

Good evening,

It is a pleasure to be with all of you here this evening, and Adam, thank you for your kind introduction.

Today's lecture marks the 17th annual *Stavros Niarchos Foundation Lecture* at the Peterson Institute. The lecture is almost as old as the Stavros Niarchos Foundation (SNF) itself. We are currently celebrating our 21st anniversary. The longevity of the partnership is in many ways a testament not only to the importance of the lecture itself, which is manifested in its ability to attract over the years, speakers such as Alan Greenspan, Mario Monti, Jean-Claude Trichet and our own Fred Bergsten, but also to the productive collaboration of our Foundation and the Peterson Institute.

The purpose of this lecture has always been to attract distinguished thinkers to share their expertise on critical economic and geopolitical issues of the day. These issues may not always dominate the news cycle but they are nonetheless issues that have long-term domestic and international policy consequences, and demand a serious conversation and analysis. The annual Stavros Niarchos Foundation Lecture has striven from the very beginning, and hopefully has succeeded in becoming a forum for civil debate and discourse, something much needed in today's highly polarized environment.

Tonight's lecture is entitled "*World Trade and Exchange Rates: From the Pax Americana to a Multilateral New Order*" and is delivered by the esteemed former Governor of the Bank of England, Lord Mervyn King.

Each spring, it can feel as if the topic of the evening's lecture somehow has the highest stakes and is the most important yet. One could argue this phenomenon is a product of the high quality work being done at the Peterson Institute, led by Adam Posen, and of its enduring value, as well as the organization's international reputation as a first rate non-partisan think tank.

Yet again, tonight's lecture feels momentous given global events throughout the past year and their economic reaches. A year ago, many of us gathered here for the 2016 SNF lecture, which explored the question: *Can Globalization Still Deliver?* At that time, the United Kingdom's referendum on E.U. membership had not occurred and the U.S. presidential election was still months away. In a way I guess we could just have a 'repeat' of last year's topic.....the world continues to be highly uncertain in so many ways and serious discussions need to take place on many such issues.

There is no longer any question that change is afoot. However, it remains to be seen exactly how each of the major international political debates of the day, and their economic ramifications, will play out. Given this period of change and uncertainty in the international structure, Lord King's topic for tonight's lecture, is ripe for discussion. As we have been witnessing for some time now, most recently with last week's election in France, the global structure as we have come to understand it over the last century is reinventing itself and unfolding in real time.

As I already mentioned, at a time when polarization appears to be the rule of the land here in Washington and the U.S., but also globally, it is vital to support and maintain forums like tonight's lecture that facilitate a free and respectful exchange of well-reasoned ideas. Today, many people are deeply frustrated about all sort of issues, economic and otherwise, and are coming up empty handed in efforts to find resolutions and establish common ground with individuals with whom they disagree. It is not just that one has to distinguish between fake or not news; it is that most news end up being polarizing from the get-go. I am optimistic that this current stalemate stems less from malevolence and can be attributed much more to the complex challenges that have emerged from national and international communities that are deeply interconnected economically, digitally, and physically in ways that are often without precedent. Our Foundation is currently thinking deeply about public polarization in the U.S. and internationally, and how it might begin to hopefully be diffused. While few speakers and forums will be able to discuss the finer points of *World Trade and Exchange Rates* with the precision and expertise of tonight's speaker, Lord King, or the Peterson Institute, I believe that this annual lecture series serves as a model for the transparent, constructive sharing of views on issues that *can* quite easily become or are already polarizing. This is why we are happy to celebrate today the 17th such lecture and to be also looking forward to organizing the 18th one next spring. Hope you all enjoy today's lecture, which seems to have coincided with the arrival finally of beautiful spring weather.....

Thank you.