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SUBJECT: Statement by William McC.
Martin, Jr.
Chairman, Federal Reserve Board

In connection with the 46th observance of National Thrift Week, William McC. Martin, Jr., Chairman of the Federal Reserve Board, has released the following statement:

"Economists have developed many different tools to gauge the health of a nation's economy. Some of these tools--such as totals for industrial production, national income, and gross national product (GNP)--receive amazingly wide recognition and acceptance by the general public.

In choosing its theme for National Thrift Week this year, the National Thrift Committee has devised still another formula. It is simple, readily understandable, and I think provides an effective yardstick for measuring basic strength in the economy of any country. It can be applied whether an economy is highly developed and complex like our own or whether the economy is that of one of the many emerging nations of the Free World seeking solid foundations for the economic development of their untapped resources.

'The Sum of a Nation,' says the Committee, 'is the Thrift of its People.' Accumulations of individual savings finance economic expansion of every type. Such funds provide the necessary capital for new jobs, new homes, new schools, and all the other activities essential to expanding the economic growth of a community and a nation.

Of equal importance, in my view, the habit of thrift gives men freedom of movement and of leisure. It gives them the freedom to do as they please

with the product of their labors and the opportunity to raise living standards for themselves and their families and to fortify their independence when they wish to assert it."

The National Thrift Committee is a united effort of all types of thrift and civic institutions whose objectives are: (1) to develop self reliance within the individual through the medium of savings; (2) to encourage a balanced economy at personal and governmental levels; (3) to further the knowledge that thrift in a free economy is basic in the future power and growth of this country; (4) to encourage, through education, a well-planned program of money management, and (5) to encourage capital formation as essential in economic growth and development.

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