



## CENTRAL BANK OF KENYA

### PUBLIC LECTURE IN HONOUR OF THE LATE PROF. FRANCIS MWEGA

Chandaria Auditorium, University of Nairobi

Tuesday, February 27, 2018

Introductory Remarks by

Dr. Patrick Njoroge, Governor, Central Bank of Kenya

*As prepared for delivery*

#### **Good afternoon!**

I am very pleased to welcome you all to this public lecture in honour of the late Prof. Francis Mwega. Let me begin by thanking the Vice Chancellor of the University of Nairobi, Prof. Peter Mbithi, for accepting to co-host this event with the Central Bank of Kenya (CBK). Prof. Mwega taught economics at the University of Nairobi from January 1985, and indeed taught most of the current generation of economists in the country. He also made a significant contribution to the economy through his research work.

I wish to express my gratitude to Prof. Benno Ndulu, the immediate former Governor of the Bank of Tanzania and long term friend of Prof. Mwega, for accepting our invitation to deliver the Keynote Address. I also want to thank Dr. Louis Kasekende, Deputy Governor of the Bank of Uganda, and Prof. Wafula Masai from the School of Economics at the University of Nairobi for accepting to provide the initial responses to the Keynote Address.

This event has been organized to coincide with the first anniversary of the death of Prof. Mwega, who served as a member of the CBK's Monetary Policy Committee (MPC), from May 1, 2011 to the time of his death on February 28, 2017. Prof. Mwega had previously served as a member of the Monetary Policy Advisory Committee (MPAC) of the CBK, the precursor to the MPC, from August 2005 to December 2007. Throughout his distinguished career as a member of the MPC and MPAC, Prof. Mwega exemplified the highest professionalism and distinctive humility. He was an invaluable resource to the MPC as was shown by his candid contributions during meetings, and informative research work on monetary policy issues. His publications on monetary policy transmission and exchange rate misalignment have enhanced our understanding of how monetary policy works. Despite his remarkable professional and academic achievements, he demonstrated humility, patience and kindness in all his endeavors and was a mentor to many of the CBK research staff.

In a tribute for this occasion, Prof. Victor Murinde of SOAS University of London captures the lasting impression on many: *“The late Francis was a personal friend and research collaborator over so many years – we are all very proud of the indelible positive impact he has had on research, policy and capacity building especially in the area of monetary economics in Kenya. He was the best of the best”*.

**Ladies and gentlemen,** I am happy to note that this public lecture has drawn a large audience comprising of CEOs and other representatives of private sector institutions, policy makers and other senior Government officials, the Deputy Governor of Bank of South Sudan, Mr. Odera Innocent Ochan, Vice Chancellors and other senior staff from our universities. I also wish to warmly welcome our development partners including the World Bank and IMF, research institutions including the African Economic Research Consortium (AERC) and KIPPRA, the CBK Board of Directors, and current and former CBK Governors and MPC/MPAC members. I am equally pleased to welcome students from various universities, the media, and other participants from the financial sector, including the CBK staff. I also wish to acknowledge, in a special way, the presence of the family of the late Prof. Mwega in this event. Thank you all for coming.

It is now my honour to introduce the Keynote Speaker Prof. Benno Ndulu, who served as the Governor of the Bank of Tanzania from January 2008 to January 2018. He started his career at the University of Dar es Salaam in the early 1980s before joining the World Bank as a Lead Economist. He is best known for his involvement in setting up and developing one of the most effective research and training networks in Africa, the AERC. He received an honorary doctorate from the International Institute of Social Studies (ISS) in The Hague in 1997 in recognition of his contributions to Capacity Building and Research on Africa. Following his Ph.D. degree in economics from Northwestern University in Evanston, Illinois, U.S.A., he taught economics and published widely on monetary policy issues, growth, adjustment, governance and trade. More recently, Prof. Ndulu has co-authored a book titled *Tanzania: The Path to Prosperity*, published by Oxford University Press. The book highlights the challenges of securing economic prosperity in Tanzania in the coming decades. We in the Central Banking fraternity, also recognize Prof. Ndulu for his key role in driving the regional integration initiatives, especially harmonization of monetary, exchange rate and financial sector policies, within the auspices of the East African Community.

**Ladies and Gentlemen,** allow me to invite Prof. Ndulu to deliver the Keynote Address entitled **“The Conduct of Monetary Policy in a Changing Policy Environment”**. The keynote presentation will be uploaded on the CBK and University of Nairobi websites, after this event, for future reference.

**Thank You!**