

## Rundheersing Bheenick: Honouring Dr Yaga Venugopal Reddy

Address by Professor Rundheersing Bheenick, Governor of the Bank of Mauritius, at the University of Mauritius proposing the conferment of the degree of Doctor of Civil Law *honoris causa* upon Dr Yaga Venugopal Reddy, Governor of the Reserve Bank of India, Port Louis, 3 December 2007.

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It is my honour to present to you, assembled here today, at the University of Mauritius, the distinguished and scholarly Dr Yaga Venugopal Reddy, academic at Universities in India and in the United Kingdom, and Governor of the Reserve Bank of India, for conferment of the degree of Doctor of Civil Law, *honoris causa*.

The conferment of such a degree is a coveted distinction and brings Dr Reddy into the illustrious company of Dr Nelson Mandela, Dr Indira Gandhi and Dr I G Patel, on whom, in the recent past, this University has seen fit to bestow this honour. The occasion also confirms the importance that this University attaches to its International role in promoting the application of intellectual endeavours into the processes of human and economic development. The University was founded on the application of agricultural science to national development. Today in this conferment we see that process being extended into fields of applied economics and finance in keeping with the structural transition of this country further into the industrial, business and service sectors in keeping with the original vision of this institution as a “developmental” university.

Dr Reddy has an outstanding international record in academic and financial affairs, principally in a nation thousands of miles from our island state. India is a country over 1,500 times the size of Mauritius, and with a population nearly 1,000 times as great, and I dare not try to compute how many times our small financial capital, expressed in Mauritian rupees, can be divided into the vast riches over which Dr Reddy has served as Governor of the Reserve Bank of India. Moreover, we must recognise that India is a nation whose civilisation stretches back to the dawn of history itself, some 5000 years before man set foot on little Ile Maurice.

Despite these differences our two countries have much in common, as the first Prime Minister of India, Jawaharlal Nehru, recalled 60 years ago at that historic Independence day assembly in 1947:

*“We think of our brothers and sisters who have been cut off from us by political boundaries...they are with us and will remain of us whatever may happen and we shall be sharers in their... fortune.”*

Mauritius is a part of the great Indian Diaspora, with enduring links to the motherland, from which more than half our population are derived, and who continue to cherish many of the cultural and religious traditions, and I am told, even cricket here, is now seeing some reviving interest.

Allow me to detail some of the most notable points in Dr Reddy’s life and work which commend him so strongly to us in this formal assembly today. His career in the past 43 years embraces service in India at state level in Andhra Pradesh and in national administration, finance, planning, monetary policy and public enterprise reforms. Since 2003, he has been Governor of the Reserve Bank of India and prior to this he was India’s Executive Director on the Board of the International Monetary Fund. He has been internationally honoured and noted as one of the key players in the restructuring and reform of the Indian economy in recent years, now so better placed on the world stage in terms of high growth and low inflation.

Dr Reddy has been especially concerned to recognise the plight of the poor in India and to protect the stability of banking in the face of the global financial turbulence of recent times. For him banking and money, in a social democracy, are means to the end of securing social welfare, not ends in themselves. For Dr Reddy, a safe bank is a secure stronghold for sustainable development and its reliability must be continually tested against the changing pattern of risks.

Dr Reddy is a well-travelled adviser and counsellor in the banking and finance sector world wide, working with the IMF on fiscal policies in China, Bahrain, Ethiopia and Tanzania. He also contributes significantly to the work of the Bank for International Settlements, the Bank for Central Banks, and in his regional role in ASEAN<sup>1</sup> and SAARC<sup>2</sup>, which can serve for us as an important stimulus in our regional activities.

Business Week, the US finance journal, this year placed him amongst the elite group of leaders helping to transform India into a 21st century power in Asia. It depicted him as:

*“the jovial governor walking that fine line between holding on to his integrity as the central banker and giving in to the pressures of a populist government. Reddy won!”*

Dr Reddy in addition to his distinguished banking career, at home and abroad, has maintained a strong commitment to academic activity, through published work, teaching and research. He has been visiting Professor in international relations at the London School of Economics, Visiting Professor in the Department of Business Management, at Osmania University and a visiting Faculty member at the Administrative Staff College of India.

It is most fitting that in the 40th Anniversary year of the central Bank of Mauritius and the 60th Anniversary year of Independence in India, we have such a distinguished visitor who will be assisting us in the future in our regional development work at the Bank of Mauritius and for banking education for small and island states. We shall greatly benefit from his vast store of knowledge, experience and wisdom, applying the lessons from so great a country to one so small, but with so much in common in our joint heritage and personal links.

*[May I add, as an aside, that in just the last 24 hours, in meeting with Dr Reddy here, we have established a close accord, exchanging ideas and reviewing opportunities for the future. He has been inspired, I believe, by the range of our 40th anniversary activities, and we have learned of a fresh mechanism for policy review; he engages his Minister of Finance in dialogue, by inviting him to a meeting of the Board of the Reserve Bank of India after the annual Budget speech. I wonder if we might just try that here as an anniversary gift from a firm friend! A Bon Entendeur, Salut!]*

Mr Vice-Chancellor, it is now my very great pleasure, to present to you today, Dr. Yaga Vengopal Reddy, as a most worthy candidate for you to confer on him the degree of Doctor of Civil Law, *honoris causa*.

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<sup>1</sup> The Association of Southeast Asian Nations

<sup>2</sup> The South Asian Association for Regional Cooperation