

February 3, 2022

Dear Chairman Brown and Ranking Member Toomey:

We write in opposition to the nominations of Sarah Bloom Raskin and Lisa D. Cook to serve on the board of the Federal Reserve. If confirmed by the Senate we are concerned that both individuals will prioritize politically partisan progressive policies over the Fed's [dual mandate](#) of price stability and maximum sustainable employment.

Since his first day in office, President Biden has pursued a big government political agenda. In the middle of a raging pandemic and severe economic downturn, President Biden issued an [executive order](#) on "equity" instead of focusing on the economy. Now, one year into his tenure as president, inflation is at a 40-year high, businesses are seeing continued supply chain issues, and low- and middle-income Americans are seeing their purchasing power drop.

If confirmed as vice chair for supervision on the board, Raskin will push for the Fed to prioritize climate change policies to the detriment of the economy. In one of her [publications](#), Raskin argues that financial regulators in the United States need to follow the lead of foreign central banks, such as the European Central Bank (ECB) to "mitigate the risks of climate-related events."

However, even the ECB has admitted that transitioning away from fossil fuels to "greener" energy could lead to higher inflation and cripple price stability. The Financial Times [reported](#) that an ECB executive stated that policies such as a carbon tax and "green" subsidies to counterbalance higher energy costs "turn out to increase inflationary pressures." Pursuing these policies in the United States would be detrimental to lower-income households and further aggravate inflation.

Raskin has called for using the Fed's authority to limit American energy production. The Fed [supervises](#) bank holding companies, state member banks, savings and loan holding companies, and foreign banks operating in the United States. If confirmed as the primary bank supervisor and regulator on the Fed's board, Raskin could influence decisions for the board to file [cease and desist orders](#) or shut down banking activities. Through these types of enforcement actions, Raskin can attempt to punish banks that provide financing to energy businesses, an act that will further cripple the United States' energy infrastructure and cede our energy independence to foreign powers. If Raskin is willing to target the oil and gas industry, it also calls into question what other industries might be targeted.

Raskin could also punish banks by requiring more stringent stress testing to account for climate risk. If Raskin's goal is to restrict the disbursement of capital from banks and make lending more expensive, this is the right approach. Requiring banks to disclose this information is incredibly burdensome, increases compliance costs, and will more than likely make lending more expensive for individuals and small businesses.

In the same vein, if Cook was confirmed, she would focus on pursuing socialist political goals such as “equity” instead of solving real problems that Americans are facing. Moreover, Cook has written very little about [monetary policy](#), the central focus of the position to which she would be confirmed. Cook has made repeated inflammatory remarks on [racial equity](#) and [fascism](#) which exemplify her demeanor and where her focus would be at the Fed. Cook would likely expand the boundaries of the Fed’s authority to focus on race and use big government to subsidize certain individuals over others.

Cook could influence the Fed to engage in programs and actions that go beyond the scope of the Fed’s purview and use its power to pursue big government socialist policies. By nominating Cook, the Biden administration clearly wants to use the Community Reinvestment Act (CRA) to reallocate private financing to certain individuals or even persuade the Fed to alter the payments network to favor certain individuals over others.

It is impossible to see how Cook’s preference for “equity” can be removed from her decision-making. As an agency that prides itself on being unbiased, apolitical, and independent from the influence of the White House, an individual such as Cook is unqualified to serve on the Fed’s board.

We strongly oppose the nominations of Sarah Bloom Raskin and Lisa D. Cook to serve on the board of the Federal Reserve and urge senators to vote against their confirmation. The Fed needs board members who will focus on fulfilling its dual mandate of price stability and maximum employment in order to help curtail runaway inflation and ensure the economy recovers from the pandemic. The last thing Americans need are board members at the Fed who only care to focus on socialist, woke policy issues that will do nothing to improve Americans’ lives right now.

Sincerely,

Grover Norquist
President
Americans for Tax Reform

Steve Pociask
President / CEO
American Consumer Institute

Jim Martin
Founder/Chairman
60 Plus Association

Saulius "Saul" Anuzis
President
60 Plus Association

Thomas Jones
Founder
American Accountability Foundation

Seton Motley
President
Less Government

Bryan Bashur
Executive Director
Shareholder Advocacy Forum

Ryan Ellis
President
Center for a Free Economy

Andrew F. Quinlan
President
Center for Freedom and Prosperity

Tom Hebert
Executive Director
Open Competition Center

Katie McAuliffe
Executive Director
Digital Liberty

Heather R. Higgins
CEO
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