

Stephen Miran, Opening Remarks

Thank you for those kind words, Chairman Scott. Ranking Member Warren, distinguished Members of the Committee; it's a great privilege to sit before you all today, though back in February I didn't imagine I'd be back so soon. I'm honored to be nominated by the President and considered by this esteemed group.

As the 32nd Chairman of the Council of Economic Advisers, I have advised the President and his Administration on fiscal and regulatory policies designed to achieve full employment and stable prices. These goals are declared in the Employment Act of 1946, mirroring the mandates in the Federal Reserve Act. And the responsibilities of both the CEA and the Federal Reserve to advance America's economic progress are further developed in the Full Employment and Balanced Growth Act of 1978. The two organizations share common goals, but enjoy different means.

I have been studying and writing about monetary policy and macroeconomics for two decades, beginning with my doctoral research in economics at Harvard. I am thankful to have been advised by my CEA predecessor, Marty Feldstein. For the majority of my career, I was active in public markets, particularly interest rates and currencies. I learned firsthand the substantial sway that monetary policy and market structure hold over the price and availability of credit.

Borrowing costs are not just a Wall Street phenomenon. Purchasing a car or home are major milestones in pursuit of the American Dream. Affordability and interest rates affect decisions to have children or start a business. The flow of credit

and liquidity is central to America's banking system, and by extension, global capital markets. The Fed's role safeguarding these is of paramount importance.

In my view, the most important job of the central bank is to prevent Depressions and hyperinflations. Independence of monetary policy is a critical element for its success. Given the central bank's outsized role in the economy, it's no surprise that outsiders have opined on its decisions for decades. However, if confirmed, I plan to dutifully carry out my role pursuant to the mandates assigned by Congress. My opinions and decisions will be based on my analysis of the macroeconomy and what's best for its long-term stewardship. The Federal Open Market Committee is an independent group with a monumental task, and I intend to preserve that independence and serve the American people to the best of my ability.

But the Fed's operations expand well beyond this scope. Managing financial system liquidity is a complex exercise requiring regular fine-tuning. The Fed oversees the most important global financial institutions. It sets varying prices of money for borrowers and lenders, including other central banks. The ultimate composition of the Fed's balance sheet is an open-ended question.

Effective monetary policy is critical to the well-functioning of the economy, the preservation of America's robust capital markets, and the growing prosperity of our nation. Congress wisely tasked the Fed with pursuing price stability, maximum employment, and moderate long-term interest rates. If confirmed, I will transparently and honestly work toward that pursuit, with the goal of preserving a stable and healthy economy that benefits all Americans.

Thank you, and I look forward to your questions.