

APRIL 12, 2019

Warren Seeks Answers from Potential Fed Nominee Herman Cain

Senator Concerned With Cain's Radical Views on Economic Policy, Lack of Independence from Trump

Text of the Letter (PDF)

Washington, DC - United States Senator Elizabeth Warren (D-Mass.) today sent a letter to Herman Cain, the former Godfather's Pizza CEO and Republican presidential candidate who President Trump intends to nominate to the Federal Reserve Board of Governors (Fed), to express concerns with Mr. Cain's potential nomination and request information regarding his past statements and actions suggesting a lack of expertise and political independence.

The seven members of the Board of Governors oversee the whole Federal Reserve system, and guide its operations so that it fulfills roles and responsibilities defined by Congress. Once confirmed by the Senate, governors generally serve a 14-year term. Congress designed the Fed to be largely independent of short-term political pressures by instituting lengthy, staggered terms for its Governors, separating it from the Congressional appropriations process, and prohibiting administration officials from serving on its Board.

In her letter to Mr. Cain, Senator Warren outlined Mr. Cain's history of making inaccurate, radical, and dangerous statements related to economic policy, and questioned whether Mr. Cain, if nominated for the position, would be able to serve with the care, attention, and political independence expected of Federal Reserve

Board members. The senator's letter specifically cited Mr. Cain's comments about the role of the Fed, his advocacy for the gold standard, and his use of a campaign email list to promote predatory consumer products.

"...You have made comments regarding Federal Reserve policy that suggest an alarming lack of understanding of important aspects of the Federal Reserve's role and monetary policy -- an unusual gap in knowledge for a potential member of the Board of Governors -- and carelessness in your statements and actions relevant to the Federal Reserve's responsibilities," **Senator Warren wrote.**

Senator Warren also expressed concern with Mr. Cain's shifting views on monetary policy, as well as his recent creation of a pro-Trump super PAC--suggesting that Mr. Cain would pursue economic policies based entirely on short-term political loyalties, rather than the national interest.

"Americans should also know that a Governor of the Federal Reserve will form opinions and recommend policies based on evidence and the country's best interests and data, rather than shifting political winds," **the senator continued.** "But I am very concerned, based on a number of your actions and statements in recent years, that, if confirmed, you will form opinions on policy based not the national interest, but on an intense loyalty to President Trump."

In a series of questions, Senator Warren asked that Mr. Cain explain his past statements and actions by April 26, 2019.

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