

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.

(2) In operations.

(3) In household chores --

Building.

Cafeteria -- prima donnas.

Pleasant place to work

Not a country club.

No planning department.

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.

"Sphering the cube."

Secular  
world.

Individual freedom.

Personal loyalty.

Institutional responsibility.