

Welcoming Remarks

Mary Brainerd
Chair, Board of Directors
Federal Reserve Bank of Minneapolis

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and

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Good evening, everyone. My name is Mary Brainerd, and I would like to thank you all very much for being here this evening. I have the pleasure of standing before you in my capacity as the chair of the board of directors of the Federal Reserve Bank of Minneapolis. It's a treat to be here tonight, and rather unique for me and for the entire board of directors. As you've just heard from **Niel or someone local**, we're here to kick off a tour of the Bakken oil patch and to learn more about how the rapid development of the oil industry in recent years is reshaping the area's economy. And I have to say, after hearing so many stories about the Bakken, I can't wait to get a firsthand look.

I am going to take just a moment to tell you a bit more about my role on the board of directors, and also the role of my colleagues, and then I am going to introduce the president of the Federal Reserve Bank of Minneapolis, Narayana Kocherlakota. But first I want to add that in my day job, I am the president and CEO of HealthPartners, a Minneapolis-based nonprofit health care organization.

So, you may be wondering what a health services professional is doing on the board of directors of a regional Federal Reserve bank. I admit, when I was first informed that I was a candidate for the board, I had the same question myself. However, I soon realized that it made perfect sense. For example, I am joined on the board by a manufacturer of agricultural implements, a provider of social services, a leader in the development of water technology, and providers of financial services, to name just a few. Recent chairs of the board of directors have included a window manufacturer and representatives of labor organizations. Members of the bank's board of

directors have represented every sector of the Ninth District's economy from the natural resources industry of Montana to the shipping industry of the Great Lakes, and everything in between, and from towns large and small.

So when you consider that one of the main roles of the Federal Reserve is to monitor economic conditions across the country, it does make sense that people from diverse industries from the Upper Midwest should sit on the board of directors of a Federal Reserve bank. In addition, this expertise proves valuable to the board as we also provide oversight for bank operations; for example, I was privileged to be on the team that selected Narayana as president. As Narayana will describe in a moment, one of the great strengths of our regionalized central bank system is precisely that it requires such representative input. And I would add that it has been an honor and a privilege to serve on the board, and I'm sure all of my colleagues would agree, along with those in the room who have previously served on the board.

I could go on about the role of the directors, and I would be happy to take any questions at the end of Narayana's remarks, but now I would like to introduce Narayana Kocherlakota, president of the Federal Reserve Bank of Minneapolis. His official biography is impressive: He is one of the top macroeconomists in the field today, and he has numerous journal publications to prove it. He has taught at Northwestern University, the University of Iowa, Stanford, and the University of Minnesota, where he served as chair of the economics department. He earned his Ph.D. in economics from the University of Chicago and his bachelor's in mathematics from Princeton. He

became the 12th president of the Federal Reserve Bank of Minneapolis in 2009 at the ripe old age of 45.

However, as impressive as all of that is, one of the things that strikes me most about Narayana is his ability to take complex ideas or problems and explain them in such a way that, well, a health services professional can understand them. Maybe this is the teacher in him, but whatever the reason, we are lucky to have someone like Narayana at the helm of the Minneapolis Fed these days. With so much attention on the Federal Reserve and its role in the economy, we need a good communicator who is willing to take the time to explain and to interpret economic events.

You'll see what I mean in a moment. Ladies and gentlemen, please welcome Narayana Kocherlakota.