



Why Controversial Biden Nominee Saule Omarova Would Be Disastrous As A Key Treasury Official

Ben Zeisloft

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President Joe Biden recently nominated Cornell University law professor Saule Omarova to a key Treasury Department position. Ahead of her testimony before Congress on Thursday, experts are warning that her confirmation would be disastrous for the American financial system.

As The Daily Wire has previously reported, Omarova — a Kazakh-American who graduated from Moscow State University in 1989 — was tapped by Biden to serve as Comptroller of the Currency, which “charters, regulates, and supervises all national banks.”

Omarova’s nomination originally made waves after the discovery of posts displaying apparent sympathy toward the fallen Soviet Union and its alleged gender equality. Omarova has also called for the bankruptcy of oil and gas companies to fight climate change, argued for the Federal Reserve to manage consumer bank deposits, and drafted a thesis entitled “Karl Marx’s Economic Analysis and the Theory of Revolution in *Das Kapital*” during her college years.

In an interview with The Daily Wire, Norbert Michel — who directs the Cato Institute’s Center for Monetary and Financial Alternatives — said that Omarova’s confirmation would effectively federalize the American banking sector.

The Comptroller of the Currency, according to Michel, is “the main federal regulator for federally chartered banks.” Beyond sitting on the boards of the Federal Deposit Insurance Corporation and the Financial Stability Oversight Council, the Comptroller “has enormous discretion to direct banking activity through examination and enforcement actions, including which types of customers banks lend to.”

If she becomes Comptroller of the Currency, Omarova and other officials would have the power to “be allocating credit and funds” — deciding “who gets loans and straight transfers of money” — by putting money into people’s accounts or taking money out of their accounts, Michel added. Under her plan, “the private sector could not compete with the federal government.”

“The danger is that private banks would not be able to provide better interest rates to customers and charge lower rates to make loans,” Michel explained. “It would be a matter of policy that decided private banks’ fate.”

Omarova's path to confirmation is by no means straightforward. Moderate Democratic lawmakers such as Sens. Jon Tester (D-MT), Kyrsten Sinema (D-AZ), and Joe Manchin (D-WV) have expressed concern about Omarova.

How may Omarova defend her nomination during her testimony? By spinning her beliefs as anti-big bank, but pro-small bank.

"It's just spin, but she might try to do that," said Michel. "Many of her writings make no distinction between bank size, and it is clear her policies would turn all private banks into state-run institutions."

In an earlier article about Omarova, Michel recommended: "The Senate should ask Omarova for examples of a society that has followed her approach and made more people better off than ones based on free enterprise. It is true that the free enterprise systems are not perfect, but the fact remains that there are countless examples of Omarova's preferred approach making millions of people miserable."