

Statement of Lael Brainard
Nominee to be a Member of the Board of Governors of the Federal Reserve System
Before the Committee on Banking, Housing, and Urban Affairs
United States Senate
March 13, 2014

Chairman Johnson, Ranking Member Crapo, distinguished Members of the Committee, I appreciate the opportunity to be here with you today.

It is an honor to be nominated by President Obama to serve on the Federal Reserve Board and particularly under Chairman Yellen's leadership. I want to express gratitude to my husband and my 3 dynamic daughters for supporting my return to public service after a wonderful but too brief time at home.

I cannot think of a more important moment for the work of the Federal Reserve in promoting price stability and maximum employment alongside financial stability. If confirmed, you can be sure I will be intensely focused on safeguarding the Fed's hard won credibility in preserving price stability, while supporting its indispensable role in getting Americans back to work, and strengthening its role in ensuring a safe and sound financial system.

The Federal Reserve has a critically important and appropriately delimited role in addressing the challenges we face as a nation in the wake of a deeply damaging financial crisis. It will need to carefully calibrate the tools of monetary policy to ensure an appropriate pace of normalization, while supporting the fragile recovery in our job market and ensuring inflation expectations remain well anchored. The Federal Reserve will need to continue robust implementation of financial reform and enhanced supervision to ensure that no financial institution is too big to fail and to discourage the massive leverage and opaque risk taking that contributed to the financial crisis, while protecting the savings of retirees and sound access to credit for consumers, small businesses, students, and households seeking to own their own home.

For me, service on the Federal Reserve would be a very natural progression, building on my more than six years of experience formulating economic policy at the White House National Economic Council and Council of Economic Advisers, and my nearly five years of recent experience in financial diplomacy at the Treasury, as well as my earlier work in the private sector and academia focused on U.S. competitiveness in key industries. It would enable me to continue my life's work of promoting an economy that delivers opportunity for hard working Americans while safeguarding financial stability.

It is an honor to be considered for this position. If confirmed, I would look forward to working with members of this Committee to advance our shared goal of making sure our financial system works for all Americans.