

**Opening Statement for Ranking Member Sherrod Brown
6.16.2020 – Semi Annual Report on Monetary Policy**

Thank you, Mr. Chairman, for holding this virtual hearing, and thank you, Chair Powell, for participating in this hearing remotely to practice social distancing and to prevent the potential spread of coronavirus, which is not dropping dramatically, but still spreading, and is still taking the lives of hundreds more Americans every day.

Across the country, in big cities and small towns alike, Americans are calling for their government to respond to the health and economic impact of the pandemic. They are outraged over the killings of Breonna Taylor, George Floyd, Ahmaud Arbery, Rayshard Brooks and so many other black Americans. They are demanding justice and an end to the systemic racism that pervades every aspect of American society, including our economy.

Your job, and our job on this committee, is to oversee our economic system – to be good stewards of our economy.

That requires seeing our economy as it actually is. You're not overseeing some theoretical academic model of a perfect market. The evils of racism have been woven into the fabric of our nation's history since the beginning. Look at housing – we see how it works, from Jim Crow to redlining to today's OCC dismantling an important civil rights law.

We can't rely on the market to sort itself out – it never has and it never will.

We know Black workers earn less than their white peers who do the same jobs and have the same education levels. We know Black families are far less likely to own their homes than white families. We know Black students borrow more and pay more for college. We know Black retirees have less money for retirement, and less wealth to pass on to their children.

Many – including some members of the House and Senate – suggest, both in their statements and in their policies, that Black Americans are uneducated, don't work hard, don't want to start businesses or buy homes or save or invest. That's a false, racist narrative.

The real reason behind the disparities is that we have centuries of systematic oppression that denies Black Americans the opportunity to fully participate in our economy.

And whenever we try to fix it, the people who created or perpetuated that system – people who have no problem intervening in the market to save corporations and the white men who run them – say oh no, we can't have government meddling in the economy.

Let's be clear: government has always intervened in the economy. It's only been a question of who it's intervening on behalf of – corporations, the wealthy, the privileged? Or the people who make this country work? That contrast has probably never been clearer than it is today.

Workers are the people who make this economy run. It's not the CEOs and other executives, but the people who stock our shelves, deliver our packages, operate our subways and buses, and care for our health. We have finally started calling these workers – mostly women, disproportionately Black and brown workers – we have finally started calling these workers what they are: “essential.”

But our companies and our government have not started treating them that way.

Even before the pandemic, this economy wasn't working for working Americans. Our essential workers faced barriers to housing and healthcare. Wages were stagnant and wealth inequality continued to rise. Corporations making record profits rewarded their executives with huge bonuses, and increased dividends and stock holdings, juiced by buybacks.

They weren't using their record profits to pay their essential workers what they are worth.

Now these same companies that have been lining the pockets of their investors and executives, at the expense of their workers, now want the government to cushion the landing during this crisis.

And Congress asked the Treasury and Federal Reserve to serve as a life raft – to lend trillions of dollars to support our economy during this unprecedented time.

But while the Treasury and Fed are helping financial markets and corporations, you are not holding up the other end of the deal—we also asked you to make sure that working Americans remained employed and safe.

Big corporations are staying afloat—just look at the stock market—but the number of Americans out of a job is now over 20 million.

We saw how this played out in the 2008 financial crisis. Government intervened to help banks and corporations – and they were all too happy to take the bailouts. No complaints of “government handouts” there—in fact it was considered “patriotic.”

But millions of Americans were left behind – losing their jobs, their homes, getting paid less. Many of us fought for more help, more stimulus, for the people who make the economy work – and Wall Street and its allies in Washington called that a handout, government meddling, market interference.

History is repeating itself.

As COVID-19 spread across the country earlier this year, many workers – mostly Black and brown – found themselves thrown from one crisis into the next.

As it currently stands, and with no steps taken to actually ensure the money they are lending goes to workers, Treasury and the Fed are only reinforcing the inequities between workers and Wall Street, and between Black and brown Americans and white Americans.

Chair Powell – you have said that Congress needs to do more to help our state and local governments and put money directly in people’s pockets, and I agree. Democrats have a plan to get more help directly to working Americans. But Mitch McConnell isn’t in any rush to help people, he says he sees “no urgency” —his words, “no urgency.”

Leader McConnell and this Administration want to pretend like we are not in the middle of a pandemic and an economic recession. They want to force people back to work without real safety protections at the same low wages, while they shield their Wall Street friends from liability if any of their workers get sick on the job. We want people to go back at work too – but they want us to return to “business as usual.”

We know what “business as usual” means: government intervention to put its thumb on the scale for corporations and their wealthy shareholders, and “the free market” for everyone else.

We can’t return to that “business as usual.”

The economy and justice are not separate issues.

The Americans who are protesting across this country are demanding more from their government. They want an end to police violence that take Black lives with impunity. They want to know their voices are heard and their votes won’t be suppressed. They want economic security. They want a safe place to live, and they want a President who acts in his citizens’ interest – not his own.

They want to have faith in their government.

Congress and the Fed can help restore some of that trust. It's clear the White House isn't going to do it.

Both of us – Congress and the Fed alike – must take action now to support the workers who make this economy run. That means providing help for immediate needs and also addressing systemic racism and economic injustice. If we fail to act, it will hurt many people and make inequality worse. The Fed can make sure companies that get bailed out keep paying their workers; that companies stop stock buybacks and dividends on Wall Street, and adopt policies that combat inequality rather than supercharge it.

The Fed cannot lend to big businesses and leave workers behind like we saw during the last crisis. It's time for all of us to be better stewards of the economy.

Chair Powell, I thank you for your service and your leadership. And I would urge you to redouble your efforts to make sure that you and the thousands of talented men and women who work with you are dedicated to taking steps to ensure that this economy works for all Americans.