

FEDERAL RESERVE BANK OF CHICAGO

MEMORANDUM FOR

October 16, 1919. 19

Memo of address made by Mr. M. Douglas at
 FROM
Milwaukee 10/11/1919. Mr. Moehlenpah Dinner

Early in 1915, immediately following the passage of the Federal Reserve Act, one authority was bold enough to declare with confidence that the future would prove the Federal Reserve Act to be the greatest piece of constructive legislation enacted since the adoption of the Constitution. This opinion was expressed at a time when many bankers were protesting vigorously against the feature of compulsory membership and other features of the law.

Later on, about the time this country entered the Great War, the statement was made that the Federal Reserve Act and the Federal Reserve Banks would supply the foundation for all fiscal preparedness of the nation in its time of peril.

Now that the war is over, it is most gratifying to know that in the opinion of fairminded, intelligent authorities, the success achieved in the operation of the new banking system during the war had passed highest expectation.

Whatever success has been achieved is due, in a large degree, to efficient administration on the part of the Federal Reserve Board at Washington. And it is to this Board that one of your Wisconsin citizens has been recently appointed as a member.

Under the law, the Federal Reserve Board is given very broad powers. It is under their direct supervision that the banks operate, and, beyond this, the Board is possessed of broad regulatory powers. It was a matter of good fortune that the personnel of the Board, as constituted, was made up of strong men representing the best element engaged in banking, commerce and industry. Whatever the problems have been in the past, it is quite obvious that the responsibilities ahead will be quite as great; therefore, it is imperative that the high standard be maintained.

I can conceive of no stronger testimonial to the fitness of your honored citizen, Mr. Moehlenpah, for the great responsibilities than is evidenced by the reception accorded him this evening by the business men of Wisconsin. I am very glad to be here as a representative of the Federal Reserve Bank, and to join with you citizens of Wisconsin in wishing Mr. Moehlenpah Godspeed, and in expressing the hope that his career may be characterized by success in fullest degree.