

Statement of Christopher Waller
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 13, 2020

Chairman Crapo, Ranking Member Brown and members of the Committee, thank you for the opportunity to appear before you today. I am honored to have been nominated by the President for this prestigious position and grateful to the Committee for its consideration of my nomination. I would be humbled to be able to serve my country in this capacity.

I am thankful for the support from my family members who are here with me today -- my loving wife Laurie, my three children, Sarah, Maggie, and Sam, and my mother Ann who has been my hero throughout my life.

For the last 11 years, I have served as the Director of Research at the Federal Reserve Bank of St. Louis. During that time, I have attended over 60 Federal Open Market Committee meetings and served as the main policy advisor to my bank president. As a result of this experience, I fully understand and support the dual mandate of the Federal Reserve. I also understand and appreciate the Federal Reserve's role in pursuing policies to ensure a safe and stable financial system. If I am confirmed, I will continue to advocate for policies that achieve our dual mandate and maintain financial stability.

I believe that my background and experience makes me uniquely qualified to fulfill the responsibilities of a Federal Reserve Governor. In my decade-long experience as a senior Reserve Bank official, I was deeply involved in policy issues confronting the Federal Reserve. But in my role, I also spent a substantial amount of time talking to members of our community about how monetary policy affected their lives and businesses. That public input affected how I thought about policy and its consequences. I also learned how valuable it was to communicate clearly to the public what our policies were and why we were pursuing them.

In addition to my experience as a Federal Reserve official, I was an academic for over 25 years and did a substantial amount of research on monetary theory, monetary policy, and central bank design. I have written extensively on the importance of central bank independence for the conduct of monetary policy. My research also focused on how the central bank can be made accountable to the electorate without giving up its independence. In particular, I studied the importance of the nomination and confirmation process in achieving central bank accountability.

The Federal Reserve has been given tremendous responsibility by Congress to use its policies to improve the lives of the citizenry. Congress has also given the Federal Reserve tremendous freedom to pursue those policies as needed. But in return, it must be accountable to the public for its actions and be able to explain what those policies are and why they are being pursued. If I am confirmed, I pledge to work with my colleagues to implement policies that help us meet

our dual mandate. I also pledge to be accountable for those actions and to be transparent as to why those actions were taken.

Thank you again for the privilege to appear before you today, and I look forward to your questions.