

Community Affairs Academic Research Conference
Washington, DC
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Remarks by:
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On behalf of the Federal Reserve System, welcome to the third Community Affairs research conference. The title of the conference is: "Seeds of Growth." The subtitle is "Sustainable Community Development: What Works, What Doesn't and Why."

As the conference title suggests, we have designed the conference to present new academic research on what makes community development sustainable and why.

The mission of the Fed's Community Affairs program is to support the System's economic growth objectives by promoting community development and fair and impartial access to credit. Over the years, the Fed has developed a variety of approaches to achieving these important objectives. And I think we have a lot to show for our efforts. Nevertheless, in the late 1990s, community affairs experts in the Fed came to the view that a missing element in the ongoing programs was research to better understand these issues. That, very simply, is the background to the research conferences, of which this is the third.

By stepping back a bit from day to day practice and examining community development from a research perspective, we seek to foster a better understanding—by policy-makers, community leaders, and private sector decision-makers—of the processes and resources that nurture successful community development programs and best practices of community development. We also want to encourage new research on community development issues and programs.

I have a personal role in this effort through the Federal Reserve's Committee on Research, Public Information and Community Affairs, which I chair. In this capacity, I am particularly pleased that we have been able to draw such a knowledgeable group of economists and experts to this conference.

The research being presented during this conference represents the latest work in the field from academia, policy institutions and the Federal Reserve System. The papers and the reviews will offer fresh insight into the "seeds of growth" needed for sustainable community development.

We have a very rich agenda of papers in front of us. We will hear about financial education and homebuyer counseling, housing and homeownership in neighborhood development, and the role of partnerships in creating sustainability. We can also learn from

research on cultural dimensions in the development of small and micro businesses. An examination of community development in Thailand offers additional perspectives.

Presentations tomorrow morning will address public policy and its role in sustainable community development. Specifically, the papers address issues surrounding community development financial institutions, enterprise zones, new markets initiatives and the Community Reinvestment Act.

I am a firm believer in the value of partnerships in achieving the important objectives of community development. The makeup of this audience illustrates just this sort of effort. We are pleased that we have succeeded in bringing together participants from academia, financial institutions, community organizations, foundations and government.

We hope that the research findings and the debate and discussion generated will leave us all better informed about community development. We have a feast in front of us. Enjoy.