



## Moore, under fire, withdraws from bid for Fed post

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Economic commentator Stephen Moore has withdrawn from consideration for a seat on the U.S. Federal Reserve Board after weeks of criticism about his political partisanship, shifting views on interest rate policy, and sexist comments about women.

“Steve Moore, a great pro-growth economist and a truly fine person, has decided to withdraw from the Fed process,” President Donald Trump wrote on Twitter on Thursday. “Steve won the battle of ideas including Tax Cuts ... and deregulation which have produced non-inflationary prosperity for all Americans. I’ve asked Steve to work with me toward future economic growth in our Country.”

Earlier Thursday, Moore had told Bloomberg TV that he was “all in” and that he expected to be nominated within three weeks.

Moore, 59, was picked by Trump in March to fill one of two vacant positions at the Fed, but had not been formally nominated. Trump’s other pick for the Fed, businessman Herman Cain, withdrew from consideration in mid-April after lawmakers expressed discomfort with the sexual harassment allegations that short-circuited Cain’s presidential bid in 2012. Cain has denied those allegations.

Moore, for his part, has said his comments about women were meant as humor. On Thursday, U.S. Senator Pat Toomey agreed, and said he was “inclined to support” Moore’s nomination.

But in a letter of resignation and in an interview on Fox Business Network, Moore said the toll the scrutiny was taking on his family made continuing the process untenable.

Moore’s sister, Kathy Dodd, told Reuters that while she and his other siblings might not agree with him on everything, the barrage of criticism was searing. “We all feel bad for him ... personally I think he should drop out, I don’t think it’s worth it,” she said in an interview on Wednesday.

At the Fed, Moore would have had a permanent vote on setting interest rates for at least five years and as many as 11 years, depending on which of two vacant posts he would have occupied.

Moore’s loyalty to Trump worried some lawmakers, concerned that his partisanship could threaten the Fed’s independence, seen as critical to the U.S. central bank’s ability to conduct policy effectively. Moore has worked with Trump since early in his 2016 campaign for president, and in interviews in recent weeks has tied the U.S. economy’s prospects directly to whether Trump is re-elected.

But it was Moore's history of sexist comments about women, both jokingly and not, that appeared to most hurt his prospects, with Republican senators including Joni Ernst citing those remarks for their opposition to, or at least hesitation over, Moore.

In one column that Moore has since apologized for, he joked that women should not referee men's basketball games and suggested they should not be in military combat. In another in 2014, Moore said that if women were paid more than men, society could be destabilized.

### **DEBATE TEAM, WHIFFLE BALL**

Interviews in recent days by Reuters with more than a dozen friends and colleagues, as well as his sister, paint a picture of a strong-minded, ambitious but friendly person with an enduring belief in the power of tax cuts to fuel economic growth and seemingly bottomless energy to devote to promoting that belief.

He also has dramatic flair — his second wedding, where National Economic Council director Larry Kudlow was his best man, took place at the Jefferson Memorial in Washington.

None of the interviews suggested that Moore's past comments about women translated into any bad behavior.

"He wouldn't be a good friend of mine if he didn't (respect women)," said Betsy Hart, who worked with Moore at the conservative Heritage Foundation and has socialized with him regularly since then.

Moore grew up in Winnetka, Illinois, the fourth child of an equipment parts exporter and a housewife. The family played a lot of sports together, including tennis, basketball and whiffle ball, and still do at their annual family gatherings at Christmas, his younger sister Dodd said.

In high school Moore was "kind of a geek," she said, spending his Fridays and Saturday nights with index cards to prepare for debate team meets.

At college he got turned on to economics by University of Illinois professor Julian Simon, who among other achievements came up with the idea for airlines to overbook flights and pay passengers they end up bumping.

Moore spent years writing editorials for the Wall Street Journal and policy pieces for the libertarian Cato Institute, and has a long track record of supporting Republican causes, chief among them tax cuts. In 1999 he founded the Club for Growth to raise money for like-minded politicians, and ran it until 2004.

### **RATES**

Over the years, Moore said less about monetary policy than fiscal policy, and his views have been less consistent. As recently as September 2015 he called for eliminating the U.S. central bank and removing then-Fed Chair Janet Yellen, who he said was keeping money too easy.

More recently, Moore called for the firing of Fed Chairman Jerome Powell after the central bank raised interest rates in December and, like Trump, he has called for rate cuts this year.

Democrats hailed his withdrawal.

“The only thing less funny than some of Mr. Moore’s tasteless, offensive, sexist ‘jokes’ was the idea that President Trump would even consider him for a seat on the Federal Reserve,” said Senator Chuck Schumer, the top Democrat in upper chamber.