

Yearning for a return to normalcy, American voters elected Joe Biden President of the United States.

The American people were exhausted by divisive rhetoric at neighborhood functions, church gatherings, and family dinners.

They wanted someone who would bring this country together based on our shared values, like the dignity of work. They wanted an economy that works for everyone – not just wealthy elites.

That is what we are delivering.

Think of where our country was a year ago.

Domestic terrorists breached this building a year and a week ago, assaulting our democracy.

Four million more people were out of a job, and the hope of vaccines, for everyone, was just that – a hope.

Today, we have made so much progress.

We have a president committed to democracy – willing to stand in this breach, as he put it last week.

Vaccines and booster shots have dramatically lowered the risk for most people, and allowed Americans to go back to work and our children to go back to school, safely.

We added 6.4 million jobs last year – 6.4 million jobs – the most since 1939.

The nomination we consider today represents another step in President Biden's effort to rebuild our economy. And the president is putting results over partisanship, re-nominating a Federal Reserve chair of the other political party.

Jerome Powell has served as Chair of the Federal Reserve since 2018. He joined the Fed in 2012. Before that, he served the country in a number of different roles, including as Under Secretary for Finance at the Treasury Department during the George H.W. Bush Administration.

As Chair, together with President Biden, he has helped us deliver historic economic progress.

We passed the American Rescue Plan, which got shots in arms and money in pockets. The unemployment rate dropped to 3.9 percent, down from 6.7 percent at the end of the last administration. In December alone, we added 807,000 jobs – more than doubling economists' expectations.

The economy has regained 84 percent of the jobs we lost since the pandemic hit two years ago. And for some of my colleagues who only like to measure the strength of the economy by the stock market – it was up 27 percent at the end of 2021 and hit 70 record highs last year.

We passed an historic jobs bill, the bipartisan infrastructure package – a goal that has for decades eluded presidents of both parties.

Chair Powell – along with Vice Chair nominee Lael Brainard, whom we will hear from later this week – led the Federal Reserve’s unprecedented actions to stabilize our economy in the face of a global pandemic.

Chair Powell, to his credit, recognized the importance of full employment – and what that means for all workers, particularly those at the margins of our economy. He held firm against attempts to politicize the Fed, and prevented an economic downturn from becoming far worse.

He understands that the best way to bounce back from this crisis is to get the coronavirus under control with vaccines.

Today, we are at a critical moment. For the first time in decades, workers are finally – finally – starting to get a little bit more bargaining power. Wages are growing faster than we’ve seen in over a decade.

Americans are leaving jobs that didn’t work for them and their families, and finding better ones – often with higher paychecks. Corporations call this a, quote, “labor shortage.” To me it looks like the free labor market at work at its best.

Of course we still have many challenges.

We have seen severe supply chain disruptions caused by the pandemic. And because for decades corporations put short-term profits over long-term resilience – enabled by bad trade deals and bad tax policy that they lobbied for – those fragile supply chains stretch all over the globe, and aren’t easily fixed. These disruptions – along with corporate opportunism – are raising the cost of many consumer goods.

That’s adding to all the costs that have been growing more unaffordable for decades, from child care to prescription drugs to housing.

And while paychecks are starting to go up, wages are still far from keeping up with corporate profits. We have only just begun the work of empowering American workers, and reorienting our economy from Wall Street to Main Street.

Yet some are already suggesting the Fed pull back on its support of the broader economy, and make it harder for people to get jobs.

Economists’ lingo tends to mask what we’re really talking about when it comes to the Fed’s work, so let’s be clear – President Biden put it pretty well last week:

Taking the example of the price of cars, he said we have two options: we can increase the supply of cars by making more of them, or we can reduce demand for cars by making Americans poorer.

That's the choice we face. When people talk about "cooling off" the economy, what they really mean is making it harder for people to find jobs and stopping paychecks from growing.

And we know how this goes – the "cooling off" never seems to extend to corporate profits or executives' pay.

The Fed must not allow only Wall Street to recover, while working Americans are left behind. We've seen that story unfold too many times before.

Today, banks are quietly celebrating one of their most profitable years ever, with huge bonuses and payouts.

The Fed must do more to stop consolidation in the banking industry from hurting consumers and small businesses. It must encourage more lending to Main Street, and crack down on stock buybacks and risky bets at the biggest banks.

And the Fed needs to take seriously the systemic risks that threaten our economic progress – like cryptocurrencies and stablecoins and climate change.

Chair Powell has shown he understands – in his words – "profound challenges for the global economy and...financial system," and if confirmed, we expect him to take what he has promised will be "bold steps" to tackle these risks.

Chair Powell and Vice Chair nominee Brainard have also begun important work with the FDIC and the OCC to update the Community Reinvestment Act regulations. Completing that update is essential, to increase banks' service to, and investment in, all the communities that have been left on their own for too long.

We also expect reform inside the Federal Reserve System.

That means increasing diversity at the Fed, so that the people making decisions for our economy actually reflect the workers who power it.

As Chair Powell has said, "If entrenched inequities prevent some Americans from participating fully in our labor markets, not only will they be held back from opportunities, but our economy overall will not realize its potential."

Many of us have appreciated his words. This year, we expect action.

In all of this work, the American people must be able to trust that the Federal Reserve works for them, and that officials aren't abusing their positions for personal gain.

Recent revelations about the Fed's ethics scandal have confirmed a lot of people's worst suspicions about government officials. As Chair of the Fed, Mr. Powell has a responsibility to restore that trust.

The Federal Reserve plays a central role in how we want our economy to work. We can't have a Fed that returns to business as usual – because that didn't work for most Americans.

Chair Powell, President Biden renominated you to grow the economy for all Americans, not just those at the top. And to protect that growth from threats to our financial system, like risky Wall Street schemes, crypto bubbles, and increasing climate disasters.

We expect you to meet these challenges, and I believe you have shown the leadership to do so. We will be watching closely.