

We all remember the dark days of 2008, and the painful years that followed. Secretary Yellen and Chair Powell, you both helped us deal with the aftermath in your roles at the Federal Reserve.

When the biggest banks were in trouble, Washington sprung to action – “we have no choice, we can’t allow these banks to fail,” everyone said.

But millions of families were allowed to fail.

American workers bailed out the financial industry, but their livelihoods were not treated with the same urgency. Recovering their jobs – let alone empowering them to demand better ones – would have to wait for years.

By the end of 2013, the stock market had its best year in almost two decades, while nearly 11 million people were still out of a job.

The question before us today is the same question we’ve been grappling with for a year: are we going to learn from our past mistakes?

Americans do not have to settle for another Wall Street-first recovery. We have the tools to do things differently – the only question is whether we’re going to use them, for as long as it takes.

So far, we have worked to learn the lessons of the past, and do better by American workers. That’s what the CARES Act and the American Rescue Plan were all about.

We put money in families’ pockets – stimulus checks and the Earned Income and the Child Tax Credit were spent in local supermarkets and shopping centers on food and back-to-school supplies.

Treasury helped state and local governments get emergency rental assistance to 420,000 families in August alone and provided \$950 million to help homeowners who are behind on their mortgage.

The result has been record job growth – job creation in the first seven months of the Biden administration is nearly double any previous first-year President.

It’s not just the jobs numbers – it’s also the quality of those jobs.

For the first time in decades, workers are starting to gain a little power in our economy – power to negotiate higher wages, better working conditions, and more control over their schedules and their futures.

Progress, to be sure. Yet we have a long way to go.

We are still down 5.6 million jobs since before the pandemic.

Corporations are using the pandemic as an excuse to “cut costs” – and we know that by “costs” they always mean jobs or wages or retirement contributions, never CEO bonuses or stock buybacks.

Instead of hiring back loyal workers as business expands, companies are outsourcing or contracting out the work, and paying people half as much.

The Fed, for its part, has taken extraordinary action over the past year and a half to stabilize our economy.

But many of the Fed’s efforts helped stabilize markets much more than they stabilized working families.

Those actions have been a bonanza for Wall Street. Big corporate mergers are at an all-time high, and the biggest banks have had one of their most profitable years ever – during a global pandemic.

The same companies that benefitted from the Fed’s actions want to “restructure” their workforce, and complain about a “skills gap,” while refusing to cut into their stock buyback budgets to expand training programs or offer truly high wages.

This ought to be a reminder that we’re still in the very early stages of recovery – and that the same old Wall Street system is not good enough.

Chair Powell, you have talked about your commitment to competitive labor markets, yet you have said that the test for full employment is “all but met.”

Tell that to the working mother who was forced to quit her job because she couldn’t afford childcare...or even find childcare.

Tell that to the server who worked for decades at a major hotel chain, only to lose her job during the pandemic, and then be offered the same job by a contractor paying half the wages with no benefits.

Tell that to a worker in my hometown in Mansfield, who for decades has watched companies close down factories and move good-paying, union jobs abroad – only to have them replaced, when they were replaced at all, by low-wage, non-union jobs at a Big Box store.

Now is not the time to declare victory.

Americans have watched this story unfold over and over again.

Crash. Recession. Rapid Wall Street recovery. Years of slow, painful, uneven job recovery.

And always within the same corporate system that treats quarterly stock prices as the only measurement that matters, and treats workers as a cost to be minimized.

How many times are we going to continue to do this?

How many times are Americans going to have to watch history repeat itself?

We cannot declare the recovery complete until all workers can find a job that pays them fair wages and treats them with dignity.

The Fed cannot pull back every time workers gain a tiny bit of power to demand higher wages.

The Fed cannot continue to rubberstamp mergers and allow corporate consolidation to go unchecked, and then wonder why job growth isn't reaching whole regions of the country.

Full employment means a truly competitive labor market – one where everyone can get a job, and employers compete for workers.

We have not seen that kind of labor market in decades – but we can. That is our job – in Congress, at Treasury, at the Fed.

I also need to say a quick word about the games Republicans are playing with people's livelihoods.

The debt limit is not about future spending – it's about meeting obligations we've already made, like the bipartisan, overwhelmingly popular CARES Act – the reason we're holding this hearing today.

Every single one of my Republican colleagues who served on this Committee last year voted for the CARES Act. Every single one of them voted for the \$2 trillion tax cut for their wealthy friends. They didn't seem to have a problem with the debt limit then.

But now they don't want to pay the bill.

The partisan game is pretty transparent.

We need to pay our bills on time. And we've always done it together. Treasury Secretaries – past and present, and across the political spectrum – are sounding the alarm about the economic devastation they're threatening.

And China is watching with glee, all too eager to see the dollar tarnished as the world's reserve currency.

We can't play politics with the full faith and credit of the United States.

Finally, Chair Powell, I understand you've initiated a review of the ethics and financial disclosure rules at the Fed after we learned of stock trades that two Federal Reserve Bank Presidents made during the pandemic.

I have a bill with Senators Merkley and Warnock – the Ban Conflicted Trading Act – that would ban members of Congress from buying or selling any individual stocks. I think the same should apply to Fed officials and I'm introducing a bill to do that.

Your job, the Fed's job, members of Congress's job is to serve the public, not their stock portfolios.