

*Governor Conferred  
Honorary Fellowship of  
LSE : The Oration given  
by Lord Nicholas Stern of  
Brentford\**

"Chairman, Dr. Yaga Venugopal Reddy (YV) joined the Indian Administrative Service in 1964 when it was the most elite of organisations not only in terms of analytical and leadership abilities but also in the embodiment of integrity and effectiveness in administration. It was designed to bring the highest quality and standards to the service. These were the inspiring years of the building of post-independent India. Governor Reddy has been committed to service, to integrity and to fair play all his life. We are reliably informed that an extract from his reference on graduating from college was that "he is a brilliant, young man with a zeal for hard work. He impressed me by his industry and sincere work. He organised a night school during his under-graduation at Vivekananda College in Madras. He is always genial and respectful towards all": 'under-graduation' means 'whilst studying as an undergraduate' and is an example of the great efficiency of Indian English. He went on to do his M.A. in Economics at Madras University and his Ph.D. at Osmania University.

Y.V. Reddy became the twenty first Governor of the Reserve Bank of India on September 6, 2003. Prior to this he had been with the Finance Ministry, later becoming Secretary to the Government of India. He has also served as Executive Director for India, Sri Lanka, Bangladesh and Bhutan on the Board of the International Monetary Fund. Earlier he had served a six year tenure with the Reserve Bank of India as its Deputy

\* Governor, Dr. Y.V. Reddy, has been conferred the Honorary Fellowship of the London School of Economics and Political Science, (LSE) at an official ceremony in London on July 17, 2008.

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Governor. Governor Reddy is the Chairman of the BIS Asian Consultative Council (ACC). He is also the Chairperson of SAARCFINANCE, a Group of Governors of the central banks of SAARC member countries.

His boss in his first Indian Civil Service job and a friend who has known him for over 40 years, B.P.R. Vithal (former Registrar of Osmania University) says that Governor Reddy's approach to economic issues is to place them in a broad social perspective and test all economic analyses within that perspective. K.V. Kamath, the chief executive of ICICI (one of the largest commercial Banks in India) says of Governor Reddy "He has brilliantly managed to balance growth imperatives with stability. This he has done using his enormous technical expertise in the area of monetary policy and applying it judiciously to a growth environment as seen in India." According to Narayana Murthy, the chairman and chief mentor of Infosys Technologies, a company at the heart of the Bangalore IT industry, who sat on the board of RBI "Dr Reddy is called the Guru by all of us on the board of the RBI because of his extraordinary ability to explain complex macroeconomic concepts in simple words. He is a gentleman and a scholar," he says.

Governor Reddy has always been committed to the cause of the under privileged, a commitment which has never been lost in the complex world of international finance. As he has said "You can be an economic powerhouse but your task is to make sure that people inhabiting

the country have a reasonable standard of living". He directly links financial stability to social protection: as Governor Reddy says "You don't have social insurance mechanisms, you don't have risk mitigation mechanisms for a large number of people." And he goes beyond protection to the role of policy in directly promoting standards of living; thus he is committed to the Reserve Bank's financial inclusion programme, which encourages banks to reach out to India's poor people and translates documents into several of the country's regional languages.

He is described as the Governor who has the courage to implement policies which are fair and for the benefit of all people, motivated by strong principles of economic management and constantly recognising the needs of poor people. He has been recognised as a leader who is firm, flexible and fair and is well respected by all his staff. Notwithstanding the intense demands of his job he is a voracious reader and in all my meetings with him he has raised something interesting that he has recently read, from the most esoteric economics to the most profound novels.

Governor Reddy maintains a strong commitment to academic pursuits and has many publications to his credit mainly in areas relating to finance, planning and public enterprises. He holds Visiting Professorships at a number of universities in India. He has been a Visiting Fellow at the LSE. He was 'the life force' in setting up the IG Patel Chair and the India

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Observatory at the LSE in honour of our former Director whose name the Chair carries and which I have the privilege to hold. He is indeed in the great tradition of inspired, distinguished and humble leadership embodied in his predecessor, I.G. Patel as Governor of the Reserve Bank of India.

Governor Y.V. Reddy is an outstanding individual who has distinguished himself through his knowledge, service and commitment not only to India but to the wider global community. We are honoured that he is accepting an Honorary Fellowship at the School.

Chairman, I ask that Dr Yaga Reddy be admitted as an Honorary Fellow of the London School of Economics and Political Science."

The other prominent Honorary Fellows of the LSE from India include Prof. Sir Partha Dasgupta, Prof. Lord Desai, Mr. Nitin Desai, Dr. Jagan N. Khosla, Prof. Kakkadan N. Raj, Prof. Amartya Kumar Sen and Dr. Ratan N. Tata.

The Court of Governors, on the recommendation of the Nominations Committee and with the concurrence of the Academic Board, elects an Honorary Fellow of the LSE. The Honorary Fellowship is considered to be one of the most prestigious awards that the LSE bestows. Not more than six Honorary Fellows are elected in any one year. Honorary Fellows have no formal duties but the LSE hopes to have the general support of its Fellows and to have their company at some of its public occasions.