

Cum Laude Invocation Hall
April 22, 2021

Address by Gita Gopinath P'21, Chief Economist of the International Monetary Fund

Thank you, Kerry, for inviting me to give this year's Cum Laude address and for the very generous introduction. And congratulations to the Cum Laude inductees. We are here to honor you today for your grit, your determination, and your hard work. Congratulations, also, to all of you who will be graduating very soon, and to all of your parents who I'm sure are very proud of you, just as Iqbal and I are of our son, Rohil. My salute to all the exceptional teachers at Roxbury Latin. I am absolutely certain this class will admire you even more, once they discover what college professors—me included—are like.

I've had the opportunity to speak at such events at other institutions in the past, but addressing you, I will say, is tough. The reason is that as students at Roxbury Latin, you've already learned all the life skills you will need to succeed. You've learned the importance of hard work; of the necessity of collaborating; of the value of being an important part of a community; of the importance of failure; and of the critical importance of giving back to society. In addition, you've had an unforgettable senior year, living through a global pandemic. So you've learned how to adapt, how to innovate, and how to plow forward, despite all the challenges you face. So while preparing this address, I asked Rohil for help in what I should say. He said, "Well, why don't you just use your old material?" So, I said, "Well, maybe I've gained some more wisdom since the last time I did this." To which he replied, "I doubt it." He is probably right.

In any case, I have decided to share with you a couple of insights I've gathered through my years as a student, first in India, and then in the U.S. as a professor at Harvard, and now as Chief Economist at the International Monetary Fund. And I hope that some of this will be useful to you. At this point in your life, you must be incredibly joyful that you are graduating, crossing this finish line. But along with that, I suppose you feel some unease, or maybe trepidation about what comes next—perhaps doubts or questions about whether you're making the right choices. So my very first piece of advice is that it's perfectly okay if you do not have all the answers, and you should absolutely take chances. So, let me tell you why: I came to economics purely by accident.

I grew up in India where almost universally the goal was to become a doctor or an engineer. Nobody grew up aspiring to be an economist. So I, too, concentrated on science all through high school. And then it just so happened that when I was in senior year, my parents decided that it would be great if Gita joined the Indian Administrative Service, which is an elite government service in India. In order to do that, economics would actually be useful. So that's what happened. I enrolled in economics to secure that job that my parents thought would be great for

me. And because in India you commit to your major before you take a single class, I had committed to a degree in economics without having taken a single class in economics.

So, I describe myself as an accidental economist. While I'm surrounded by colleagues at Harvard who came to teach economics only after a very deliberate choice, I still get to teach along with them. What's the moral of the story? Even if you haven't figured out your life's true calling—though you should absolutely try! I don't suggest that everyone should roll the dice like I did—it's perfectly fine. You will figure it out. And when you do, you can turn out to be pretty good at it. What is important, however, is that whatever you end up doing, you put your very best into it.

With all that in mind, I have two book recommendations for you: The first is *Outliers: The Story of Success*, by Malcolm Gladwell. According to Gladwell, people like Bill Gates are exceptionally successful because earlier in their lives, they were lucky; like you, they got a lot of very distinct opportunities. But, then, they seized those opportunities that they were given and they worked really hard. Gladwell writes, "The magic number of greatness is 10,000 hours of practice." I'm a big believer in that. I've seen that over and over again, all these years, looking around me and seeing how people do well. Effort, hard work, and grit are really the essential ingredients to doing well. The second book is *Stumbling on Happiness* by the Harvard psychologist Daniel Gilbert. Gilbert concludes, based on evidence from numerous psychological experiments, that "While it is human nature to constantly try to predict what will make us happy and what will not, the truth is that the human mind is terrible at getting those predictions right."

For example, in one of the experiments the researchers talked to assistant professors at universities who were coming up for tenure. For those of you who don't know, getting tenure at university means that you get to do that job for life and you never have a boss. So, it's a pretty good situation to be in. These assistant professors were asked to predict how happy they would feel five years from now, if they did not get tenure now or if they did get tenure now. Not surprisingly, the prediction was that they would feel a lot more happy in five years if they had tenure. Five years later, however, when the researchers revisited those individuals, there was absolutely no difference in the happiness levels of those who had gotten tenure and those who had not. The story here: Please do not worry about things going "wrong," because the truth is that you really don't know how you will feel when that happens. Your future self is very likely to be perfectly happy regardless of outcome. That is my first life lesson for today.

The second life lesson is that you should embrace what is unique about you in order to make a mark in this world. I can assure you that there will always be people who are smarter than you—smarter classmates, more brilliant professors. If you think nobody alive is smarter than you, rest assured there are plenty of dead people who are much smarter than you.

In this context, it is natural to question your own abilities. I certainly suffered from this. My Ph.D. thesis advisors at Princeton were wildly successful people; one of them was Ben Bernanke, who later went on to become the chair of the U.S. Federal Reserve System. The other was Ken Rogoff, who became Chief Economist of the IMF and, oh, yes, he's also a chess Grandmaster. When you meet such people, it's easy to question yourself, to wonder if you're really up to the task at hand. You might start trying to mimic what you see other successful people do, and to discount your own experiences, and to think that everything these successful people are doing came through very brilliant, completely thought-out processes. That would be a mistake.

Even though my advisors were focused on issues of relevance for developed economies, I, as a student at Princeton—because of my Indian background—chose to work on the unique challenges of developing countries. To date, my work on recessions and booms in developing countries is my most often cited work. Because I chose that track, I was able to step out of the shadow of my brilliant advisors. And, thanks again to all the work I did on developing countries and emerging markets, I am in a much better position to do this job, as Chief Economist at the IMF, because I can serve all the 190 member countries, as opposed to just a few rich nations.

The short lesson here is to embrace and leverage what is unique about your background, your culture, your experiences, and your dreams to make you stand out in the crowd. You are only around 18 years old, and with an average life expectancy of 78 years. You have around 60 years to make a difference in this world. That is a hell of a lot of time. I hope you will see every opportunity you get to help others.

There is so much that needs fixing, even more after this terrible COVID crisis. At the IMF, we describe what we are seeing as a K-shaped recovery. We are seeing rich nations, advanced economies, recovering very rapidly from this crisis because they have much better access to vaccinations, much stronger health systems, and plenty of government spending power. On the other hand, we're seeing poorer nations, developing nations, falling terribly behind and struggling to survive. COVID has reversed the decades-long progress made in reducing global poverty. If you look at the data over the last two decades, you could see poverty going down globally around the world, everywhere. Because of this crisis, we now estimate that an additional 95 million people will have entered the ranks of the extreme poor. That is the entire population of California, New York, Massachusetts, and Texas combined. Hundreds of millions of children worldwide without access to the internet have lost at least a year's worth of education, setting them back further in life. So, maybe this summer you will take a few hours each week and help tutor kids somewhere in the world, to help them catch up.

Finally, I want to say a few words on the importance of championing diversity and fighting discrimination of any kind. You've heard this. Being students at Roxbury Latin, you don't lack

for this message. But this is so important that I want to emphasize it, and also bring in some of my own experience. This past year has shown a very harsh light on racism in America, including against Black Americans and Asian Americans. When police officer Derek Chauvin was convicted of murdering George Floyd, it provided some sense of justice delivered. But this should be just the beginning. People continue to discriminate against others because of the color of their skin, their religion, their sexual orientation. And women everywhere, in every part of the world, are discriminated against.

And if you think this bias against women—whether explicit or implicit—diminishes with success, then I can tell you from personal experience that it does not. Even though I am a professor at Harvard and Chief Economist at the IMF, there are several instances in which I experienced bias. I'll give you a couple of examples. Last year—this was pre-COVID, when we were traveling—I was on a mission to a member country of the IMF. (Oh, yes—the IMF is also, by the way, the Impossible Missions Force, and I apologize that Tom Cruise couldn't be here today.)

I had a meeting with the governor of their central bank. I don't want to name the country. In this meeting with the governor of the central bank, the protocol is that the most senior person from the IMF sits in the seat directly opposite the governor. So I was seated there, and before the governor came in, the deputy governor of the central bank told me that I needed to move, that I was in the wrong seat, and that, instead, my more junior colleague—who was male—should be seated in that chair. That person couldn't associate that the Chief Economist of the IMF would be a woman. I could give the person the benefit of the doubt. It's been 75 years since the IMF has been around, and I'm the first Chief Economist who is a woman, so that was a stereotype carried out.

But this is just one example I've seen. In publications, publishers have reversed the order of the authors' names to make me the last author, putting all the male names before mine, even though I'm an equal author and should go at the beginning based on alphabetical order. I've been on panels and on television where they will introduce the male panelists as Mr. X, and Dr. Y, and Professor Z. And I will be just Gita. These are subtle signs, but they happen often. Throughout my career as an economist, I've seen colleagues compliment male economists for being brilliant, and compliment female economists for being nice. Women get interrupted more often in seminars and get more aggressively questioned as compared to men. For the longest time people would say to me, "Wow, do you really know this is bias? Is this really evidence of bias?" Now, thanks to a considerable body of research, I can say that, "Yes. I really know."

As young men, I hope you will be aware of it, and that you will speak out against such implicit and explicit biases, and proactively support diversity. When you get to invite a speaker, instead of doing the easy thing—enlisting the first male name that comes to mind—please spend some

time, put in some effort trying to think of that equally talented, accomplished woman or minority individual to be the speaker. Whenever you see female classmates being slighted, please speak up. Never organize a panel discussion with only male economists. (Personally, I'm perfectly fine if it's a panel with only female economists, but you probably want to mix it up.) These might seem like small things, but they make a very important difference.

Let me end by, once again, congratulating the Cum Laude inductees. You have worked hard, and you have earned this honor. You have every reason to be proud of yourselves. And congratulations and cheers to the entire Class of 2021 who will soon be graduating. All your accomplishments, all your efforts have taken you over the finish line, and you've done well. But as you leave Roxbury Latin, I hope you remember that you've also been very lucky to receive this gift of an incredible education at RL from teachers who truly care about you.

Thanks to the outstanding leadership of your Headmaster Kerry Brennan, and every teacher and staff member of the school, even in the midst of raging pandemic, you have been able to attend school in-person; experience a full array of extracurricular activities; and, if all goes according to plan, you will have a proper, in-person Commencement ceremony, surrounded by your family. This high bar could not be achieved even by Harvard or MIT, despite their very large endowments and terrific in-house expertise. Please use this headstart you have received in life to challenge yourself, to take risks, to help others, and to try and fix the world. Your family, your friends, and your teachers at Roxbury Latin will be your safety net. That is one hell of a strong net. So jump really high. Thank you. And I wish you the very best.