

Business Uncertainty Panel: Member Economic Briefing and Policy Discussion - March 1, 2022

Transcript

Dave Altig: You mentioned there the beliefs of business people, and their employees, and the survey, so that's a nice opportunity to ask you about the Survey of Business Uncertainty and how you use the information that comes from that in your own deliberations about monetary policy and your other policy responsibilities.

Raphael Bostic: I'm so happy to talk about this because I talk about this all the time. You guys probably are not following me, like every speech I give and every talk I give, but I talk about survey responses and the information we're getting from these surveys all the time. I thank Dave, and Brent, and Nick for all the work they're doing on this because this puts us in a very different position than we were in 15 years ago. Going into the Great Recession, we didn't have this kind of information that was coming in real time and it meant that we had to wing it in terms of figuring out where policy was. I wasn't here. Dave, maybe you could talk about that if you want to. I do feel like in today's environment we are absolutely not winging it because your participation and your giving us information is allowing us to get insights into the challenges that people are facing in real time, in ways that are not showing up in the aggregate data that comes out at the same time. It's a really important supplement.

When we do our briefings, and we're going to break into that in a couple of weeks, we definitely go through all the national numbers, but we always have an extended segment where we review the responses from the SBU and some of the other surveys that we do. That really informs us because it allows us to compare what we're hearing from our surveys with the data as it's coming in. Over the last 18 months, the stuff that we've been getting in the surveys has actually been different than what we see in the aggregate numbers, and in many regards it's led it. The aggregate numbers have moved to where your survey responses have been and that's allowed me and us collectively to bring that information to our policy colleagues and have it inform how we approach policy in a very interesting way.

I gave a talk yesterday at Harvard. I was talking to students who were taking the very first econ class I ever took, which was actually quite interesting. In the introduction, the professor said this is President Bostic, blah, blah, blah, but he also said over the last year and a half he has been out in front and a visionary in terms of understanding where things have been and are likely to go. Now, I don't actually think I'm a visionary, but I think our infrastructure allows us to have clarity on what's happening on the ground. That only happens with your participation and your sharing your challenges and your insights with us, so I'm in incredibly grateful for it and I literally talk about this every day. You guys should just know how much and how important you are to us being able to do the job in a great way.