

Statement of Lisa D. Cook
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
February 3, 2022

Chairman Brown, Ranking Member Toomey, and other members of the Committee, thank you very much for the opportunity to appear before you today.

I am humbled and honored to have been nominated by President Biden to be a member of the Board of Governors of the Federal Reserve System. I earned my Ph.D. at Berkeley, served on the President's Council of Economic Advisers, and have spent decades teaching, studying, and researching economic growth and monetary policies. The depth and breadth of my experience in both the public and private sectors qualify me to serve as a Federal Reserve Governor, and, should I be confirmed, I would be honored to work with my colleagues to help navigate this critical moment for our nation's economy and the global economy.

In terms of priorities, I agree with Chair Powell that our most important task is tackling inflation. High inflation is a grave threat to a long, sustained expansion, which we know raises the standard of living for all Americans and leads to broad-based, shared prosperity. That is why I am committed to keeping inflation expectations well anchored.

My approach to complex problems is to be guided by facts, data, and analysis and to work collaboratively. I have served in the Administrations of Presidents from both parties, and when I make decisions, I do so based on the facts and not politics. In this respect, I will follow the example of Paul Volcker, whom I greatly admire for his unwavering dedication to a nonpolitical and independent Federal Reserve.

My convictions were shaped by my upbringing in Milledgeville, Georgia. It was the desegregating South, and both sides of my family were promoting nonviolent change alongside

our family friend, the Rev. Dr. Martin Luther King, Jr. While my sisters, Pamela and Melanie, and I were integrating our schools and pools, my parents were integrating their places of work. My mother, Professor Mary Murray Cook, and my aunt, Professor Loretta Murray Braxton, integrated their universities and STEM (science, technology, engineering, and mathematics) departments by race and by gender, preparing students for a desegregating South that promised greater opportunity for all. My cousin Floyd McKissick, Sr., spoke at the March on Washington and integrated the University of North Carolina law school. My uncle, Dr. Samuel DuBois Cook, studied with Dr. King at Morehouse College, was the first African American tenured professor at a southern university, and later was president of Dillard University. I want to thank Senators Warren, Kennedy, and Tillis, as well as the many other senators, who honored my uncle in a Senate resolution upon his death in 2017.

The sense of discipline, hope, and mission instilled in me by my family has taken me from Spelman College to Oxford, the Hoover Institution, and Harvard, but I have never forgotten where I came from and the dedicated teachers who supported me. I chose to seek my current tenured position as a macroeconomist in the industrial Midwest in this same spirit of being close to how our economic decisions affect working families. Living in a manufacturing hub during the financial crisis has underscored the effect that deep recessions have on everyday lives. And that is one reason I have dedicated much of my career to preventing the next financial crisis. A strong and resilient financial system supports American families, businesses, and our economy.

My research on economic growth has been informed by my interactions with families, businesses, policymakers, and financial institutions. I have extensive experience working for many types of banks, including serving on the board of a community development financial institution, or CDFI, in Grand Rapids. I am particularly proud that community banks were

among those that elected me to serve on the board of the Federal Home Loan Bank of Indianapolis. I have also worked closely with the Federal Reserve over the course of my career, conducting research at Reserve Banks before and after receiving my doctorate, attending policy conferences, and serving on advisory panels and as a director of the Federal Reserve Bank of Chicago.

There is still much to learn to make sure the Fed does its job even better. Our economy is constantly evolving. Learning to do better will require humility, perseverance, and diverse perspectives.

Again, it is an honor to be considered for this position, and I look forward to working with members of this Committee. If confirmed, I will faithfully support the congressionally mandated goals of stable prices and maximum employment, which Congress has entrusted to the Federal Reserve.

Thank you. I look forward to your questions.