

Four Images of Ned Gramlich

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Ned Gramlich is in the late stages of a courageous battle against leukemia. When I last spoke with Ned's wife Ruth on Tuesday (August 28, 2007), she reiterated the profound gratitude that she and Ned both feel for the countless expressions of love and support they have received, in many cases from the people in this room.

Before delivering on Ned's behalf the remarks that he prepared, I would like to take a few moments to sketch four images of this very special person that so many of us have been privileged to know.

The first image is of Ned as policymaker. In executing his responsibilities as monetary policymaker and member of the Federal Open Market Committee, Ned combined his academic understanding with a rare degree of common sense. I will always think of Ned as having been the Sandra Day O'Connor or the Anthony Kennedy of the Social Security Advisory Council that he chaired from 1994 through 1996, because Ned was the one who steered a middle course and designed a package that could have—and should have—found support on both sides of the political aisle. When the nation returns to the issue of Social Security reform, no one will be surprised if the plan that is ultimately adopted closely resembles the one that Ned put forward in 1996. Ned was also cast as “swing voter” during his tenure as chair of the Air Transportation Stabilization Board—a classic role for Ned be-

cause it required that he simultaneously respect the will of the Congress in creating the program, maintain financial discipline in the airline industry, and be sensitive to the fact that his decisions would affect the livelihoods of real human beings. But perhaps the greatest display of Ned's devotion to his role as policymaker and participant in great debates has been his perseverance in completing his book on subprime mortgages and in composing his remarks for today, when most others would have given up.

The second image is of Ned as colleague. I suspect that most people in this room think of Ned Gramlich as a colleague of theirs. He had the knack of making everyone he worked with feel that way. But my fellow members of the staff and I at the Federal Reserve Board think we have a special claim on him in this regard. After all, he began his career in 1965 as one of us—as an economist in the Division of Research and Statistics. Perhaps for that reason, Ned seemed to find it perfectly natural to treat us all truly as colleagues when he returned as a governor. For him, there just never was any other way.

The third image is of Ned as sportsman and competitor. A few times each summer, Ned and I would tee off at 6:00am at Rock Creek Park, an humble public golf course with probably as much crab grass as fescue. Almost inevitably, as Ned and I walked up the eighteenth fairway, the match would hang in the balance. Those moments brought out the best in both of us. And probably a dozen or more of my colleagues at the Board had the pleasure of playing tennis with Ned on the court in back of the Martin Building. Sports and competition have always been a big part of who Ned Gramlich has been.

The fourth image is of Ned as family man and friend. You didn't have to be around Ned very long to hear a quiet comment about his wife Ruth or his kids or grandchildren. It wasn't noisy or obtrusive, but just the kind of comment that you would expect from Ned, full of quiet pride and deep affection. And Ned has extended that same affection well beyond his own family. Many of us undoubtedly have our own stories, and I have mine. During the most recent phase of Ned's battle with leukemia, my wife and I have made no effort to shield our nine-year-old daughters from the seriousness of his illness.

When they responded with a series of notes and origami cranes for Ned and a pair of homemade potholders for Ruth, Ned took the extraordinary step of calling them to thank *them* and have a little chat. In doing so, of course, he gave them a memory that will stick with them for the rest of their lives.

I invite you all to keep Ned and his family in your thoughts and prayers in the days and weeks ahead, and to add your own images of Ned to the ones that I have sketched. Together, we can build a more complete portrait of this person very much worth emulating as policymaker, colleague, sportsman and competitor, and family man and friend.

Now, it is my honor and privilege to read on Ned's behalf a set of remarks that have been at least forty-two years in the making, since the day Ned walked in the door at 20th and C Streets in 1965 as the newest member of the staff at the Board of Governors of the Federal Reserve System.