

Amando M Tetangco, Jr: Nurturing successful & ethical finance professionals

Speech by Mr Amando M Tetangco, Jr, Governor of the Central Bank of the Philippines (Bangko Sentral ng Pilipinas), at the FINEX-CITI Rafael B Buenaventura Outstanding Finance Educators Awards Night, Manila, 28 January 2009.

* * *

Members of the Monetary Board, the family and friends of Governor Rafael Buenaventura, the organizers of the Finex-Citi Rafael B. Buenaventura Outstanding Finance Awards led by Mr. Sanjiv Vohra of Citi and Mr. Eduardo Francisco of Finex Foundation, distinguished finalists, my colleagues at the Bangko Sentral ng Pilipinas, special guests from the academic, banking and finance communities, good evening.

I am very pleased to be here today to join you in honoring our outstanding finance educators. As a career central banker for more than three decades now, I was fortunate to have good mentors; Governor Rafael Buenaventura stands out in particular. He never lectured, he mentored. He never preached, he showed by example. Thus, his six-year term as head of the Bangko Sentral ng Pilipinas will be remembered for the world-class expertise and wisdom which he generously shared. It is fitting therefore that our awards tonight are given in honor of a great mentor – former BSP Governor Paeng Buenaventura. Ladies and gentlemen, let us celebrate the memory of Gov Paeng with a long round of applause.

Teaching is a vocation; it requires intellectual, emotional, and spiritual commitment. It is therefore proper for us to reward outstanding educators.

To me, the discipline, intellectual rigor, and moral values that good educators engender are priceless gifts that empower their students to become effective catalysts for economic and social advancement in our country.

Given the hard and painful lessons from the ongoing global financial crisis, we cannot overemphasize the importance, the value of instilling good moral principles and good governance in the process of educating our youth, the future leaders of our nation.

For instance, we have seen the destructive effects, on a global scale, of the greedy and senseless race to have ever fatter bottomlines at all cost, in total disregard of its consequences.

We have seen many supposedly finance experts lose their perspective when it comes to money. Think subprime, Madoff, and the German billionaire, one of the 100 richest men in the world, who committed suicide when his investments soured.

What is clear is that having piles of money that would allow them to live in luxury was not enough. The chase for money became the end goal. This is where the value of good and ethical finance educators comes in. Educators who will provide their students solid grounding on what financial success means and the ethical parameters for achieving it.

Helping your students develop the ethical compass and the moral fortitude to adhere to doing things the right way should help them find their way in a challenging world. For as we know, doing the right things is not necessarily the easiest path to follow.

American civil rights leader Martin Luther King, Jr. once said that “Intelligence plus character – that is the goal of true education.” That is the challenge before our educators.

As finance educators I hope you will always be mindful that sitting before you in your class are the future leaders of our banking and finance institutions. That you have the power to nurture leaders who can truly make a difference in improving the quality of life of our people.

This is the same philosophy that underpins the economic and financial education program of the Bangko Sentral ng Pilipinas: improving lives through literacy programs that will empower them to benefit from opportunities that development brings.

As you and I know, there are millions of Filipinos who still live in poverty. If we can harness the liberating effects of financial know-how, even at its most basic, then we would be able to help millions of Filipinos help themselves. Empowerment is the key.

This is the reason why economic and financial education is at the heart of Bangko Sentral's advocacies. It is a social good, whose value to society is considerably much more than the personal gains.

Financial learning empowers the citizenry as it helps the public acquire knowledge and develop skills in making well-informed economic and financial decisions necessary to ensure well-functioning markets that, in turn, support economic growth and development.

And when consumers and producers understand financial issues, they are less vulnerable to fraudulent practices and scams. As they grow in their understanding of financial products, whose variety and complexity have grown in leaps and bounds, they will be able to prepare and chart their financial future based on their preferences for risks and rewards. Just as financial learning helps to protect the public from unsafe financial practices, it also affords the public better opportunities for financial advancement and wealth creation.

The importance of education to one's financial future highlights the need to start the process of education as early as possible. Many of you here are parents like myself. So I'm sure many of us would also be happy to see our children learn the importance of saving, investment and budgeting, as well as other aspects of personal financial management, to set them on the right path to a secure and stable financial future.

On the macroeconomic level, financial education also ensures the efficient transmission of macroeconomic policies. It also facilitates the anchoring of expectations as the public is better able to understand and respond to policy actions of the various economic agencies of the government and the Bangko Sentral. It is for these reasons that the Bangko Sentral and many other central banks in the world consider economic and financial education as a key advocacy.

The private sector also plays a major role in raising the general level of financial and economic education. Tonight's awarding ceremony to honor our outstanding finance educators is a testament to the commitment of our organizers, FINEX and Citi Foundation, to this advocacy. In particular, FINEX has been at the very forefront of the development and advancement of knowledge and skills related to the financial field. On the other hand, Citi Foundation is proactive in its own educational campaign to help consumers better understand credit, savings and investment.

We are, therefore, natural partners in broadening the reach of our economic and financial education programs. I look forward to an ever-expanding network of similar-minded individuals and institutions who will cooperate with us to reach out to broader segments of our society: from school children, students, young adults and professionals, overseas Filipinos, and members of the business sector, academe, media and public service.

To those who wish to identify possible areas of cooperation with the Bangko Sentral, our initiatives include the launching of Economic and Financial Learning Centers in different regions; out-reach programs to teach financial management to overseas Filipinos and their families; in-house education activities to enhance economic education even among BSP staff; advocacy of microfinance as a tool for poverty alleviation for entrepreneurially-inclined but capital-challenged Filipinos; in partnership with the Department of Education the integration of savings and money management lessons in the grade school curriculum; and teaching the value of small things including the barya for wealth creation through fund-raising projects such as the award-winning Tulong Barya Para sa Eskwela.

Ladies and gentlemen. The overall success of financial and economic education rests on the concerted efforts of the BSP, our educators and our partners in the private sector. Aside from the various programs and initiatives of the BSP, our contributions to this advocacy lie in providing support to similar efforts of individual organizations. That is why we are particularly happy to host this awards night, together with FINEX and Citi Foundation. Both the private sector, as well as the BSP, stand to gain from a citizenry that better understands economics and finance, and we pledge our support to programs and initiatives that will help us attain this end.

For FINEX and Citi Foundation, we look forward to building upon our collaboration and partnerships in the area of promoting financial and economic education.

For our educators, nominees and winners all, I salute you for your dedication to an ideal that we at the BSP and the banking community as a whole, hold dear. I know that you do all these things not for personal glory or monetary reward. However, your actions should be recognized because they serve to inspire others to do better and to continue the work at hand. I challenge our educators to develop new and innovative methods of reaching our students, and to continue to inspire and enkindle in the hearts of the youth, the thirst and zest for knowledge you hope to impart.

Once again, thank you for your dedication and congratulations to our winners! *Mabuhay ang Pilipinas! Salamat sa inyong lahat.*