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**Opening remarks by President James Bullard  
The 2013 Homer Jones Memorial Lecture  
Federal Reserve Bank of St. Louis  
April 3, 2013**

Welcome to the 24th 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 Bank began 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 and 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: a young 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."<sup>1</sup> 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 contributions at the Bank, but his role in the Bank's development in monetary research and statistics stands out. The Bank's research function became a national and international leader in the then-rapidly advancing "monetarist" approach to monetary policy. The famous

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

Andersen/Jordan paper published during this era became one of the most widely cited papers in all of macroeconomics.<sup>2</sup> And Homer Jones insisted on freely available data to encourage research on critical economic policy issues.

Today, the St. Louis Fed is internationally known as an institution that is unparalleled in data dissemination. The Bank's Federal Reserve Economic Data, or FRED, has its genesis in Homer Jones' innovative idea to publish monetary data in a form that did not yet exist at the time. Today, through FRED, we make more than 61,000 data series available and accessible to individuals and organizations worldwide.

The St. Louis Fed's unwavering commitment to rigorous, independent economic research is the key legacy of Homer Jones that we honor today. 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, R. Glenn Hubbard.

Professor Hubbard was named dean of the Columbia University Business School in 2004. A Columbia faculty member since 1988, he is also the Russell L. Carson Professor of Finance and Economics.

Professor Hubbard is affiliated with research programs in monetary economics, public economics, corporate finance and industrial organization at the National Bureau of Economic Research. Additionally, he is a visiting scholar at the American Enterprise Institute and a member of the International Advisory Board of the MBA Program of Ben-Gurion University.

Professor Hubbard's research spans tax policy, monetary economics, corporate finance and international finance. In addition to writing more than 100 scholarly articles in economics and finance, Professor Hubbard is the author of two leading textbooks on money and financial markets and the principles of economics. He is also the co-author of *The Aid Trap: Hard Truths*

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<sup>2</sup> See Leonall C. Andersen and Jerry L. Jordan, 1968, "Monetary and Fiscal Actions: A Test of Their Relative Importance in Economic Stabilization," *Federal Reserve Bank of St. Louis Review*, November: 11-24.

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*About Ending Poverty, and Healthy, Wealthy, and Wise: Five Steps to a Better Health Care System.*

In government, Professor Hubbard served as deputy assistant secretary of the U.S. Treasury Department for Tax Policy (from 1991 to 1993), and he was chairman of the U.S. Council of Economic Advisers under President George W. Bush. While serving as CEA chairman, he also chaired the Economic Policy Committee of the Organisation for Economic Co-operation and Development.

In the corporate sector, Professor Hubbard is currently a director of ADP, BlackRock Closed-End Funds, KKR Financial Corporation and MetLife. He is a life member of the Council on Foreign Relations, a co-chairman of the Committee on Capital Markets Regulation and the Study Group on Corporate Boards, and a past chairman of the Economic Club of New York.

Please join me in welcoming R. Glenn Hubbard.

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