

I want to start by acknowledging that as we sit here this morning, Ukrainians are showing such courage and resolve, fighting Russian invaders in their homeland.

Ukrainian families fleeing indiscriminate bombings are taking refuge in subway tunnels – something that Europe hasn't seen since the siege of London seven decades ago. I want to express my support for the brave men and women in Ukraine fighting for democracy, and I know all my colleagues on this committee, of both parties, join me in that.

This is a Russian attack on democracy. And it's only the latest, terrible escalation of what has become one of the main goals of the Russian Federation – to attack and undermine democratic norms at home and abroad.

The world is looking to us right now. We are the leader of the free world, and its oldest democracy. It's vital that we live by our values – both abroad and at home.

That means a commitment to the rule of law. A commitment to democratic participation. And a commitment to independent institutions that allow our society to function, like the Federal Reserve.

We created the Fed as an independent agency, outside of any one party's control, to be staffed with economic experts – not political cronies. It's one of many American institutions that sets our country apart from autocratic regimes.

It is vital that we reaffirm our commitment to the Fed's role, showing the world what a functioning democracy looks like. Let's show up and do our jobs – like Chair Powell comes here, perhaps 14 times a year, it must seem to him.

That's the best way to achieve a strong, growing economy, that lifts up the whole country.

This time last year, our country and our economy were in a place of deep uncertainty. More than 4 million people were out of a job. Frontline workers were just beginning to get vaccinated.

We were in the midst of a public health crisis and economic crisis that needed us all – policymakers, business owners, workers – to come together and tackle the challenge of this pandemic economy.

And that's what we did. We passed the American Rescue Plan. We got shots into arms, money into people's pockets, workers back on the job, and kids back in school.

Against the odds, 2021 became a year of unprecedented economic growth for our country – in job creation, wage gains, GDP. For the first time in two decades, the American economy grew faster than China's.

We averaged over half a million new jobs per month last year, and saw the fastest drop ever in the unemployment rate. Wages rose for workers – especially low-wage workers. American entrepreneurs broke started a record-setting 5 million new businesses.

This all translated into American families' household balance sheets, which were healthier in 2021 than before the pandemic. That's because of the actions Democrats took in this Congress – expanding the Child Tax Credit, rental and housing assistance.

The American Rescue Plan helped get most Americans vaccinated and make a booster shot available to everyone. Today, over 65 percent of the population is fully vaccinated – including more than 75 percent of all adults. Case counts and hospitalizations are dropping. And now we are one step closer to normal life beyond the pandemic. Americans no longer have to live in fear.

We have come a long way, but the fight isn't over – and it has taken an incredible toll on Americans. After two years of stress, of massive disruptions in our lives and in our economy, people are exhausted.

And they are fearful that inflation will make it harder and harder for them to keep up with the cost of living.

The pandemic economy has caused inflation. Families feel it at the gas station. They feel it when they're making rent payments. And they feel it when they check out at the grocery store.

And we must acknowledge that Russia's invasion of Ukraine will affect the global economy.

We learned over the past two years how fragile our global supply chains are.

Some of us have said for years that we should make more things in America and rely less on China. Elites in Washington that dismissed those concerns for decades are now finally starting to wake up.

We help prevent long-term inflation by bringing supply chains home – and in the process, we create jobs and rebuild our industrial base.

The House and Senate have both passed bills investing in domestic manufacturing and research and development. We need to put a comprehensive bill on the President's desk and bring manufacturing, research, and development back to America.

And we're building the capacity to move goods faster and more cheaply with the Bipartisan Infrastructure Bill.

While most Americans report mixed feelings about the economy over the past year – they may have gotten a raise and a tax cut and have more in savings, while also being concerned about rising costs – there's one group that did better than ever last year: corporations.

Corporations made record profits in 2021 and gave their executives and shareholders a bigger slice of the profits than ever.

And they've reacted with barely controlled glee at the opportunity to raise prices higher than ever.

We can never forget: raising prices is a choice. There is no law saying that if the cost of an input goes up or if transportation costs increase, companies have to raise prices.

They have options. They could cut costs elsewhere by making executive bonuses or stock buybacks a little tiny bit smaller.

But of course they don't – there's not enough competition in the economy. From the meatpacking industry to the oil cartels, corporations don't face the fair, capitalist competition we need to keep prices low and wages high.

And when you combine current inflation with all the expenses that have been rising for decades – prescription drugs, childcare, housing – it's little wonder that even many middle class families don't feel stable.

It will take all of us to lower these long-term costs, fight inflation, and create an economy where hard work pays off for everyone – no matter who you are, where you live, or what kind of work you do.

All workers should be able to find a good-paying job that allows them to raise a family, keep up with the cost of living, and join the middle class.

The Federal Reserve has a responsibility to tackle inflation, and to ensure we have a resilient labor market, a safe and stable banking system, an efficient and reliable payments system, and empowered local communities where consumers, workers, small banks, and small businesses thrive.

And it's more important now than ever that we have a full Federal Reserve Board making those decisions.

In a time of deep economic uncertainty – where democracies across the world are threatened by authoritarian strongmen – we must ensure the Fed is operating at full capacity. We have an opportunity to confirm one of the world's leading experts on cybersecurity in the financial system – she chaired the G-7 Cyber Expert Group. Let's get her on the job.

At this critical time, we must fill these positions so that the entire team of decisionmakers can come together, assess the data, and address the problems Americans face.

Today, we have Chair Pro Tempore of the Federal Reserve, Jay Powell, here to deliver a biannual update on the Fed's actions to steer our economic recovery.

Chair Powell, thank you and I look forward to your testimony.