



**LAUNCH OF THE BANK OF GHANA CHAIR IN FINANCE &
ECONOMICS**

INAUGURAL ADDRESS

BY

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**Vice Chancellor,
 Professor Edward Nketiah-Amponsah,
 Professor Yegandi Imhotep Paul Alagidede,
 Esteemed faculty of the Departments of Economics and Finance,
 Distinguished colleagues from the Bank of Ghana,
 Students, members of the media, invited guests, ladies and gentlemen.**

Good afternoon.

I am happy to join you this afternoon for this special occasion at Ghana's premier university, which is also my alma mater - an institution that continues to nurture some of the finest minds in our country and across the continent. On behalf of the Bank of Ghana, I bring warm greetings and extend our deepest appreciation to the University of Ghana for this enduring partnership and for hosting what we consider a milestone event in the advancement of economic thought and policy.

To those of us in public service, the ability to share ideas with academia is not a luxury, it is a necessity. Because policy without intellect is blind, and theory without policy is sterile. The partnership between the University of Ghana and the Bank of Ghana, therefore, is not just ceremonial. It is foundational.

Significance of the Occasion

Today's inauguration of the Bank of Ghana Chair in Finance and Economics is more than the launch of a title. It is a clear signal of our long-term commitment to knowledge, to research, and to the nurturing of a new generation of thinkers who will shape the financial architecture of tomorrow.

In supporting this Chair, the Bank affirms three enduring values:

First, our belief in **knowledge development and capacity-building**. Sound monetary policy rests on strong intellectual foundations. This Chair will serve as a catalyst for cutting-edge research in inflation dynamics, exchange rate management, digital finance, regulation of virtual assets, and the evolving contours of financial stability.

Second, our mission to **bridge the gap between policy and academia**. We live in a world where economic decisions must be informed by data, shaped by context, and grounded in real-world experience. This platform creates space for rigorous scholarship to inform policy—and for policy to challenge and inspire scholarship.

And third, our commitment to **supporting future economists and policymakers**. We hope that this Chair becomes not only a centre of research excellence, but also a magnet for mentoring, inspiration, and critical thought for students across Ghana and Africa.

It is a fact that university-based Chairs have long been the bedrock of forward-looking policy in leading economies. By establishing this Chair, we join that tradition and add our own

uniquely Ghanaian voice to the global discourse on monetary policy and economic development.

Let today mark the beginning of a new intellectual journey, one that will echo far beyond these walls, into policy chambers, financial institutions, and the hearts of young economists still finding their voice.

“From Cowries to Crypto”

Distinguished Ladies and Gentlemen,

The evolution of money is also the evolution of trust and nowhere is that journey more textured and instructive than here in Ghana.

Long before central banks and silicon chips, the people of this land exchanged value through barter, yams for cloth, salt for kola. As our economy matured, cowries emerged as a widely accepted medium of exchange across West Africa. Cowries were more than shells—they were social contracts. They represented trust, obligation, and the beginnings of what we now understand as money.

With the intrusion of colonialism came foreign coins, Spanish doubloons, Austrian thalers, and the ubiquitous British pound. Over time, Ghana's financial sovereignty became entangled in the currencies of others. That's why the introduction of the Ghana Cedi in 1965 was not just a currency change, it was an act of economic self-determination. It was a declaration that Ghana would define its own economic path.

This journey, from **cowries to colonial coinage to the Cedi**, tells a story of resilience and adaptation. And today, we are living through another turning point in the history of money: the digital revolution.

Across Africa, mobile money and fintech platforms have reshaped how people send, receive, and store value. Ghana is among the global leaders in mobile financial innovation, with mobile wallets outnumbering traditional bank accounts. The promise of digital inclusion is real—and it is reshaping how young people, smallholder farmers, and entrepreneurs engage with the financial system.

Yet alongside this promise, there are new uncertainties. Cryptocurrencies have entered our markets, without borders, without central issuers, and often, without regulation. They challenge the core functions of central banks, to issue trusted money, safeguard financial stability, and anchor public confidence.

This is why at the Bank of Ghana, we have not stood still.

We have launched a pilot of the **e-Cedi**, making Ghana one of the first countries in Africa to explore a central bank digital currency. We are finalizing regulations for **Virtual Asset Service Providers (VASPs)** to bring transparency and order to crypto-related activity. And through our

fintech regulatory sandbox, we are inviting innovation to flourish, but within a framework that protects the system and the consumer alike.

The theme “*From Cowries to Crypto*” is therefore not just historical. It is directional. It reminds us that money is not a static invention, it evolves with the needs, technologies, and trust of the people.

Our job, as regulators, academics, and citizens, is to shape that evolution with wisdom. And to ensure that innovation serves inclusion, that digital tools expand opportunity, and that the Ghana Cedi, whether in coin, note, or code, remains a symbol of national confidence and continuity.

Let us honour our past by securing our monetary future together.

Challenges and Opportunities for African Monetary Policy

Distinguished guests, ladies and gentlemen,

As we reflect on the historical journey of money, from cowries to crypto, it becomes clear that the context within which African central banks operate today is vastly different from even two decades ago. It is a context shaped by both daunting challenges and promising opportunities.

1. The Current Landscape of Monetary Policy in Africa

Over the last two decades, Africa has made considerable progress in stabilizing inflation. From an average inflation rate of over 10 percent in the 1980s and 1990s, some countries were able to bring inflation below 10 percent by the mid-2010s. This reflected better monetary policy frameworks, improved fiscal coordination, and more credible institutions. Yet, recent shocks have reminded us how fragile these gains can be.

The COVID-19 pandemic, Russia’s invasion of Ukraine, supply chain disruptions, and climate shocks have all contributed to inflationary pressures and exchange rate volatility. Most economies in sub-Saharan Africa are small and open, and the high share of food and energy in our consumption baskets means that any external shock quickly translates into domestic inflation.

In Ghana’s case, we experienced this vividly in 2022, when inflation reached 54.1 percent, and the cedi depreciated by over 50 percent, one of only two currencies in Africa to experience such a severe decline. Food inflation alone spiked to nearly 60 percent. These are not just statistics; they are lived experiences, affecting household incomes, eroding savings, and shaking confidence in the financial sector.

2. The Role of Strong Institutions and Data-Driven Policy

What these shocks underscore is the absolute necessity of credible institutions and agile, data-driven policy. We cannot always prevent global disruptions, but we can control our response. The resurgence of the cedi in 2023, appreciating over 42 percent year-to-date and supported by over US\$11 billion in international reserves, is evidence of how disciplined policy coordination

between the central bank and fiscal authorities, supported by an IMF programme, can deliver results.

To sustain these gains, we must continue to invest in our institutional capacity, particularly in research, forecasting, and risk analytics. Central banks must evolve into intelligence-driven organizations capable of anticipating shocks and crafting forward-looking policies that are both adaptive and inclusive.

3. Monetary Policy Dilemmas

However, even as we modernize, we face new dilemmas. Central banks today must balance price stability with financial stability, while also navigating increasing government reliance on domestic financing.

Across the region, we see a sharp rise in banks' holdings of government debt, from 20% of credit portfolios in 2010 to over 35% in 2023. Ghana mirrors this trend. As of June 30, 2025, total gross loans by banks stood at GH¢89.16 billion, while investments in government/BoG securities amounted to GH¢162.92 billion. This reflects a worrying skew towards risk-free assets, which crowds out private sector credit and dulls the potency of monetary policy transmission.

But as we are beginning to realize, an era of persistently high interest rates cannot be sustained. It is now time for banks to begin re-evaluating their business models, not only to protect margins, but to serve the broader economy. Our banking sector must become a catalyst for growth, with more targeted and productive lending to Ghanaian enterprises.

We also face a critical challenge in managing exchange rate regimes. While many countries claim to float their currencies, in practice, there is a growing fear of depreciation. This de facto resistance to floating limits policy flexibility and can fuel credibility gaps. As a region, we must be honest about this divergence and work toward exchange rate frameworks that are transparent, rules-based, and credible.

4. The Role of Universities and Intellectual Capital

And that is why partnerships like this one, with the University of Ghana, are so vital. Universities are not just training grounds; they are idea factories. The research, experimentation, and critique that come from academia are essential for refining policy frameworks and testing new paradigms.

We at the Bank of Ghana welcome the intellectual scrutiny that comes from scholars and students alike. Let us use this Chair not just as an honour, but as a platform for collaboration, on inflation modelling, digital currencies, financial inclusion, and beyond.

Because the future of monetary policy in Africa will depend not only on how we respond to crises, but how we prepare for the opportunities ahead.

The Future of the BoG–UG Partnership

Distinguished colleagues and esteemed scholars,

The inauguration of the Bank of Ghana Chair at the University of Ghana is not a beginning; it is a continuation and deepening of a longstanding relationship between two institutions with shared responsibility for national development.

Over the years, we have forged meaningful academic linkages: providing internships for students, guest lectures by central bank officials, research support, and co-hosting policy dialogues that have informed both classroom instruction and macroeconomic policymaking.

But we are only scratching the surface of what this partnership can achieve.

Our vision going forward is ambitious yet achievable:

- To launch joint research initiatives in areas such as inflation targeting, exchange rate management, digital finance, regulation of virtual assets, and monetary policy transmission.
- To create policy labs and data partnerships that allow faculty and students to work with real-time datasets, contributing meaningfully to the design and calibration of policy.
- To support curriculum development that strengthens training in central banking, risk governance, and macroprudential policy, ensuring that Ghana's universities become the cradle of future-ready economists and policymakers.

And today, I am pleased to announce a bold new initiative that builds on this commitment: the Governor's Future Leaders Fellowship. Under this initiative, the Bank of Ghana with the Chair will identify high-performing university graduates with exceptional potential in economics, finance, and public policy. These young leaders will be offered structured pathways to top global institutions, through scholarships, internships, and policy immersion opportunities.

But the objective is clear, they will return home. To build. To lead. To ensure that the next chapter of Ghana's economic transformation is written by Ghanaians who understand both global dynamics and national aspirations.

Charge to the Chair and the Academic Community

Ladies and gentlemen,

Permit me to turn now to Professor Alagidede and the broader academic community.

To you, Professor, I offer both congratulations and a charge.

You have been entrusted with a chair named after one of Africa's great monetary pioneers. May your tenure here push the frontiers of monetary research in Africa, with rigour, creativity, and relevance.

Use this platform to mentor a new generation of Ghanaian economists—women and men who will not only theorize, but act, who will not only publish, but shape policy.

Let this Chair become a beacon of bold, evidence-based policy thinking that serves both the classroom and the boardroom.

To the students here today, I extend a challenge.

Do not sit on the sidelines of national discourse. Read the Monetary Policy Statement. Debate the Fiscal Strategy Document. Ask hard questions. Develop the courage to contribute ideas.

Because economics, in its highest form, is a tool for transformation, not just theory, but a bridge between data and dignity, between policy and progress.

And Ghana needs you, your passion, your intellect, and your ambition to imagine and deliver a better economic future.

Let this Chair be your rallying point, your intellectual home, and your launchpad.

Closing and Formal Endorsement

Distinguished Vice Chancellor, faculty, students, colleagues, and guests,

Let me, on behalf of the Bank of Ghana, warmly congratulate the University of Ghana and the Department of Economics and the Department of Finance, on this historic milestone. The formal establishment of the Bank of Ghana Chair in Finance and Economics is not just a ceremonial event, it is a strategic investment in Ghana's intellectual sovereignty and policy future.

To Professor Alagidede, we say: you carry not only the responsibility of scholarship, but the burden of relevance. We trust that you will steward this role with the intellectual boldness and institutional maturity it requires.

And now, by the powers vested in me by the Board and Management of the Bank of Ghana, I have the honour and privilege to declare the Bank of Ghana Chair in Finance and Economics officially inaugurated, and today's inaugural lecture formally opened.

As you listen to the discourse that follows, I encourage each of you, students, faculty, practitioners to do so with open minds and sharp curiosity. Engage, question, reflect. Because it is only through honest, rigorous dialogue that we shape ideas worth implementing.

Let us celebrate not just an appointment, but the possibilities it unlocks for our research community, our policy landscape, and our collective national journey.

I Thank you for your attention.