

It is a delight for me to see so many business and civic leaders from the Southeast and Florida at this dedication. It isn't every day that the Federal Reserve System celebrates the opening of such a fine new building

We would like to think that it can become a landmark, helping to anchor the business and financial activities of northern and central Florida. But a Federal Reserve facility is also part of a larger Federal Reserve System and a new building symbolizes in a concrete way the roots of that System in the business life of the country we serve

A lot of the space in this building will, of course, be used for relatively mundane, although essential, work -- clearing checks, counting currency, and maintaining the computers that process the payments upon which the economy and our financial system are so dependent. And that is one of the major reasons this new building is needed in the first place. The phenomenal growth of the State of Florida over recent decades has not only resulted in the opening of the newest Federal Reserve Branch -- in Miami, but it has also forced the construction of this building to accommodate the massive growth in the economy and the financial life of Florida

As many of you know, the Jacksonville Branch not only serves the financial needs of northeast Florida but it also serves the needs of the central and western parts of the state, and I need not tell you of the development that has occurred to the south of us -- you are all familiar with it

The truth of the matter is that the Jacksonville Branch simply grew out of its old building down on Julia Street and this new building we are dedicating today became essential to the work of the Federal Reserve in this area -- if we were to meet the needs of a growing Florida. In other words, the Federal Reserve is growing with Florida. Florida's growth comes from increases in population, increased tourism, its attractiveness as a retirement state, and the dynamism of its business and financial sector.

It is the Federal Reserve's unique structure that enables it to react and meet the demands for expansion in the growing sectors of our economy. And the foundation of that flexibility is the independence of the Federal Reserve System itself. As many of you know, the Federal Reserve is an instrumentality of the Federal Government -- a creature of Congress, a part of the apparatus of national economic policy making, a guardian of the stability of banking and the payments system, a provider of more mundane but essential financial services.

What the Federal Reserve is NOT is just another federal agency with all power and influence flowing from Washington. More than 70 years ago, when the Federal Reserve was created, there was a more imaginative idea -- a concept that provided for a central supervisory board in Washington, but also included important elements of regional and community participation and counsel in our work.

Today, as in 1914, the 12 regional Federal Reserve Banks and their 25 branches, including Jacksonville, draw on the experience, knowledge, and advice of more than 270 men and women who serve as directors -- industrialists, union leaders, bankers, educators, farmers, storekeepers -- all leaders in their own communities

The Reserve Banks are staffed with professionals, and they participate through their Presidents in the decisions on monetary policy, as well as carrying the operating load. Advisory councils of bankers, of thrift institutions, and of consumers, enlarge the participation further, and widen our contacts with the public we serve. All of this is designed to assure that our policies are not conceived in an ivory tower or implemented without a clear sense of the realities of economic and business life. Thus, it is clear how vitally important are the contributions of the 44 head office and branch directors in the Atlanta Federal Reserve District to the formulation and implementation of monetary policy.

The goals of monetary policy, of course, are to promote sustainable economic growth and minimal unemployment and this presupposes appropriate price stability. Economists, like myself may debate whether these goals are best attained by targeting the monetary aggregates, GNP, interest rates, the exchange value of the dollar, or other measures. There is no debate, however, that because of technology and other forces we have entered the age of the truly global marketplace. Today the monetary policy decisions of our nation reverberate around the globe. Because of

the size and power of our economy, our decisions vitally affect the economies of our trading partners abroad.

The global dimensions of business and finance give even greater urgency to preserving the unique characteristic of the Federal Reserve that I mentioned earlier. As time passes, this independence, enhanced by close contacts at the grass roots, will enable the Fed to continue to serve as a leader, both within the financial industry and in international economic relations. This process begins and continues at the fundamental level represented by this functional new building in which we stand.

Today is a special and festive occasion in the life of the Fed. A fine new building reminds us of our roots. By its nature, it is also a symbol of our faith in the future. Plainly, there are obstacles ahead. But equally obviously, challenges we know are challenges that we can meet.

That great new building combines architectural merit with the promise of operational efficiency. But, I also hope it will stand through the years for something less tangible but more important -- a symbol of the continuing resolve of the Federal Reserve to do its part in making the bright potential of our free economy a reality.