

## Welcome Remarks

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**Macroeconomics and Monetary Policy Conference**  
**San Francisco, CA**  
**March 25, 2022**  
**8:00 AM PST**

Thank you, Andrew. Let me begin by saying welcome to everyone. Good morning. Good afternoon. Good evening, from wherever you're viewing. I extend a very warm welcome to you. My only disappointment about this conference is that we're not in person, but hopefully next year will either be in person or hybrid. For now, we will continue virtually and continue to do the important work of this conference.

I'd like to take a moment to say why this event is so important to us. We've been hosting this conference for a very long time. And in each of the years I've attended, which is now more than I can count, we do the same thing. We bring in cutting edge researchers, research, and policymakers to have a dialogue and a productive discussion about the problems that face us as central banks, as nations, and as societies. And today will be no departure from that.

We are delighted to have a terrific program, but also to have Deputy Governor Sharon Kozicki from the Bank of Canada talk about some of the things that she and the Bank of Canada are facing, and actually central banks across the globe as we make monetary policy.

Now, when I think about the challenges of central banking right now, they're easy to enumerate, but hard to grasp. So, we start with coming out of a pandemic where central banks offered extraordinary support, along with fiscal agents, to get as many people through the pandemic as possible. And, while in many countries, we're hoping that we're moving from pandemic to endemic, we only have to look at parts of Asia to realize that we're not there yet. So, we still have to grapple with those things and think about how to best support our



economies. And at the same time, we have a devastating war in the Ukraine. I would be remiss if I didn't start by extending my heartfelt sympathy to the Ukrainian people and all the suffering that they're enduring. But it also affects the economy. It creates uncertainty, it creates challenges in supply chains for commodities, and it puts additional pressure on inflation, which is too high. Higher than most policymakers have as their target for price stability. And that's true across the globe. But in the United States, we're at a 40-year high. People are thinking about inflation when they go to bed at night and when they wake up in the morning, and that's far from our target for price stability.

And then, of course, we have things that typically get called existential threats, but I don't think they're existential. We're seeing them already. And that is threats to our climate, and how it will not just threaten our physical environment, but also change the allocation of production. Change the pricing for assets, all things that will matter as we try to craft policy going forward. We also have inequality. Generations of economists have documented this, but we're starting to ask better questions about inequality, moving from what I was taught, which is just a scoring of well-being, and how certain people aren't doing as well as others. But we're asking fundamentally how much inequality we can endure and still have an economy that's sustainable and works for everyone.

These are all big questions that both monetary policymakers and fiscal agents have to think about, that we as societies have to think about. And so our program today is very well suited, as it has been historically, for asking and answering the questions that we face. We'll have a couple of papers on inflation and what's driving it. And we're going to have an important paper on climate and another important paper on inequality. And when you think about those things, this is what the conference is about. It's about bringing us together, taking on the challenges that we face, and asking and answering these questions with evidence, thoughts, and paradigms that help us do better and make our policy better.

So with that, I will say that I'm really looking forward to the day. I would be remiss not to thank the conference organizers. I'd like to thank from the San Francisco Fed Andrew Foerster, Huiyu Li, Fernanda Nechio and Nicolas Petrosky-Nadeau, who have put the program together and carry the tradition of bringing together the best research with policymaking in a way that will be a robust dialogue.

And I finally have to thank Margaret Cliver, who works behind the scenes to make all of this possible so that we can have our dialogue. Without Margaret, none of this would happen. So thank you, Margaret, for all the work you do. Thank you to the conference organizers and Deputy Governor Kozicki for coming and to all the researchers here presenting your work. I look forward to an exciting day and I'm appreciative of everything that all of you do. With that, I'll turn it back to Andrew to start the morning session.