



MAS Organized a Lecture on *Trends in Global Economic Development and the Outlook for 2015* Delivered by the Chairman of President Obama's Council of Economic Advisors



On 9 December MAS organized a lecture on *Trends in Global Economic Development and the Outlook for 2015*. The lecture was delivered by Mr. Jason Furman, Chairman of the Council of Economic Advisors (CEA) of President Obama and a member of the Cabinet. Prior to this appointment, Mr. Furman served as Assistant to the President for Economic Policy and the Principal Deputy Director of the National Economic Council.

MAS's Director of Research, Dr. Samir Abdullah, commenced the lecture by introducing the lecturer and the topic of his presentation.

Mr. Furman's speech focused on recent, post-crisis trends in the global economy, the factors driving those trends, and the importance of ensuring that economic growth is sustainable and shared. The presentation showed that advanced economies as well as emerging economies have been experiencing widely varying rates of growth in real GDP per working population. While some countries such as the US, Canada, the UK, Germany, France, Sweden, China, India, Brazil, Russia, and others have managed to exceed their pre-crisis peaks, economies such as Denmark, the Netherlands, Belgium, Greece, Spain, Italy, Ukraine, and others have remained below their pre-crisis peaks. Mr. Furman highlighted that the 40% drop in global oil prices since mid-June is expected to drive additional differentiation between oil producers and oil consumers.



Next, Mr. Furman discussed how supply and demand interact in determining the level of a country's output.

The following part of the presentation focused on global trade. By the end of 2011 the volume of global merchandise trade had surpassed the pre-crisis peak by 5%. Since then, the growth in global trade has slowed down to about the same level as growth in global output. While this slowdown could be cyclical, it could also be attributed to structural changes in the two largest economies, the US and China.

Finally, Mr. Furman talked about the importance of sharing growth among economies. Growing inequality poses a problem in many countries nowadays, including the US. Furthermore, inequality has been on the rise within countries due to large populations and rapid economic growth although inequality on the global level seems stable or even slightly decreasing. These recent trends mean that policies are needed to ensure inclusive growth in and within countries.

The lecture was attended by many academics, official figures, and representatives of the private and civic sectors and foreign organizations.