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Trump Won't Nominate Stephen Moore for Fed Board

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President Trump said on Thursday that he would not nominate Stephen Moore for a seat on the Federal Reserve board, the second time in a month that concerns over a potential nominee's treatment of women have torpedoed Mr. Trump's attempt to place a loyalist at the Fed.

The withdrawal of Mr. Moore, a conservative commentator and Trump campaign economic adviser, came after Republican lawmakers criticized his past comments about women, including that they should not earn more than men, along with financial issues stemming from a 2010 divorce. Several senators relayed those concerns to the White House this week and made clear that Mr. Moore did not have the votes to clear the Republican-controlled Senate.

"I think it's probably a good thing; I think it's an important thing," said Senator Lisa Murkowski, Republican of Alaska, who had expressed reservations about the nomination.

Mr. Trump's decision to cut Mr. Moore loose appeared to come as a surprise to his potential nominee, who had spent the morning telling several news media outlets, including The Wall Street Journal, that he would not withdraw and that he retained the full backing of the White House, which was "all in."

This is the second time in recent weeks that one of Mr. Trump's Fed picks was forced to withdraw over concerns about his views and attitudes toward women. Herman Cain, a former pizza magnate, bowed out as he battled previous accusations of sexual harassment that ended his 2012 presidential campaign.

It is unclear who — if anyone — Mr. Trump will formally nominate for either of the two remaining Fed seats. Among the names being floated by conservative columnists is Judy Shelton, an economist who has advised Mr. Trump and has advocated a return to the gold standard.

Mr. Trump placed the decision to end the potential nomination squarely in Mr. Moore's lap, saying in a tweet early Thursday afternoon that "Steve Moore, a great pro-growth economist and a truly fine person, has decided to withdraw from the Fed process."

Shortly afterward, a public relations firm working for Mr. Moore released a letter he wrote to Mr. Trump, citing family strain for his decision to step aside. "I am respectfully asking that you withdraw my name from consideration," Mr. Moore wrote. "The unrelenting attacks on my character have become untenable for me and my family, and three more months of this would be too hard on us."

In an interview with the Fox Business Network on Thursday, Mr. Moore blamed a “sleaze campaign” for the decision to withdraw, saying that “if I had any sense that this would happen — people would be looking at my writings from 20, 25 years ago — I would have told the president, ‘Wait a minute, I can’t do a Senate confirmation.’”

He said some of his writings “were insulting to women and they were meant to be a joke.”

“They were meant to be humorous and they weren’t,” he continued.

In choosing Mr. Moore and Mr. Cain, Mr. Trump turned to men he considered friends and whom he saw as potential allies at the central bank, which he has criticized as an impediment to economic growth. Mr. Trump has selected four of the Fed’s seven board members, including its chairman, Jerome H. Powell. But the Fed’s decision last year to raise interest rates four times has angered Mr. Trump, who has urged the Fed to cut rates by one point and engage in other types of economic stimulus.

Fed officials have expressed few anxieties about the two remaining vacancies, and it is not unprecedented for the board to operate without a full slate of governors. Both Janet L. Yellen and Ben Bernanke led the Fed without a full seven-member board during large parts of their tenure.

Republican lawmakers urged the president to take his time before floating another name.

“Read people’s articles that they write,” said Senator Shelley Moore Capito, Republican of West Virginia. That, she said, “would be a good start.”

The president selected Mr. Moore after Larry Kudlow, his National Economic Council director who was a best man at Mr. Moore’s wedding, showed the president a Wall Street Journal opinion piece in which Mr. Moore called for the Fed to cut interest rates and said the central bank posed the biggest risk to the American economy.

Mr. Trump told reporters he planned to nominate Mr. Moore and Mr. Cain before White House officials had performed a traditional background check, including reviewing writings, finances and past public controversies. That left his nominees to endure intense public scrutiny before being subjected to the kind of internal vetting that would typically determine whether a person could pass congressional muster.

Senate Republicans have criticized the White House for failing to consider whether a nominee could get the necessary votes before floating names and effectively scuttled the nominations of Mr. Moore and Mr. Cain before Mr. Trump could formally announce them.

On Thursday, several Republican senators said that the withdrawal was a wise decision and suggested the White House learn from it.

Senator Richard C. Shelby, Republican of Alabama and a member of the Banking Committee, said that the lesson was to “scrub or vet somebody before you even think of nominating them because they’ll be scrubbed by the press, the committee and the United States people.”

It was a rare instance of a critical mass of Mr. Trump’s own party bucking him in the Senate. Several Republicans joined Democrats in passing bills to condemn American military action in Yemen and Mr. Trump’s executive order to divert funds to build a border wall, which Mr. Trump vetoed. More recently, the Senate Finance Committee chairman, Charles E. Grassley of

Iowa, warned Mr. Trump that he would not advance a new trade deal with Mexico and Canada if Mr. Trump did not first scrap tariffs he has imposed on steel and aluminum.

Mr. Moore's selection was criticized from the outset, before his financial issues and sexist comments came to light. A conservative economist and pundit, Mr. Moore built a career in Washington leaning into the culture wars and preaching the benefits of limited government, low taxes and the oil and gas industry.

He founded the Club for Growth, an anti-tax political group that backed Republicans who supported low taxes — and attacked those who did not — in primary and general election campaigns. He has also held jobs at right-wing think tanks including the Heritage Foundation and the Cato Institute, and served on the editorial board of *The Wall Street Journal*.

Democrats immediately criticized the selection of Mr. Moore as too partisan for the Fed, which is historically independent. Several prominent economists, including conservatives like N. Gregory Mankiw of Harvard University, said Mr. Moore was not qualified for the position. Soon after his nomination, Mr. Moore issued what would be the first of many apologies for past statements — in this case, expressing remorse for saying Mr. Powell should be fired after the Fed raised interest rates in December.

In what would become a theme of his brief period of consideration, Mr. Moore expressed a desire for critics to focus exclusively on his policy plans for the Fed and ignore his voluminous paper trail.

“I don't mind at all the battle of ideas,” he said in an interview on March 26. “The personal insults are pretty rough, and they're just starting.”

Soon after, Mr. Moore found himself ensnared in controversy when court records surfaced showing that he had failed to pay more than \$300,000 in child support and alimony to his former wife and was held in contempt of court by a Virginia judge in 2013. In 2018, the Internal Revenue Service placed a lien on his home after he failed to pay \$75,000 in back taxes.

Over the next month, investigative reporters from *The Guardian*, CNN, *The New York Times* and other news media outlets unearthed previous writings and statements of Mr. Moore's that slowly sank his candidacy.

In his career as a conservative writer, think tank economist and culture-war provocateur, Mr. Moore wrote a series of opinion articles— and made speeches and television appearances — that denigrated women. He suggested that men needed to earn more than women, demeaned female athletic abilities and questioned the right of women to attend the men's college basketball tournament, unless they met a certain standard of attractiveness.

“The male needs to be the breadwinner of the family,” Mr. Moore said on C-Span in 2000. “One of the reasons you've seen the decline of the family, not just in the black community, but also it's happening now in the white community as well, is because women are more economically self-sufficient.”

Mr. Moore also drew criticism for joking, shortly after Mr. Trump was elected in 2016, about Mr. Trump kicking “a black family out of public housing” — a reference to former President Barack Obama.

He apologized for some of those statements, which he called attempts at humor, and defended others. But his explanations did not appear to satisfy senators, several of whom are running for re-election in tight races. He repeatedly called the focus on his writings and finances a “smear campaign” and said his critics were “pulling a Kavanaugh against me,” a reference to the contentious nomination hearings of Justice Brett M. Kavanaugh.

On Tuesday, Senator Joni Ernst, Republican of Iowa, said she had told the White House she was unlikely to support Mr. Moore, becoming the first senator in her party to be nearing an explicit disavowal of his nomination. “I would vote no against him, should he come up for a vote,” Ms. Ernst told Bloomberg television on Wednesday. “I know there are a number of other colleagues that have spoken out as well.”