



Fed Intends to Hire Lobbyist in Campaign to Buttress Its Image

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By Robert Schmidt



June 5 (Bloomberg) -- The Federal Reserve intends to hire a veteran lobbyist as it seeks to counter skepticism in Congress about the central bank's growing power over the U.S. financial system, people familiar with the matter said.

Linda Robertson currently handles government, community and public affairs at Johns Hopkins University in Baltimore, and headed the Washington lobbying office of Enron Corp., the energy trading company that collapsed in 2002 after an accounting scandal. She was also an adviser to all three of the Clinton administration's Treasury secretaries.

Robertson would help the Fed manage relations with lawmakers seeking greater oversight of a central bank that has used emergency powers to prevent Wall Street's demise. While she wasn't tied to Enron's fraud, her association with the firm may raise questions, analysts said.

"Some members of Congress think there are votes in attacking the Fed" after it "unnecessarily and unwisely entangled monetary policy with fiscal policy," said former St. Louis Fed President **William Poole**. "The Fed is going to have a tricky time of unwinding what has been done" and will need to "keep in touch with members of Congress more thoroughly," said Poole, now senior fellow with the Cato Institute in Washington.

Robertson served under Treasury Secretaries **Lawrence Summers**, **Robert Rubin** and **Lloyd Bentsen**. She didn't return calls seeking comment.

Summers Tie

Summers now heads the White House National Economic Council. Along with Treasury Secretary **Timothy Geithner**, he is leading Obama administration efforts to broaden the economic rescue and overhaul financial regulation. He has been mentioned as a possible successor to Fed Chairman **Ben S. Bernanke** should Bernanke not be renominated when his term ends in January.

Robertson is likely to start at the Fed in July and have the title of senior adviser to the Board of Governors, the people familiar with the situation said.

She was considered for a senior post under Geithner at the Treasury but ran up against the Obama administration's restrictions on hiring lobbyists, the people said.

"People have been asking whether the Fed is capable of getting its job done right," said **Lynn Turner**, a former chief accountant at the Securities and Exchange Commission. "Hiring a former lobbyist from Enron will surely make one wonder."

Lawmaker Pressure

Robertson would confront a range of issues in the newly created position. Congress is looking to subject the Fed to more scrutiny, and some lawmakers have suggested that district bank presidents should be confirmed by the Senate.

Some legislators have also expressed opposition to the Obama administration's attempt to make the Fed the regulator in charge of financial companies deemed too-big-to-fail.

In addition, the central bank has become a target to some members of Congress who've posted online videos of their interrogations of Fed officials during public hearings.

One YouTube clip, of Florida Democratic Representative **Alan Grayson's** grilling of Inspector General **Elizabeth Coleman**, has garnered almost 500,000 views in about a month.

Robertson is expected to advise the Fed on communications strategy, the people said. In recent months, Bernanke has pushed to make the traditionally secretive institution more open. He's done a television interview with CBS's "60 Minutes" program and taken questions from reporters at a National Press Club function in Washington.

According to her biography on the Johns Hopkins Web site, Robertson has spent more than 25 years working on federal legislative issues.

While Robertson's Hopkins biography makes no mention of her work at Enron, federal disclosure documents show she joined the company in 2000 after working at the Treasury. Robertson, who signed some of the forms, said she lobbied on energy and tax issues.

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