

CENTRAL BANK OF KENYA



Remarks by

**PROF. NJUGUNA NDUNG’U
GOVERNOR
CENTRAL BANK OF KENYA**

at the

**LAUNCH OF THE BOOK
KENYA: POLICIES FOR PROSPERITY**

*Kenyatta International Conference Centre, Nairobi
February 9, 2011*

Your Excellency, Honourable Mwai Kibaki, President and Commander in Chief of the Armed Forces of the Republic of Kenya;

Honourable Uhuru Kenyatta, Deputy Prime Minister and Minister for Finance;

Honourable Ministers here present;

Ambassador Francis Muthaura, Permanent Secretary, Secretary to the Cabinet and Head of Public Service;

Permanent Secretaries here present;

Fellow editors Prof. Paul Collier and Prof. Christopher Adam, Oxford University;

Fellow Authors;

Distinguished Guests;

Ladies and Gentlemen:

1. **Your Excellency**, on behalf of the Central Bank of Kenya and the authors of this book, I wish to convey our sincere gratitude that you were able to find time to preside over the launch of this volume “*Kenya: Policies for Prosperity*” which has been edited by Professors Paul Collier, Christopher Adam, and myself. Your presence is testimony to your long standing interest in both economics as a discipline and the Kenyan economy where the country’s Vision 2030 has been expounded. The title was chosen to reflect our aspirations of Vision 2030 and strategic choices available to Kenyan policymakers.
2. The book is an outcome of intensive collaborative research between local and internationally accredited researchers under the coordination of the Central Bank of Kenya and Oxford University. In working to publish this Book, we can claim a further development in that we have developed a pool of local researchers and policy analysts with a keen understanding of the interface between theory and practice. It is also our expectation that the book will influence policy choices and implementation of *Vision 2030*. The book is also informative for researchers and trainers.
3. **Your Excellency**, this book on Kenya is the first of an ambitious programme on policies for prosperity in African countries whose objective is to highlight, in a comprehensive and analytical manner, the key challenges and policy options facing policymakers. The general question it asks for Kenya is that: Kenya is a resource poor coastal country; what strategic choices should it make to unlock its

potential and enhance its locational advantage to achieve its Vision in the year 2030.

4. The development of this book “*Kenya: Policies for Prosperity*” started in early 2008 with a conceptualisation of the chapters to be included. The editors then undertook a rigorous task of identifying local and international authors who could provide drafts for the identified chapters within the stipulated timelines. Modalities for linking up the external and local authors were developed in order to ensure that there was close collaboration between the two groups of authors. It was anticipated that the local authors, including staff from the Central Bank of Kenya, would enhance their research capacity through this collaboration with international authors.
5. As a build-up to the launch of the book today, a workshop was held at the Central Bank of Kenya in January 2009 to discuss the first draft chapters in the volume. The workshop also provided an opportunity for international and local authors to meet. The authors were then allowed a period of three months in order to revise the draft chapters and submit by end of June 2009.
6. Arrangements were then made for the authors to meet at Oxford University in March 2009 for a period of two weeks in order to build capacity and to facilitate closer consultation with the external editors. The visit to Oxford University also provided local authors the opportunity to present and receive comments on their respective papers during the Center for the Study of African Economies annual conference which coincided with the visit. It was envisaged then that the book would be published and launched by December 2009. However, additional time was required to provide for consultations between the editors, authors of respective chapters, and the publishers of the book. The final journey was to finalize all aspects of the book in December 2010.
7. **Your Excellency**, let me now take this opportunity to acknowledge and thank the many who have supported this project in various ways from various quarters. We thank Oxford University for agreeing to partner with the Central Bank of Kenya to undertake this project as well as facilitating every step of the project. The Central Bank of Kenya also acknowledges the financial support of the World

Bank through its Institutional Reform and Capacity Building Project. We also thank the Nairobi office of the UK Department for International Development, the African Development Bank and the International Development Research Center for the generous financial support that has made it possible to finalize this book.

8. Lastly, **Your Excellency**, the launch of this book opens a new horizon for collaborative research between local and international researchers, and policymakers. The Central Bank of Kenya has benefited immensely in this project through capacity building and networking with world renowned economists. One important lesson learnt is that collaborative research between policymakers and academics ensures formulation of practical solutions to practical problems. This is the spirit in which this book on Kenya was conceived. It is also our hope that such an initiative could be replicated in our local research institutions.
9. The Central Bank will continue exploring other opportunities to develop new volumes in addition to the one being launched today to address emerging policy challenges in Kenya that can also be shared in the EAC region.
10. It is now my distinct honour to introduce Professor Paul Collier a co-editor of the book to present a synopsis of the book. Professor Collier is a Professor of Economics at the University of Oxford and the Director of the Centre for the Study of African Economies at the University of Oxford also. Allow me also before Professor Collier takes the floor to introduce Professor Christopher Adam also a co-editor of the book. Professor Adam is a Research Associate at the Centre for the Study of African Economies and a Reader in Development Economics at the University of Oxford.

Professor Collier, you have the floor

Thank you