

# The Independent

## The business on...Ken Rogoff, Harvard Economics Professor

*Saturday, 29 October 2011* PRINT EDITION

### **As in Reinhart & Rogoff?**

Aha! You know their book, *This Time Is Different*.

### **I picked it up in the "Horror" section**

It is a scary read, you are right. With another former International Monetary Fund economist, Carmen Reinhart, Mr Rogoff has written the definitive work on the history of financial crises and, in particular, sovereign debt crises. Published in 2009, after years of painstaking data collection, it could not have been more timely.

### **Or more scary**

Yes. One lesson is that financial crises take years to recover from, the other is that governments with a debt-to-GDP ratio above 90 per cent will find themselves headed towards crisis. Which might make you less willing to cheer this week's eurozone deal, which aims to cut Greek debt by 2020 to, er, just 120 per cent of GDP.

### **Is he scary in real life?**

In person, very much the mild-mannered economist of stereotypes, but academically brilliant and eviscerating in print. He penned a 2,000-word demolition of all Joseph Stiglitz's arguments in his book *Globalization and Its Discontents*, attacking the left-wing economist's pomposity, and concluded the review with: "Other than that, I thought it was a pretty good book."

### **And his view on the eurozone rescue deal?**

Other than that, I thought it was a pretty good summit...

### **Not a fan then?**

"It's pretty darn clear the euro does not work, that it's not a stable equilibrium," he told a conference in New York. Greece simply has to leave the euro, the only question is how many others will, too. You're right. Scary.