

Presentation of the Centennial Medal Award
of the Business and Economics Departments of
La Salle College to KRB on Wednesday evening,
February 13, 1963, College Union Building,
La Salle College, Philadelphia, Pa.

I. Honoring the Bank.

Spirit of 1,000 on staff would inspire anyone.

Recent illustrations: PTC strike.

-- other approaches.

-- communication: at what level?

II. Assumptions.

Not something I have done. Inherited from A.H.W.
A teacher: light the tinder of the mind.

(a) Mature, responsible people.

(b) Dignity of work:

-- instinct of workmanship.

-- a life of idleness is intolerable.

-- you are a big leaguer -- Yankee.

(1) In research.

Pleasant place to work

(2) In operations.

Not a country club.

(3) In household chores --

Building.

No planning department.

Cafeteria -- prima donnas.

III. Risks -- and minimizing them.

(a) In PTC case.

(b) BUSINESS REVIEW -- speaking -- TV.

(1) What's wrong with you?

(2) Freedom not complete.

Internal consistency.

Impending solution to problems in real world.

(3) Relations with the press.

Incipient coin shortage and reporters.

No reporters
here tonight.

IV. Results.

- (a) Unit costs.
- (b) Affection and loyalty to each other.
- (c) Character of Business Review, despite diversity of authors.

V. How many managers are willing to run the risks?

Federal compensation vs. other.

THE ROLE IN FORMULATING AND EXECUTING MONETARY POLICY

1. Nature of monetary policy.

Model building and the real world.

2. Who decides what shall be done?

- (a) American abhorrence of concentration of power.

- (b) Federal Reserve System.

- (1) 12 Federal Reserve Banks.
9 Directors.

"Establish discount rates."

- (2) Board of Governors.

"Determines rates."

"Determines reserve requirements."

- (3) FOMC determines monetary policy.

A united Board of
Governors has final
control over all
instruments!

System presupposes differences of judgment from
time to time.

Secular
world.

"Sphering the cube."

Individual freedom.
Personal loyalty.
Institutional responsibility.