

# BUSINESS REVIEW

FEDERAL RESERVE BANK OF PHILADELPHIA

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Statement by KARL R. BOPP at the  
Ceremony Commemorating the 50th Anniversary  
of the Opening of the  
FEDERAL RESERVE BANK OF PHILADELPHIA  
Monday Morning, November 16, 1964

NOVEMBER

1914



1964

# THE FED'S FIFTIETH ANNIVERSARY

Before the start of business on November 16, directors, officers, and employees of the Federal Reserve Bank of Philadelphia and a number of their associates in the banking community, gathered in the main banking room to celebrate the 50th Anniversary of the opening of this Bank. Robert N. Hilkert, First Vice President, presided at the brief ceremony, Alfred H. Williams, former President, spoke of his long experience with the Federal Reserve System, and Karl R. Bopp, President, made the following remarks:

The only certainty about the challenges which this Bank will face during the next 50 years is that they will be unlike those of the last 50. It is equally true, I am sure, that, just as our Bank today is far different than the Bank which opened—and which was envisioned—in 1914, so the Federal Reserve Bank of a few decades from now will be a far different institution than the one we know.

Even now, the new technology of electronic data processing is transforming the nature of the tremendous and vital task of check collection. The developments that are now foreseeable will change many of the familiar physical aspects of the process, and, beyond this, it is likely that further improvement will have repercussions throughout the entire business community.

Data processing and the rapid computation it provides will also create changes in the handling and analysis of information—changes so vast and involving so many variables which cannot now be adequately manipulated, that they are

likely to give rise to new tools of banking practice and monetary policy.

The business community almost certainly will have a different structure two generations hence—though we cannot now foresee its form—and social relationships will be profoundly affected by it. The Federal Reserve System will be called upon to provide new services and may, in fact, be confronted with the need for developing entirely new standards of economic performance and new objectives.

Adaptation to change will not be a new phenomenon for the Federal Reserve Bank. The unique structure of the Federal Reserve System, providing liaison with business, close working relationships with both the legislative and administrative branches of government, and a measure of independence, has conferred a high degree of flexibility and responsiveness on both the Banks and the Board of Governors.

At this Bank, we have developed in the past, and shall continue in the future to develop, the people whose outlook and abilities are consistent with the System's mission—people who are able to make the guiding principles of the founders of the System into living, viable forces in the changing real world in which we live. This requires a careful balance of individual freedom—freedom to innovate and question—with responsibility for day-to-day proficiency on the assigned job. In fact, this balance is a counterpart of that required by the unique structure of the Federal Reserve System, which calls for both independence of judgment and responsibility of

action in the whole sphere of the Fed's interest. We shall strive to maintain this balance in the years ahead.

Fifty years ago to the day, our Bank opened for business at 406 Chestnut Street. Ernie Jones opened the doors that day in 1914, and we are

all delighted that he is here with us today to help usher in our second half-century.

Ernie, will you now come with me and our guests into the main entry of the Bank and help open the doors to the events of the next 50 years.

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