

THE ECONOMIC CLUB

O F W A S H I N G T O N, D. C.

**Excerpts from the Signature Event featuring Lloyd Blankfein, Chairman & CEO,
Goldman Sachs**

July 18, 2012

“One of the things that’s troubling the world right now is that China’s growth rate may be going from 11% to 7½%, but it’s 7½% for crying out loud. And maybe they’ll have other problems, but over time the population – it’s terrific population, they’ve got the feel and the value of markets and investment. This is going to be the century of those BRICs and maybe even China specifically.” ~ *Lloyd Blankfein, Chairman and Chief Executive Officer, The Goldman Sachs Group, Inc.*

“. . . there is no doubt of the intensity of everyone – all business leaders and government leaders – to want to preserve the eurozone and the euro. . . There’s an absolute unanimity. That being said, by itself, is not dispositive, because in addition to the will you have to have the capacity. There’s always a risk that if a snowball starts rolling down a hill, by the time it gets midway down the hill it gets too big to stop . . . you have to have the mechanisms to be effective to stop it. When you look at the governance and the structure of the euro, it’s flawed. It’s flawed that no country in Europe can borrow in a currency that’s its own currency. . . . The governance and the mechanisms in place – it’s a form of federalism, but with very incomplete mechanisms for achieving the results that are sought and the results that you even have the wealth to accomplish. So I’d say all those elements are troublesome. But if you ask me, I think the most important thing is that there’s the will and there’s the capacity. And so I think in all likelihood – in fact, predominate likelihood -- that it goes well and it muddles through, although there will be difficult moments.” ~ *Lloyd Blankfein, Chairman and Chief Executive Officer, The Goldman Sachs Group, Inc.*

“. . . it’s easier to forecast the growth markets of the world and the emerging markets of the world 10 years forward than it is to forecast them 10 months forward. I think the BRICs countries (*Brazil, Russia, India, China*) – the growth markets – there are certain things that are going on now that are clearly cyclical. But one of the great secular changes in the world today is the creation of wealth in these growth countries where that genie is out of the bottle. That’s going to keep on going. And they’re going to have very high growth rates and we’re going to wring our hands and bemoan.” ~ *Lloyd Blankfein, Chairman and Chief Executive Officer, The Goldman Sachs Group, Inc.*

“This is not a zero-sum game that we’re in. We’re not competing against each other for a pie. Our job is to grow the pie and make everybody wealthier, not for the venality of trying to get richer and more wealthy, but wealth in the sense of making the world stronger and healthier and, for lack of a better word, better. That’s what we strive to do.” ~ *Lloyd Blankfein, Chairman and Chief Executive Officer, The Goldman Sachs Group, Inc.*