



SPEECH

DATE: 25 Oct 2018

SPEAKER: Gov. Stefan Ingves

LOCALITY: Åbo University

Introductory remarks by Governor Ingves, panel discussion about "Imagine! Science, Knowledge, and Wisdom in the University of the Future", Åbo Akademi, on the occasion of Åbo University's 100 year anniversary.

Panel participants: Maryan Abdulkarim, activist and journalist, Li Andersson, Chairperson of the Left Alliance, Tarja Halonen, President of Finland 2000-2012, Stefan Ingves, Governor of Sveriges Riksbank, Alf Rehn, Professor at the University of Southern Denmark, Göran Rosenberg, author and journalist.

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"Imagine! Science, Knowledge, and Wisdom in the University of the Future"

President Halonen, ladies and gentlemen, honoured audience. First of all let me congratulate Åbo Akademi on its 100th anniversary. It is an honour to be present on such an occasion. It is also a privilege from a more personal perspective. Let me explain why:

I was born here, my father studied Economics and was the treasurer of the student union, and my mother ran the restaurant. I grew up listening to stories about what student life was like in, what many of you would call, "the old days". I have also lived a few years in Vasa where you have your other campus, and I have travelled highway 8 between Åbo and Vasa for 65 years! It took a long time back then, but in this perspective – I'm home!

Around 250 years ago this part of Europe was poor compared to many other countries, but not so today! The Nordic countries belong to the most orderly, least corrupt, and wealthiest countries, with the most favourable living conditions in the world. This transition raises the question, what made the difference? Without being a historian, I would like to argue that sound economic policies, openness to trade, the rule of law, an open mind and acceptance of change, but even more so, education, persistently more education made the difference. This is also why today's anniversary is so important. It is all about education, the creation and preservation of and the use of lasting knowledge.

And now where do we go from here? During my professional life I have had the privilege to work on a global basis and to meet and work together with very talented and well educated people from all over the world. Quite often I have asked myself, sitting on a plane to or from afar, with increased openness and

globalization – what does it take to stay ahead? How do we find and create talent, and how do we compete for talent?

Nowadays large numbers of people are well educated everywhere. With enough income you can pay to get your children into the best universities and up and coming countries with ambitions follow the same strategy. A brand name Ivy League US education has turned into an export industry! With a completely different societal set up with basically free education and more and more regional universities – how do we stay competitive at the global level, what should our ambition be? I do not have the answers, but the questions are highly relevant if we are to preserve our standard of living for another hundred years. In short – if your ambition is to punch above your weight, how do you make that happen?

Let me give you a very personal and non-academic perspective on this, and I do so leading an institution with a 350 year history and often with the opportunity to hire top talent within the field of economics. Presently, we have about 60-65 PhDs in economics or finance working at the Riksbank.

It does not matter where you come from or what ethnic background you have, what matters is your skills and your ability to use those skills. Assuming that you know the technicalities of your field and have research skills, what else then do you need to know to be useful in forming policy? When do your words have an impact? You need critical thinking, to question conventional wisdom, challenge consensus and think outside the box. Look around you and try to understand – everything jotted down in the form of equations with Greek letters is not always a good representation of reality. You need to have the ability to communicate in a clear and understandable manner both in written form and orally. If others cannot understand your thinking it is hard to have an impact.

In this day and age and going forward a whole variety of communication skills are needed, or as Karlfeldt, the poet, said about Fridolin more than a hundred years ago – “he had the skill to talk to farmers in farmers’ ways and with learned men in Latin”. I was lucky enough to be exposed to rhetoric at a young age, a skill which should get more emphasis in our part of the world. The best thing is of course if you can master rhetorical skills in more than one language.

In short, know your field, be evidence based and learn how to express yourself.

Outside an academic institution it is also important to learn how to get the work done on time, to learn how to cooperate with colleagues from different fields and to learn how to appreciate an amalgamation of different competences. To combine the knowledge of economics, political science and governance often leads to good outcomes in a practical policy setting, but it is challenging to listen to those others! To put it simply – learn how to work. Strangely enough there are no courses in this field – it is all learning by doing.

Expressed in more general terms – we need both specialists with deep technical knowledge and generalists with a very broad education. Such a combination poses managerial challenges but I do think it is a winning concept for the future.

Moving outside the realm of my own fairly narrowly defined world of economics, if we are to stay competitive and lay the foundation for another hundred years of success we should allow for experiments, learn from others and be prepared to do and to redo over and over again. The challenge is to foster curiosity and change and while we do so, and here I shall borrow a term from monetary policy, we should do so “over an extended period of time” in an orderly way!

With these very brief reflections - once again thank you for inviting me home with the opportunity to say a few words on this important occasion.