

Debate on the Global Economy
April 8, 2021—12:00 p.m. to 12:55 p.m.

Moderator:

Sara Eisen, Co-anchor of CNBC

Panelists:

Kristalina Georgieva, Managing Director, IMF
Jerome Powell, Chair, U.S. Federal Reserve
Paschal Donohoe, Finance Minister, Ireland
Ngozi Okonjo-Iweala, Director-General, WTO

One year into the pandemic, the world is still grappling with repercussions in terms of global health, economic and social conditions. The panelists discussed the major challenges and opportunities facing the global economy.

Key Points:

- **Vaccine.** The panelists concurred that global access to vaccines—especially quicker vaccine rollout in vulnerable countries—will be critical for the global economic recovery. *Georgieva* called for the need to give a “fair shot” to everyone, stressing that rapid vaccination is a key economic policy measure. *Powell* echoed that facilitating vaccination around the world is not only the right thing to do, but also the smart thing to do. Citing the stark gap between vaccination rates in low-income and advanced economies, *Okonjo-Iweala* stated that it will take a long time for the world to recover if the current asynchronous vaccination rates continue. *Donohoe*, also president of the Eurogroup, noted that the European Union (EU) is overcoming difficulties in its inoculation drive and making progress toward its goal to vaccinate 70 percent of its adult population by the summer.
- **Inequality.** As the pandemic has turned out to be more devastating for vulnerable people around the world, panelists called for a greater attention to the increasing inequality. *Georgieva* noted that low-skilled, female, and young workers are likely to be more severely hit by the crisis. *Donohoe* said it was critical to protect incomes of the most vulnerable groups that had been disproportionately impacted by the crisis. *Powell* also highlighted the larger economic fallout on low-income workers in the U.S. and the need for support.
- **Global action.** Panelists encouraged closer global coordination to tide over the crisis, invest for the future, and boost global trade. *Georgieva* highlighted the importance of increased investment to address climate change and to reskill workers. While green and digital economic transition will attract huge investments, *Donohoe* pointed to the need to equip workers with the necessary skills to benefit from the new opportunities. *Okonjo-Iweala* stated that a strong multilateral trading system would contribute to the global economic recovery, calling for international coordination to support and strengthen the WTO.

Quotes:

“This year and next year, vaccine policy is economic policy.” **Kristalina Georgieva**

“Until the world really is vaccinated, we will all be at risk of new mutations and we won't be able to resume activity with confidence all around the world.” **Jerome Powell**

“An open, transparent, and fair multilateral trading system is best for the whole world.” **Ngozi Okonjo-Iweala**

Contributor: Danny Xufeng Jiang