

## **Mugur Isărescu: Overcoming economic problems, the experiences of Sweden and Turkey – an inspiration for Romania?**

Opening speech by Mr Mugur Isărescu, Governor of the National Bank of Romania, at the conference “Overcoming economic problems, the experiences of Sweden and Turkey – an inspiration for Romania?”, Bucharest, 23 September 2013.

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Ladies and Gentlemen, Your Excellences, Distinguished Guests

It is a pleasure for me to welcome you to the National Bank of Romania. I salute the presence of such a distinguished audience: Their Excellences, the Ambassadors of Sweden, Turkey, Brazil, Cyprus, Germany, the Netherlands, members of the diplomatic corps, economists, bankers, businessmen, journalists.

We are honored to host this international conference: “Overcoming economic problems, the experiences of Sweden and Turkey: are these an inspiration for Romania?” The title is, I believe, self-explanatory. In today’s globalized world, learning from other countries’ experience is of utmost importance. And while it might be true that no one really learns but from his own mistakes, one can hope that some other mistakes may be avoided when learning from other people’s experiences.

Why Sweden and Turkey? Before answering this question I wish to emphasize that the National Bank of Romania is open and willing to host other conferences with similar topics. And today’s conference might be considered the first of a series, involving clusters of countries with relevant interactions. With reference to the question above, I can tell you that there have been several reasons to begin with these three countries, but the main reason for which we compare today the present situation in Sweden, Turkey and Romania is due to the diligent and assiduous activity of the Ambassadors of these two countries in Bucharest.

Then, I would like to salute their presence here today: His Excellency Mr. Anders Bengtén, Ambassador of the Kingdom of Sweden, and His Excellency Mr. Ömür Şölendil, Ambassador of the Republic of Turkey and to particularly extend my gratitude to them and to all the persons involved in the materialization of this conference.

I also thank Mr. Klas Eklund, Senior Economist at the Swedish Bank SEB and Adjunct Professor of Economics at the Lund University and Mr. Çağrı Memişoğlu, Deputy General Manager at Garanti Bank Romania.

There are, of course, historical links between the three countries. I do take this opportunity to highlight a few of them.

With the Republic of Turkey one could go back to the proclamation of the new state as a republic, last century, and even more, centuries of ties between the Romanian Principalities and the Ottoman Empire. I also like to notice the connection between our two central banks. In the National Bank of Romania’s archives there are letters, exchanged between Governor Mitiță Constantinescu and Governor Salâhattin Çam, regarding the organization of a conference for the governors of the central banks in the Balkanic Coalition, in November 1937, in Ankara. Now, both central banks are members of the Club of Governors of the Black Sea Area.

Regarding Sweden I will grasp your attention with a historical moment that incidentally connects Sweden with Bucharest and the Ottoman Empire. One of Bucharest’s landmarks, the Colței Tower (part of the Colței Hospital which you can see across the Boulevard) has been built in the early XVIII century by the Swedish soldiers, during King Charles XII retreat to Adrianople after his failed campaign in Russia.

I will end now my brief journey into history, which has not been nor exhaustive, not even relevant, and get back to our conference topic.

During the debate one should not forget that the size of the economies and the development level is different in these three countries. For example in a list compiled by the International Monetary Fund for the year 2012, Turkey ranks 17th, with a nominal GDP of 795 billion dollars, while Sweden ranks 22th, with a nominal GDP of 525 billion dollars (Romania is 56th, with 170 billion dollars). GDP/capita is also rather different.

I do hope that this conference will elicit a lively debate. I believe that we have much to learn from the Swedish and Turkish experience since they have been market economies for a longer period of time compared to Romania.

I kindly invite Their Excellences the Ambassadors of Turkey and Sweden to address the audience and to introduce their speakers. The debate will be moderated by Mr. Valentin Lazea, the National Bank of Romania Chief Economist.

Thank you for attending this conference, which I do hope will turn out to be a very successful one.