

**Address by Mr Iqbal Belath, Second Deputy Governor, Bank of Mauritius,  
at the Annual Convocation Ceremony of the University of Technology,  
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Distinguished Guests, Ladies & Gentlemen

Let me first of all thank Mr Fokeer for his kind introduction.

It is a great honour and privilege for me to be invited to speak at the Graduation Ceremony for the graduands of the School of Business, Management and Finance. It is indeed a great day for all of us – for you, fine young men and young women, who will be rewarded for your many accomplishments in the course of the last three years, and for us, the privileged witnesses of your crowning moment. It is also a great moment for your parents and dear ones who must be feeling very proud of your academic achievements.

You, graduands, must be experiencing a feeling of delight and pride as you prepare yourself to cross the first phase of your academic construction. Like all your peers before you, you may also be looking forward to take on the world, curing it of all its poverty, ailments, injustices and miseries.

The country you are living in today has gone through a lot of changes. Let me quickly retrace this transformation. At the time Mauritius was acquiring its independence, our country was in depression, suffering from a mass exodus of its best brains whether from the banking profession or from the teaching profession – in fact all those who could afford it were leaving the country for other lands - for greener pastures. The unemployment rate had reached unprecedented levels. Notwithstanding the famous comment that the Cambridge economist and Nobel Prize winner, James Meade had

made on Mauritius, an internal World Bank memo mentioned the *“intractable nature of Mauritius’ economic problems”* and painted a *“rather gloomy picture about the development prospects”* of the country.

After independence, those of us who had opted to stay, worked very hard to give our children a brighter future. Those who understood the value of a formal education sent their children to school and those who had the means sent them abroad to pursue higher education. With the setting up of our first university in Réduit in 1965, more youngsters were able to get a tertiary education and we were able to produce a pool of highly-educated workers.

Over four decades, we have moved from a USD 200 GDP per capita economy to a USD 10,000 GDP per capita economy. We have today an unemployment rate of around 8 per cent which we do not consider worrisome when we compare ourselves with what is happening in some advanced economies. This does not imply that we are complacent to have about 8% of our working population without a job. Real GDP growth has averaged more than 5 percent since 1970. Imports and exports have boomed. Efforts at economic diversification have been successful, allowing the country to move from sugar to textiles to a broader service economy. Mauritius’ reliance on trade-led development has helped the country achieve respectable levels of export performance. Mauritius is often referred to as a successful model in the African region.

Mauritius therefore offers you, young ladies and young gentlemen, more opportunities now than our forefathers had at the time, and a standard of living that they could only dream of. I cannot foretell what the future has in store for you but what I can tell you is that the Mauritius you are going to step into after your graduation today is a transformed Mauritius. No doubt that you and your generation have also had to face and are facing challenges in your daily life. What I want to highlight is that, you are inheriting a country with much improved footings; a country that does not encourage the exodus of its best brains; on the contrary, it invites citizens from other countries to consolidate its development.

Let me therefore congratulate you: you have made a good choice when you invested in your further education and you are today well equipped to face the challenges of a modern world in turmoil. But mind you, you will have to put in the efforts to develop your talents. Hard work is not always a guarantee to success but it does give you a chance. The ingredients of success in life amount to being adequately qualified, adequately skilled, taking calculated risks and being at the right place at the right time. Your degree is only the foundation on which you will have to build, stone by stone, the edifice of a successful career and life. You have to make use of every opportunity to develop and perfect your talents.

You should ask yourself: what should your responsibilities be as a new graduate? First of all your responsibility lies with our country – your concern should be to continue to gain on the hard-won gains by our forebears. Our nation needs its capable young countrymen to take it forward and to continue to develop it into a progressive, prosperous and harmonious society for future generations.

Once you step outside the portals of the University, what is awaiting you? Outside is the real world – very different from the academe world. You will certainly be looking for a job, a job that you feel is appropriate for the kinds of competence and skills that you have acquired during those years of study. Are you well-prepared to face the jungle that the workplace can sometimes be, a jungle where competition is raging? Would you want to join the fight for a handful of positions at the top regardless of the means to reach there? Or would you rather choose to earn your credibility the hard way? Gone are the days when you can retire on the same job. In a work environment that becomes increasingly demanding, you will face tremendous challenges. Today's jobs require multi-skilling, multi-tasking and lifelong learning. Newton D. Baker<sup>1</sup> once said: *"The man who graduates today and stops learning tomorrow is uneducated the day after."* How very true in today's world?

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<sup>1</sup> Newton D Baker was the US Secretary of War during World War I

The world is now a very uncertain place. Changes are happening every minute – the very foundations on which the global economic and financial system rest are being shaken. At the same time, the world demands more transparency, more accountability and good governance. Some view this with misapprehension and fear. But for others, what an exciting time it is! I am of those who believe that something great will come out of all the turmoil that the world is presently going through. I am reminded of a passage in Orson Wells' *The Third Man*, which refers to the reign of the Borgias<sup>2</sup> in Italy. I quote the passage, with all due respect to the Swiss people: *"In Italy for thirty years under the Borgias they had warfare, terror, murder and bloodshed, but they produced Michelangelo, Leonardo da Vinci and the Renaissance. In Switzerland, they had brotherly love; they had five hundred years of democracy and peace – and what did that produce? The cuckoo clock!"* The analogy stops short, of course, of the warfare, terror, murder and bloodshed. The point I wish to make here is that even when things seem at their worst, great things can happen. As they say, you can only see the stars when it is dark.

I have no doubt that we will be looking at a "brave new world" in which there will be less inequity and disparity among nations. Both Europe and the US are at defining moments in their history. There are indeed many indicators of change that suggest that they are about to cross – or may even have crossed — watersheds in their economic history. The dollar is steadily being eroded as the world's sole or dominating reserve currency. The days are gone when 85 per cent or more of international currency reserves were held in "greenbacks", a more realistic figure today would be around 60 per cent. The growing surreal indebtedness of the US is putting into question the "safe haven" feature of the dollar. The dream of Jean Monnet and Robert Schuman's of a "United States of Europe" is turning into a nightmare. Looking beyond what is happening on the two sides of the Atlantic, we see Asia and Latin America advancing to centre stage. And the new

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<sup>2</sup> The Borgias, descendants of a noble line, originally from Valencia, Spain, that established roots in Italy and became prominent in ecclesiastical and political affairs in the 1400s and 1500s. The house of the Borgias produced two popes and many other political and church leaders. Some members of the family became known for their treachery.

mantra of investors – Africa’s Success Story, the rise of the Economic Lions of Africa – speaks volumes about the “newly discovered” potential of Africa. Who would have forecast that Europe would turn to China for assistance. All these changes pose innumerable challenges for policymakers – for a central banker most certainly – decision makers, and implementers of government policies as well as for providers of goods and services. But what a fantastic time to be around! As new graduates, you can bring your contribution to the making of a new world order. You decide whether you wish to be passive onlookers or proactive players in this drama.

Let me conclude by sharing with you some of the lessons that the crisis has taught us and which I believe will serve you well in your future career:

- Do not be too greedy.
- Do not abuse of the system.
- Do not take short cuts.
- Earn a good reputation—you cannot buy an excellent reputation, you must earn it.
- Always have a positive and proper mindset

I again congratulate you all for your academic achievement. The world is yours. Remember that it’s up to you to make a difference – you have the choice to be a passive onlooker or a proactive player. Remember your success, you owe it also to your parents who have given their support and for being present by your side, as you burned the midnight oil.

I wish you all a very successful life.

Thank you.