

Honorary Degree Conferral and Lecture
Deputy Governor Yi Gang

Remarks of Michael A. McRobbie
President
Indiana University
University Place Conference Center Auditorium
Indianapolis, Indiana
Wednesday, April 18, 2012
1:30 p.m.

I. INTRODUCTIONS AND ADKNOWLEDGEMENTS

Friends and colleagues, please be seated.

Good afternoon. It is my great pleasure to welcome you on this very important occasion.

Today, we honor Yi Gang, the Deputy Governor of the People's Bank of China, and a man who has been called the world's most important practicing economist.

Not only are we honored to have Dr. Yi here today because of his international reputation as a visionary economist and his outstanding work with the People's Bank of China, but we are also especially pleased to welcome a former faculty member back to the IUPUI campus.

Dr. Yi, it is a distinct pleasure to welcome you back to Indiana University. We are all looking forward to your address.

As we begin, I would like to introduce the members of our platform party. We are pleased that several members of the Indiana University Board of Trustees are with us this afternoon.

I ask them to stand, and as I call their names, I request that you please hold your applause until all have been introduced.

- Bruce Cole of Washington, D.C.,
- Philip N. Eskew Jr. of North Webster,
- Cora J. Griffin of Galveston, and
- Thomas E. Reilly Jr. of Indianapolis.

Please join me in greeting our trustees.

Also with us today – and again I ask you to hold your applause – are:

- Charles R. Bantz, Indiana University Executive Vice President and Chancellor of the Indiana University-Purdue University Indianapolis campus,
- David Zaret, IU Vice President for International Affairs,
- William A. Blomquist, Dean of the School of Liberal Arts at IUPUI,
- Paul S. Carlin, professor and chair of the Department of Economics at IUPUI, and
- Mary L. Fisher, associate vice chancellor for academic affairs at IUPUI, and University Grand Marshal.

Please join me in welcoming them.

II. DEPUTY GOVERNOR YI GANG

Friends and colleagues, it is now our great privilege to formally recognize our candidate for an Indiana University Doctor of Humane Letters degree, Yi Gang. Dr. Yi was born in Beijing and first came to the United States as a gifted student as well as a competitive swimmer.

He earned a bachelor's degree in business administration from Hamline University in Minnesota and he subsequently earned a master's degree and a doctoral degree in economics at the University of Illinois.

Dr. Yi was an assistant and associate professor of economics at IUPUI from 1986 to 1994. His IUPUI colleagues note that he was a talented research economist, a gifted teacher, and a generous colleague.

At the time of his initial appointment to our faculty, Dr. Yi was principally an expert in econometric theory, the application of advanced statistical techniques to describe, model, prove, and predict economic theory and systems. By the time he left, through hard work that included a great deal of reading and focused research, he had become an expert on China's monetary and financial sectors.

In 1994, he published *Money, Banking, and Financial Markets in China*, a comprehensive study which helped to cement his reputation as one of the leading experts on China's monetary system.

With good economists in high demand in China in academia, industry, and government, Dr. Yi returned to China in late 1994 to join the faculty of Peking University. He was one of the first western-trained economists to return to work in China.

In addition to his teaching and advising duties at Peking University, Dr. Yi became deputy director of the university's China Center for Economic Research, a center that

also was home to Dr. Justin Lin, the first Chinese citizen to serve as the Chief Economist of the World Bank.

In 1997, Dr. Yi joined the People's Bank of China, the Chinese central bank, serving as deputy secretary-general, and in 2002, he was promoted to secretary-general. In 2008, he was appointed deputy governor of the People's Bank, and in 2009, he also became the administrator of the State Administration of Foreign Exchange.

Dr. Yi is the guardian of China's 3.2-trillion-dollar foreign currency reserves and he is a principal figure in the progress and stability of our global economy. He has initiated exemplary, innovative practices that have transformed China's financial structures and garnered high praise.

The China Leadership Monitor, a publication of Stanford University that closely tracks trends in elite Chinese politics, noted that Dr. Yi spent 14 years studying and teaching in the United States and that his "substantial length of foreign experience and (his) solid academic credentials are just the kind of talent that China needs most at present, especially in the high-level decision-making circles."¹

Since his return to China, Dr. Yi has devoted himself to public service, and he has demonstrated a remarkable ability to identify social needs, propose innovations, and implement reforms.

He is currently the highest-ranking Chinese official with a Ph.D. in economics from abroad, and in this capacity, he serves as a role model for other Chinese intellectuals, demonstrating how to use their knowledge to bring about desirable changes in China's modernization efforts.

¹ Cheng Li, "The Status and Characteristics of Foreign-Educated Returnees in the Chinese Leadership," *China Leadership Monitor*, (Hoover Institution, Stanford University), No.16 (2005).

Dr. Yi has published dozens of articles and academic papers in Chinese and English. He is the author of ten books and is widely consulted for his expertise.

I now ask Dean Blomquist to escort Dr. Yi to the podium. Grand Marshal Fisher will assist.

Yi Gang, in consideration of your lifetime of achievement, it is entirely fitting that Indiana University recognize your outstanding accomplishments and your service to the world by conferring upon you an honorary Doctor of Humane Letters degree. And so, by virtue of the authority vested in me by the trustees of Indiana University, I am proud to confer on you, with honor, this degree, with all attendant rights and privileges.

Congratulations. Ladies and gentlemen, Dr. Yi Gang.

III. DR. YI'S REMARKS

IV. CLOSING

Thank you, Dr. Yi. It is indeed a privilege to hear the insights of someone who has made unparalleled contributions to the understanding of the world's greatest and most pressing economic issues.

And so we come to the conclusion of this memorable occasion. I would like to thank everyone who has joined us today. I invite you all to join us for conversation and refreshments in Room132, just across the hall from this auditorium.

Thank you and good afternoon.