

Capstones and Cornerstones

BY JAMES BULLARD

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Thought leadership has always been central to the mission of the St. Louis Fed, particularly in monetary policy, economic research and education, and community development. In that spirit, I'm proud that our Institute for Economic Equity, launched earlier this year, has published *The Future of Building Wealth: Brief Essays on the Best Ideas to Build Wealth—for Everyone*, a book led by Ray Boshara, an Institute senior advisor.

The book builds on the success of our recently sunset Center for Household Financial Stability, formed by Ray and St. Louis Fed economist William R. Emmons in 2013 in the wake of the Great Recession to study family balance sheets. In fact, in many ways the book serves as a capstone of the Center's efforts to document and address stark racial, educational, generational and gender wealth gaps in the U.S. But the book also serves as a cornerstone of the Center's successor, the Institute, which was launched on the belief that wealth equity remains essential to overall economic equity.

In presenting the book's 63 essays, we have two main goals. The first is to offer some of the latest and best thinking about ways to help struggling families build or rebuild their balance sheets—especially those families who have yet to recover the wealth they lost in the Great Recession or, more recently, during the COVID-19 pandemic. Our second goal is to expand our horizons by exploring novel ways for low-wealth families to generate savings, assets and financial security. The book asks, and begins to answer, the critical and

frontier questions: What does property ownership mean in the 21st century, and how can our nation broaden it for those who own little? Are there untapped national assets that could generate value for households if we recognize and monetize them as such? Can new forms of national wealth also generate new wealth for those families lacking it?

These questions could not be timelier and more essential in the wake of the COVID-19 pandemic, a recession, a national conversation on racial equity, and persistently high and increasing levels of income and wealth inequality.

I'm also excited to note that the book concludes with a conversation I had with three other Federal Reserve Bank presidents—Raphael Bostic of Atlanta, Patrick T. Harker of Philadelphia and Neel Kashkari of Minneapolis. As the conversation reveals, addressing wealth inequality and moving toward racial, educational, generational and gender equity are key goals for my Fed colleagues and me. Narrowing these gaps holds the potential to grow our economy as well, as some of the essays in the volume also observe.

Finally, let me say that the St. Louis Fed is pleased to have published this book with the Financial Security Program of the Aspen Institute, a widely respected, nonpartisan think tank committed to leadership, debate and promising ideas. I hope that you find this book as stimulating as I have, and I look forward to the important and spirited conversations it is certain to prompt.