

JEAN-CLAUDE TRICHET

President of the Académie des sciences morales et politiques, former President of the European Central Bank, Honorary Governor of the Banque de France

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We are privileged to host a very impressive panel on the major mid and long-term issues concerning the global economy. It is my pleasure to introduce the panel-members. Firstly, we have Gabriel Felbermayr, Director of the Austrian Institute of Economic Research (WIFO), and professor at Vienna University. He was also head of the famous IFO center for international economics in Munich, and president of the Kiel Institute for the World Economy. He therefore has enjoyed an extraordinary career, chairing highly important institutions.

We then have Sébastien Jean, a Senior Associate of Ifri and Professor of Economics at CNAM Paris. He holds the Jean-Baptiste Say chair, and is a member of numerous councils. He has also previously been the director of CEPII Paris. Thank you Sébastien Jean; we are honored to have you.

Next is John Lipsky; a personal friend of mine. He is Senior Fellow of the Foreign Policy Institute at John Hopkins University. He was also both deputy managing-director and acting manager-director in the IMF, and held very important positions in the private sector. John; you are a globe-trotter, who we have seen in Shanghai, Seoul, and Delhi, and you were kind enough to come here today. Thank you very much indeed.

Lastly, we have Marcus Noland with us. Thank you very much, Marcus. Marcus is Executive Vice President and Director of Studies at the Peterson Institute for International Economics. He has also been Senior Economist at the Council of Economic Advisors in the Executive Office of the President of the United States. He has also held research and teaching positions at many top-notch universities including Yale and John Hopkins.

Here we are, blessed with the presence of this panel. We are prolonging in the economic sphere what Thierry de Montbrial referred to moments ago, at global level and across all dimensions, including the technological, political, and social. Let us be modest and attempt to elucidate our main messages precisely, with regard to the main issues faced by the global economy at the present time. There are numerous dimensions to the questions which were explicitly asked in our panel. These will be listed, but our speakers have messages that will be concentrated on, taking into account their experience, actions and achievements in the world up to now. I would just highlight that technology, as mentioned by Thierry, is a major driving-force, and we are experiencing something particularly striking with the emergence of artificial intelligence. This is only the start; science and technology are progressing very rapidly.



Allow me also to underscore climate-change and the green-transition. We are on a single spaceship; planet Earth. We recognize that we must all care for the Earth, without exception, and if there is any domain where it is absolutely clear that all countries must take care to cooperate; it is certainly this one. We must take care of the single spaceship on which we live.

Another point to highlight is on global trade: what happens in global trade and hedging of the global value-chain. The change of attitude here is very striking, with many pursuant counterproductive consequences, both in regards to global growth and inflation, if we do not optimize the global value-chain as we did before.

We also have, of course, the fight against inequality, as mentioned by Thierry. This fight is globally ubiquitous across both advanced and emerging economies in all countries.

A final note on inflation, which is one of the big challenges we are faced with today: I am reasonably confident that the central banks will regain control when the time comes. By 2025, we will probably have core-inflation of around 2% in the medium-term, in order to avoid over-dependence on volatility of prices. This is the single definition of price-stability that we currently have, which emerged from the Lehman crisis mentioned by Thierry. A major consequence emerging from this crisis has been that all major central banks that are members of the basket of SDR, whose currencies are involved, namely the US, Europe, Japan and the UK, have the same definition of price-stability. I consider this to be something which is extremely important, under-assessed, and underestimated by academia in general, as again, this is one of the de-facto transformations of the International Monetary System that should be analyzed and further studied.