

# Introductory Remarks

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*Mark Carney*

The turmoil of the past year and a half has been momentous, and I think that this is reflected in the topics on the agenda for this conference. This is also the agenda that our colleague David Dodge has grappled with during his long and illustrious career in public service, including, of course, his seven-year tenure as Governor of the Bank of Canada.

The breadth of topics for discussion also demonstrates the breadth of David's interests. There cannot be a better time to discuss such topics as the financial crisis and policy responses, which is first on the agenda and is a subject that has certainly seized the attention of policy-makers around the world as we respond to the global financial crisis.

A session has also been scheduled on inflation targeting, which is of particular interest, since we at the Bank of Canada are in the midst of an ambitious research agenda on this topic. I welcome Governor Guillermo Ortiz of the Bank of Mexico, who will lead this session. This is a particularly challenging time for policy-makers, so I thank Governor Ortiz and Bill Dudley of the New York Fed for taking time out from saving the global financial system to attend.

Issues of productivity, the future of the labour force, fiscal policies, and future regulation of Canada's financial system are other vital topics on the conference agenda. They are particularly relevant as we prepare for the impacts of what appears to be an inevitable global recession.

Later today we will unveil the official portrait of David Dodge. It will hang in the Graham Towers Room alongside portraits of David's predecessors. My colleagues and I like to use this art deco boardroom for inspiration and intimidation.

These days, there is a steady stream of supplicants, growing bolder by the day, who come to request some portion of our balance sheet. When I listen to these requests, couched in most pliant words, I like to have John Crow over one shoulder and Gordon Thiessen over the other. Iron Fist and Velvet Glove. The not-so-subtle message is: "Do you really think that any of the men on the walls would say yes?" Given the times, I shall be glad for the reinforcement from David.

On the day of his retirement, David addressed the staff of the Bank for the last time as Governor. In his remarks, he evoked Newton to remind us how we stand on the shoulders of our predecessors as we strive for excellence in our work. With characteristic humility, David downplayed his own accomplishments, referring always to "we," not "I," in describing the Bank's progress over the past seven years. Let us take this opportunity to give more credit where it is due.

While at the Bank, David drew inspiration from his predecessors—stood on their shoulders—in his stated goal of making the Bank of Canada second to none among central banks around the world. Following the lead of Gordon Thiessen, David continued to modernize the Bank’s governance and made it a more open and accountable institution. Following the lead of John Crow, David launched a research program that seeks to determine whether the Bank can do even better in its pursuit of the goal of price stability. Following the lead of Gerald Bouey, David made sure that the Bank paid close attention to the impact of financial innovation on the conduct of monetary policy. Following the lead of Louis Rasminsky, David spearheaded Canada’s efforts to modernize international institutions such as the IMF, making them more relevant to today’s global economy.

I would like to take a moment to thank deputy governors David Longworth and John Murray for all of their hard work in organizing this conference. It is much appreciated.

One of the many things that David taught me is the value of an extremely well-timed exit. So, without further ado, I thank you all for coming and would like to officially open this conference.