

## Opening Remarks

JAIME CARUANA: Good morning. I'm very happy to welcome you all to the Bank for International Settlements (BIS) on the occasion of the Per Jacobsson Lecture this year. And in particular, it's a real pleasure to welcome Andrew. Welcome back. You and Marjorie have very, very good friends in this institution.

And I would like to say that this institution is heavily indebted to your work. You led the transformation of this institution when you were the general manager from a Group of Ten (G-10) to a global institution. That was not very easy, and we are all indebted to you. I would say we are a highly leveraged institution in relation to Andrew Crockett. But it's good debt.

Andrew will be introduced by Guillermo, former chairman of the BIS. I just wanted to welcome you and to tell you a few practical arrangements.

You will see that there are some videotaping processes during this morning. The Per Jacobsson lecture is a semipublic event, and the lecture will be put on the BIS public website immediately following delivery. Also, copies of the text will be available as you leave the room. And afterwards, I understand that the Per Jacobsson Foundation publishes questions and answers (Q & A) without identifying the questioner.

The videotape will continue in the Q & A following the Per Jacobsson, but this will not be public. And please remain here, because after conversation it will be immediately a panel discussion that will be chaired by Jean-Claude Trichet.

I don't think I need to introduce Guillermo Ortiz. He is here today in his capacity of the Chairman of the Per Jacobsson Foundation. So, Guillermo, welcome back.

GUILLERMO ORTIZ: Good morning. It's a great pleasure to be back in Basel and to be able to welcome you to the 2011 Per Jacobsson Lecture.

As you all know, or most of you know, Per Jacobsson was the Chief Economist for the BIS for about 25 years. And then he became the Managing Director of the International Monetary Fund. And during his tenure, the Fund came to great prominence. So he is a man who devoted his life to international public service.

Now before proceeding with the presentation of today's lecture, I would like to recall that last year Tommaso Padoa-Schioppa gave the lecture here in this forum. As you all know, he passed away suddenly last December. And I remember, Andrew, when you introduced him last year you mentioned that whenever you had a conversation with Tommaso or a meeting with Tommaso, you came out of this conversation or meeting seeing things in a new light that you hadn't seen before. I remember your words.

His intellect, his insights, and his friendship made a deep mark on all of us who knew him well. So please let me ask the audience for a moment of silence in honor of Tommaso Padoa-Schioppa. [Moment of silence]

Thank you very much. It's now a great pleasure for me to present Andrew Crockett. It's always a cliché to say that Andrew needs no introduction, but this is particularly true in this forum.

As you know, he served as the Chairman of the Per Jacobsson Board of Trustees for seven years. And after relinquishing his duties last year, he accepted an invitation to give this lecture which we are all awaiting. And though I'm sure that you are all aware of Andrew's exceptional career, let me recall some of the positions he has occupied. Andrew Crockett was General Manager of the Bank for International Settlements for more than nine years. And as Jaime mentioned, this institution became truly international under Andrew's direction. More than 17 countries, including my own, joined during his tenure. And this tradition, I'm happy to say, was followed both by Malcolm and by Jaime Caruana.

He was chairman of the Financial Stability Forum, Executive Director of the Bank of England—and in that capacity he was a member of the Monetary Committee of the European Union—Alternate Governor of the International Monetary Fund for the United Kingdom, and Chairman of the Working Party 3 of the Organization for Economic Cooperation and Development (OECD). He was a high-ranking official of the International Monetary Fund and member of the Group of 30. And he is currently Special Advisor to the Chairman of JPMorgan Chase.

I have known Andrew for about 25 years. And Margie and I count Andrew and Marjorie as our very good friends. He is an outstanding economist with a vibrant intelligence and huge experience in the financial sector. And he's actually one of the most remarkable persons that I have ever come across.

So I believe that you are eager to listen to what he has to tell us. And the topic is, "What Financial System for the Twenty-First Century?" So without further ado, let me ask Andrew to come to the forum. [Applause]