

Mugur Isărescu: Romania, the EU and the euro area

Opening speech by Mr Mugur Isărescu, Governor of the National Bank of Romania, at the "The Future of the Euro Area and its Enlargement" Conference, Bucharest, 17 October 2017.

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Professor Sapir,

Ladies and gentlemen,

The National Bank of Romania's Board and I are honored to extend a warm welcome to all of our distinguished guests attending the conference this morning. Allow me to wholeheartedly welcome our speaker, Professor André Sapir. It has become quite a tradition here, at the National Bank of Romania to invite well-renowned lecturers to address the audience on important topics of the day.

This morning, we are privileged to listen to Prof. Sapir's lecture on [The Future of the Euro Area and its Enlargement](#).

Please, allow me to briefly introduce to you Prof. André Sapir. He is a well-known name among European economists. He is an active member and Senior Fellow of Bruegel Institute in Brussels. Prof. Sapir has a rich academic career and important contributions in the field and study of economics. I wish to express my appreciation for his diligent work dedicated to the strengthening of the conceptual underpinnings of the European Union and the Euro Area's economic and financial systems.

For those of you who are not familiar with Bruegel Institute in Brussels let me pinpoint a few facts.

Bruegel was set up in 2005 and has emerged as an important independent and non-doctrinal European think tank focused on economics. According to their mission statement, it aims to improve the quality of economic policy with open and fact-based research, analysis and debate, targeted at improving the quality of economic policy.

At the same time, we are proud that the National Bank of Romania has been a member of Bruegel think tank since 2016.

Returning to our guest speaker:

André Sapir is a Professor at the Université Libre de Bruxelles (ULB), he also teaches "*International Economics and European Integration*" at the Solvay Brussels School of Economics and Management. Prof. Sapir has a PhD from Johns Hopkins University in Baltimore, where he studied with the famous trade economist Bela Balassa. He was elected Member of the Academia Europaea and of the Royal Academy of Belgium for Science and the Arts. He was a Visiting Fellow at the International Monetary Fund, the World Bank and the World Trade Organization.

Prof. André Sapir has written extensively on international economics including European integration, monetary union, international trade, international policy coordination and globalization.

He worked for the European Commission as Economic Advisor to the Director-General for Economic and Financial Affairs (1990–2001), then he was Economic Advisor to President Romano Prodi and also headed his Economic Advisory Group (2001–2004). From 2005 to 2009 he was External Advisor to President José Manuel Barroso. From 2011 to 2015 he was successively Vice-Chair and Chair of the Advisory Scientific Committee and Member of the

General Board of the European Systemic Risk Board (ESRB), Europe's financial stability oversight body. I have mentioned his work outside the academic work to emphasize his extended experience and wholesome view on Europe and the Euro Area.

And now, a few considerations about the Euro Area and Romania in the European context:

The European financial environment has faced the need for thorough reforms. The financial crisis and the difficulties within the Euro zone have led to rethinking the assumptions behind the Euro zone governance and the links between the European Union's euro and non-euro member countries.

The National Bank of Romania maintains a deep interest in reforms of the EU governance that enhance its strength and resilience, in regional cohesion, nominal and real economic convergence, for the larger objective of Euro currency adoption and Euro Area accession. Euro area accession represents a strategic target for Romania, which needs a healthy economy in order to join it on favorable terms.

However, we are facing great challenges with respect to the functioning of the Euro Area and the European Union in general. The euro area is an evolving target, one that changes and transforms overtime and, therefore, we are all asking ourselves what the Euro Area's future will look like and what we are heading to. Romania can and should play a role in the ongoing debate on the future of the EU and even of the euro area.

In this context, I am grateful to André for the opportunity to facilitate this exchange of ideas. I invite our guest to share his vision on aspects such as economic policies development in Europe, economic and social trends, euro convergence and the reform steps needed. His lecture will provide an excellent occasion for all of us to get a better grasp on what lies ahead for the Union and for the Euro Area.

I hope that Prof. Sapir's lecture will offer each of you a better view of what lies ahead. I am sure he will willingly answer your questions.

I invite Professor André Sapir to take the floor and I wish you a rewarding debate.

Thank you.