



UNITED STATES SENATE COMMITTEE ON  
**BANKING, HOUSING, AND URBAN AFFAIRS**

**BROWN PRESSES REPUBLICAN COLLEAGUES ON TRUMP'S  
'RETRIBUTION TOUR'**

*Senator's Opening Statement on the Semiannual Monetary Policy Report to  
Congress*

**WASHINGTON, D.C.** — U.S. Sen. Sherrod Brown (D-OH) – ranking member of the U.S. Senate Committee on Banking, Housing, and Urban Affairs – delivered the following opening statement at today's hearing entitled "The Semiannual Monetary Policy Report to the Congress".

*Sen. Brown's remarks, as prepared for delivery, follow:*

Thank you, Chairman Crapo. Chair Powell, welcome back to the Committee.

Before we start, I want to stay a few words about what happened last night, which culminated with President Trump withdrawing the nomination of Jessie Liu, who was scheduled to appear before this committee tomorrow.

I heard some of you, my colleagues and my friends, say that the president would be chastened by impeachment. Some of you told me you knew what he did was wrong, you admit he lies, but that this wasn't bad enough to rise to the level of removal from office – he'd learned his lesson.

It's pretty clear he's learned a lesson – the lesson he can do whatever he wants, abuse his office, and he'll never, ever be held accountable.

He's gone on a retribution tour – starting at the prayer breakfast – a prayer breakfast if you can believe that – continuing through the East Room, where many of you were in the audience. He removed Col. Vindman, a patriot and Purple Heart recipient who spent his life serving our country.

He removed Ambassador Sondland, a Trump appointee, after he testified to the quid pro quo.

And yesterday he continued the tour, interfering at the Department of Justice and strongarming political appointees to overrule career prosecutors. Those attorneys withdrew in protest – from the case, and in at least one case, resigned entirely from the Department entirely.

We cannot give him a permanent license to turn the presidency and the executive branch into his own personal vengeance operation. I'm afraid that is what we're seeing. No one should be above the law.

Now, turning to the matter at hand. Welcome, Chair Powell.

Earlier this week, Bloomberg reported on a profitable and fast-growing Spanish company. "Grifols" has opened up branches in 36 states. They buy and sell plasma – a nice, clinical sounding word that means "blood." Americans who are struggling to make ends meet are lining up to sell their blood to put food on the table. The blood harvesting business is booming, and Grifols stock is doing great.

It's hard to think of a better metaphor for Trump's economy.

On Monday, the S&P 500 and Nasdaq both reached record highs. In 2019, JPMorgan Chase had the best year for any U.S. bank in history, with \$36 billion in profits. Big corporations are spending hundreds of billions of dollars on stock buybacks and dividends. On paper, the economy has been expanding uninterrupted for over ten years.

But if you talk to the vast majority of people who rely on paychecks, not investment portfolios to earn a living, you get a very different story. They've been bleeding for years.

Most families don't understand why the harder they work, sometimes at more than one job, the harder it's getting to afford pretty much everything – child care, health care, rent, college tuition.

The people in this room may remember last September, when the financial industry went into a panic over a benchmark interest rate passing 10 percent.

Wall Street faced uncertainty, so the Fed leapt into action. Smart government employees came up with a plan that led to the Federal Reserve lending about \$200 billion every day into financial markets through a mechanism that hasn't been used since the financial crisis. That's right –\$200 billion.

Let me be clear – I don't think it's wrong for the Federal Reserve to be creative and make sure the economy keeps working. It's in everybody's interest for banks to keep lending money, and credit to keep flowing so businesses can invest and manufacture, and consumers can buy houses and cars.

My problem is this – when Main Street faces uncertainty, no one at the Fed jumps to action or gets creative. And we certainly don't see tweets from the President demanding corporations raise wages for their workers.

It's hard for families to understand why Wall Street gets worked up about a 10 percent interest rate when so many families are lucky if the payday lender down the street charges them less than 400 percent.

Small businesses who are having trouble making payroll don't have access to so-called repo funding at their local Fed branch. The Fed doesn't take action when its own research has found that 40 percent of Americans don't have the cash to cover a \$400 expense in an emergency.

Nobody raises alarm bells when 40 million Americans predict they'll miss at least one credit card payment, which means \$1.2 billion in late fees will flow from the pockets of struggling families to ultra-profitable banks.

"Serious People" haven't dropped everything to bring down the cost of housing or raise wages once they found out that one-in-four renters are paying more than half their income toward housing.

People look at that and they see two different economies – and two different responses. We hear a lot about the divides in this country between Red and Blue, rural and urban, the coasts and the heartland – but people in all those places feel like no matter how hard they work, they can't maintain any real economic security. The real divide I see is between those whose problems are considered an "emergency," and those whose struggles Wall Street and large parts of Washington have decided they can ignore.

The Fed needs to get creative for the people who make this country work – particularly because it's become pretty clear that the President and the Majority Leader aren't about to.

President Trump brags about a soaring stock market that he's pumped up with deficit-busting, trillion dollar tax breaks for billionaires – and now he wants to pay for those tax cuts by cutting Medicare and Medicaid and Social Security.

He lies about a "blue collar boom," when in my own state of Ohio, job growth has been anemic or nonexistent, and manufacturing jobs are stalling compared to when he took office. And now he wants to kill a loan program that was giving the community of Lordstown a little bit of hope that manufacturing jobs would come back.

Chairman Powell, you and your highly-capable staff at the Fed have been proactive and creative in protecting Wall Street and the money markets from this President's erratic behavior. And we're all appreciative of that.

But what I hope to hear from you today is how you're going to be proactive and use that same level of creativity to make this economy work for everybody else.

Thank you, Mr. Chairman.