

Opening Remarks at the Chazen Institute Forum on the Euro-area Crisis

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Good evening, everyone. Welcome to the Columbia Business School, Chazen Institute Forum on the Euro-area Crisis.

My name is Shang-Jin Wei. I am the N.T. Wang Professor of Chinese Business and Economy and Director of the Chazen Institute of International Business at Columbia Business School.

Exactly 20 years ago, in 1992, member governments of the European Union ratified the Maastricht Treaty and formally launched a process designed to create a common currency, the Euro, among the member countries.

Also almost two decades ago, in 1991, the Jerome A. Chazen Institute of International Business was founded at Columbia Business School to promote internationalization in the teaching curriculum.

In 2011 and 2012, a euphoria about the single currency, or a Euro-phoria if you will, was replaced by a Euro-pessimism - an increasing awareness of the structural weaknesses of the Euro area and a propensity to fall into economic and financial crises.

I am glad to report that during the same years the Chazen Institute and Columbia Business School are enjoying a boom in our research and teaching activities. Building on its early success in curriculum internationalization, the Chazen Institute has begun to re-engineer itself to promote the thought leadership of leading scholars at Columbia Business School and beyond on issues of critical importance to the global economy and business.

The thought leadership includes high-impact research on the global financial crisis, sovereign debt crisis, and reform options. Tonight, I am delighted that my esteemed colleagues, Professors David Beim, Emi Nakamura, Michael Johannes, and Dean Glenn Hubbard will share their insight with us on the euro-area crisis. We will hear from them on the root causes of the crisis, the impact on both high-income countries and emerging market economies, and perhaps what all these really mean for the business community and policymakers.

We will have four short presentations. Dean Hubbard will then moderate a question-and-answer session.

I hope you will enjoy the forum and will not shy from asking questions later. Without further ado, let us welcome Dean Hubbard.