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**Closing remarks**

I would like first and foremost to express my gratitude to all participants of this year's Munich Economic Summit. We had a great conference with stimulating presentations and good interventions. On behalf of the BMW Foundation Herbert Quandt and CESifo I thank all speakers on the podium and on the floor for their participation. This was the fourth Munich Economic Summit and we can look forward to more such conferences in the future.

Europe and the Lisbon goals, where do we stand today? We all agreed that the Lisbon programme has not delivered on its promises, that it and its revamped version have too many shortcomings. What can be done? Edmund Stoiber, in his keynote address, gave us his answer from a politician's point of view: greater deregulation of EU law, more investment in research and development, and strict observance of the Stability and Growth Pact. Jean Pisani-Ferry, in his introduction to the first panel, focused on the need to make the Single Market more dynamic, to ensure effective coordination by using the EU budget as an incentive device for national efforts of common interest, and to make the Eurozone adapt its policy framework to take into account the complementarity between structural and macroeconomic policies. The second panel discussed the pros and cons of national champions. The topic was introduced by Paul Seabright and discussed by representatives of industry. Paul Seabright pointed out that while the success of Airbus has revived the idea of national champions, aerospace is a special case: large firms, hi-tech, low variety, large-scale economies, dependent on commitment. Politicians like big projects, love hi-tech, prefer products that are visible in the press/media and are insulated from competition. Private firms are very similar in picking winners, but there are much better in terminating the losers. The conclusion was clear: Europe does not need state supported national champions outside aerospace.

It was an interesting conference, on the macroeconomic as well as the microeconomic level.

In closing, I would like to thank Jürgen Chrobog and Kai Schellhorn from the BMW Foundation Herbert Quandt for the good cooperation of the Foundation and its team. And I want to single out Thomas Leeb from the Foundation and Christian Kelders from CESifo for their excellent work. This also goes for all the others behind the scene, whose efforts helped to make this conference a success. They deserve a big hand of applause.

Ladies and gentlemen, this concludes the fourth Munich Economic Summit.