liberal international order, deep currents are working against it. In Europe, and also in other parts of the world, ever more worries are linked to job losses and rising uncertainty, be it related to new technologies or global competition – there is also the need for safety including physical [security] Analytically, one can imagine a price line with a trade-off between safety and openness. Both are public goods, but during hard times, people value, presumably, safety more. And vice-versa, during god times, openness is valued more highly in relative terms. Here I think lies the origin of the inward-looking syndrome which we see in Europe, in the US, etc under the guise of closing borders, governments being more intrusive in people's lives, rising protectionism, etc. Is the financial system simpler now than it used to be? I would argue that the evolving system is not simpler. Financial innovation goes on and toxic products are put on the market and used, in spite of an allegedly more effective regulation and supervision system.

A big question is how much rot there still is in the balance sheets of banks? One indication in this respect is that not a few governments and central banks in Europe are reluctant to undertake the bailing-in procedure.

Not least is the question for whom does the system work. The complexion of finance and the nature of regulation and supervision influence the magnitude of a crisis, how many people are impacted severely, etc. Thence comes a growing pressure on the political system and fringe, extremist parties come to the fore.

We need to address more the way finance works. We should reduce leverage more, for banks can be very destabilising as actors in the economy. As a matter of fact, the whole of finance can be very destabilising. We need policy coordination in the global economy. We need simpler systems, transparent, and no portion of finance, including fintech, should be beyond the territory of regulation and supervision.