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**Opening remarks by President James Bullard
The 2012 Homer Jones Memorial Lecture
Federal Reserve Bank of St. Louis
April 11, 2012**

Welcome to the 23rd annual Homer Jones Memorial Lecture. Each year we host this event to honor the outstanding contributions of Homer Jones, a former Senior Vice President and Research Director of the Federal Reserve Bank of St. Louis.

The St. Louis Fed started the lecture series after Homer Jones' death in 1986. The lecture series enjoys the long-lasting support and co-sponsorship of many people and organizations, including the St. Louis Gateway Chapter of the National Association for Business Economics, Saint Louis University, Southern Illinois University at Edwardsville, the University of Missouri at St. Louis and Washington University in St. Louis.

Homer Jones is sometimes described as "Milton Friedman's teacher" because Jones taught Friedman when Friedman was an undergraduate at Rutgers University in the late 1920s-early 1930s. Then, as now, it was a tumultuous time for macroeconomists.

Jones had come to Rutgers after studying at the University of Chicago, where he was a student of legendary Chicago professor Frank Knight. Also on the Rutgers faculty at the time: Arthur Burns, future Fed Chairman.

According to Friedman, Jones was one of the primary influences in Friedman's choice to study economics, as opposed to mathematics or statistics. In Friedman's 1976 reminiscence, he says Jones opened his eyes "... to the broader reaches of economics and to the beauties and intricacies of economic theory."¹ The rest, as they say, is history—the two remained friends and colleagues for years afterward.

In 1958, Homer Jones joined the staff here at the St. Louis Fed. He is remembered for many things at the Bank, but his role in the Bank's development as a leader in monetary research and statistics stands out. Although many talented and dedicated people have greatly expanded upon Homer's original efforts to make the St. Louis Fed a leader in the dissemination of economic data, it is difficult to imagine that we would have been as successful as we have been

¹ See Milton Friedman, 1976, "Homer Jones: A Personal Reminiscence," *Journal of Monetary Economics* 2: 433-436.

were it not for Homer Jones' vision. He was, in a sense, a proponent of transparency before transparency was cool.

Today, the St. Louis Fed is internationally known as an institution that is unparalleled in data dissemination. Housed under the name Federal Reserve Economic Data, or FRED, these efforts have their genesis in Homer's innovative idea to publish monetary data in a form that did not yet exist at the time. Today, through FRED, we make more than 45,000 data series available and accessible to individuals and organizations worldwide—and it's optimally priced for the budding researcher: free. I think Homer would be extremely proud of what we have accomplished in this area.

The St. Louis Fed's unwavering commitment to rigorous, independent economic research is another legacy of Homer's that we honor today. Homer had a staunch belief in the persuasive power of facts and—it is said—dogged patience in pressing his views.

Those of us in the Federal Reserve System who believe that the ability to question and re-examine conventional wisdom leads to better policy outcomes owe a great debt to Homer Jones. The Fed's ability to absorb and be open to multiple viewpoints helps prevent groupthink and leads to superior monetary policy and, ultimately, to better macroeconomic performance.

It is only fitting for us to use the Homer Jones Memorial Lecture to spotlight others who have made a significant impact in the world of academic research, central banking and global finance. It is a pleasure for me to introduce this year's distinguished speaker, Mohamed A. El-Erian.

Dr. El-Erian is currently the CEO and co-CIO of PIMCO. He rejoined PIMCO at the end of 2007, after serving two years as president and CEO of Harvard Management Company. Dr. El-Erian also served as a member of the faculty of the Harvard Business School. Prior to joining PIMCO, he worked for 15 years at the International Monetary Fund and later moved on to become a managing director at Salomon Smith Barney/Citigroup in London.

Dr. El-Erian has published widely on international economics and finance topics. His book, *When Markets Collide*, won the Financial Times/Goldman Sachs 2008 business book of the year and a "book of the year" award from *The Economist* magazine. In 2010, he gave one of the prestigious Per Jacobsson Foundation Lectures at the IMF. He was named to Foreign Policy's list of the "Top 100 Global Thinkers" in 2009, 2010 and 2011.

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Dr. El-Erian serves on many boards and committees, including the National Bureau of Economic Research and the Peterson Institute for International Economics. He holds a master's degree and doctorate in economics from Oxford University.

Dr. El-Erian will speak to us today about the "Evolution, Impact and Limitations of Unusual Central Bank Policy Activism."

Please join me in welcoming Dr. Mohamed A. El-Erian.

James Bullard, President and CEO
Federal Reserve Bank of St. Louis