

# BATTLE / BORN

C O L L E C T I V E

MEMO

TO: Interested Parties

FR: Adam Jentleson, Executive Director, Battle Born Collective

RE: Toomey Has a Credibility Problem on Federal Reserve Nominees

DATE: January 24, 2022

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Shortly after President Biden announced his intention to nominate three highly qualified nominees to the Federal Reserve, Senator Pat Toomey, Ranking Member of the Senate Banking Committee, rushed out a [statement](#) pledging to “examine” their qualifications.

As the confirmation process unfolds, Toomey’s approach to Biden’s mainstream, highly qualified candidates should be judged in light of his past support for Federal Reserve nominees who were, by any reasonable measure, far less qualified than Biden’s nominees. In contrast to the nominees Toomey has supported in the past, Biden’s nominees have garnered widespread praise from across the ideological spectrum. Stephen Myrow, managing partner at Beacon Policy Advisers and a former Bush Treasury official, summed it up well, describing them as [“progressive institutionalists.”](#)

Given Toomey’s past support of nominees with fringe views and meager qualifications, his credibility is likely to be an issue in the days ahead.

**In 2019, Senator Toomey supported the nomination of Stephen Moore, who admitted he was unqualified, said women are “malleable” and advocated the repeal of child labor laws.**

- Moore explicitly stated that he was unqualified: “I’m kind of new to this game, frankly, so I’m going to be on a steep learning curve myself about how the Fed operates, how the Federal Reserve makes its decisions,” he [said](#).
- Moore [said](#): “Women are sooo [sic] malleable! No wonder there’s a gender gap.”
- Moore wrote: is there any area in life “where men can take vacation from women?”
- Moore wrote that women’s presence at men’s basketball events is “un-American.” CNN: “In one of his 2002 columns, Moore suggested changes to the NCAA basketball tournament to get rid of “un-American” aspects of it. The first rule proposed by Moore: “Here’s the rule change I propose: No more women refs, no women announcers, no

women beer venders, no women anything,” he wrote in March 2002. “There is, of course, an exception to this rule. Women are permitted to participate, if and only if, they look like Bonnie Bernstein. The fact that Bonnie knows nothing about basketball is entirely irrelevant.” He later wrote that Bernstein, a CBS sports journalist at the time, should wear halter tops.”

- Moore [called](#) for repeal of child labor laws, said children should start working at age 11. Moore said, “I’m a radical on this. I’d get rid of a lot of these child labor laws. I want people starting to work at 11, 12.”
- Moore urged Trump to [fire](#) Fed Chair Jerome Powell, who enjoys broad support from Republicans and many Democrats.
- Moore [argued](#) that Trump deserved a Nobel prize in economics. Moore: “The other day I was on a panel with media reporters and I suggested in all seriousness that Donald Trump deserves the 2018 Nobel Prize in Economics. My fellow panelists almost visibly popped a vein in their heads.”
- Toomey [supported](#) Moore, shrugging off Moore’s wild statements as “tongue-in-cheek.”

**In 2020, Senator Toomey supported the confirmation of Dr. Judy Shelton, whose fitness was widely panned [by Fed veterans](#) and [economists](#).**

- Shelton advocated for a [return to the gold standard](#). She also called for a global conference on the gold standard at Mar-A-Lago.
- Shelton [questioned](#) the need for federal deposit insurance, a vital institution for community banks who compete against Wall Street giants.
- Shelton [questioned](#) the Fed’s tradition of independence from the White House, saying she saw “no reference to independence” in the Federal Reserve Act. Toomey, by contrast, has held up the Fed’s independence as an important benchmark for Biden’s nominees.
- Shelton [questioned](#) whether a central bank was necessary at all.
- Shelton’s nomination was opposed in an [open letter](#) by more than three dozen alums of the Federal Reserve.

- More than 100 economists, including 7 Nobel Prize winners, signed a letter [urging the Senate to reject](#) Shelton’s nomination. In their letter, the coalition of economists wrote “Ms. Shelton has a decades-long record of writings and statements that call into question her fitness for a spot on the Fed’s Board of Governors.”
- Toomey [supported](#) Shelton.

President Biden’s nominees are highly qualified and are already receiving [bipartisan](#) support. By contrast, Senator Toomey had no problem supporting extreme and unqualified candidates. We will see how the process unfolds. But given his support of extreme candidates with fringe views, Toomey’s credibility is likely to be an issue.