

## Advocates Call on Biden to Nominate Fed Chair Who Will Address Climate-Related Financial Risk



**District of Columbia, Washington, D.C, Sep 20, 2021 ([IssueWire.com](https://www.issuewire.com))** - Today, Public Citizen and [350.org](https://350.org) delivered over 40,000 petition signatures encouraging President Biden to nominate a Federal Reserve Board Chair who will prioritize addressing the risks that climate change poses to our financial system. Advocates maintain that the Federal Reserve has a multitude of tools at its disposal to protect the economy from climate impacts.

National and state organizations focused on climate, financial regulation, and racial and economic justice issued the following statements:

“As climate impacts -- from hurricanes and floods to drought and fires -- devastate our communities and planet, the Federal Reserve cannot continue supporting the culprits of climate chaos. Keeping the status quo is what brought us to this terrible moment. Powell failing to address the climate crisis at scale will further exacerbate an "uneven" economy for vulnerable groups. We're calling on President Biden to nominate a real climate champion to chair the Fed. There's no time to lose for the Federal Reserve to fulfill their mandate, account for climate risk, and phase out fossil fuel investments ahead of COP26 this November,” said Tracey Lewis, Senior Climate Finance Policy Analyst at [350.org](https://350.org).

“The climate crisis should be a major concern at this conference. It's the biggest threat to financial stability and the health of the economy, particularly for Black, Indigenous, and people of color (BIPOC) communities. That puts it squarely within the Fed's responsibility—and makes the Fed's lack of leadership to date unacceptable. [Federal Reserve Chair Jerome] Powell's focus on employment has

been laudable, but it won't matter if his failures on climate-related risks and financial regulation trigger another financial crisis. The President should nominate a Chair who's as good or better on monetary policy and won't neglect the rest of the Fed's mission," said David Arkush, director of Public Citizen's Climate Program

"President Biden has promised a whole of the government effort to tackle the climate crisis, and that must include the Federal Reserve. The Fed has an obligation to help protect the economy and the financial system from the growing dangers of climate change and to do so in a just and equitable manner. To date, the Fed has failed to adequately deploy the tools available to address climate risks, and that must change immediately," said Ben Cushing, Fossil-Free Finance Campaign Manager at the Sierra Club.

"It's unconscionable that the Federal Reserve finances and invests in fossil fuel corporations that target, pollute, and poison Black, Indigenous, and other People of Color communities and drive our climate crisis. The Fed needs to immediately wind down all of its fossil fuel holdings to zero and President Biden needs to nominate new leadership at the Fed that reflects the racial and gender diversity of frontline communities and leadership with a strong track record of advancing racial, economic, climate, and environmental justice," said Erika Thi Patterson, Campaign Director for Climate and Environmental Justice at the Action Center on Race and the Economy.

"As the smoke from the climate change-induced fires fills the air over Jackson Hole, we hope that the evidence of climate change literally before and in their eyes moves the Fed to emergency action needed on climate change. An immediate shift in policy—away from support of the fossil fuel industry and toward renewable energy—is not only critical to address the climate crisis but makes long term economic sense for job creation and long-term, sustainable economic growth," said Mike Wittig at 350 Silicon Valley

"While many central banks in Europe and across the Global South are gradually greening their operations and exploring climate financial regulation, albeit dangerously slowly, the Fed is falling even further behind. And the stakes are too high to continue stalling. As Wall Street fuels the climate crisis, it's setting the stage for its own demise. There will be no financial stability, no price stability, and no job security on a planet on fire. Unless the Fed steps in, we face a financial crisis alongside accelerating climate and ecological breakdown. The world's most vulnerable, particularly communities in the Global South, are already suffering the consequences of the Fed's negligence. President Biden must replace Jerome Powell with a Chair who understands that climate change is the biggest existential threat of our times", said Akiksha Chatterji, Digital Campaigner at Positive Money U.S.

"Under Jerome Powell's leadership, this Federal Reserve has been more than willing to take an expansive view of its own power to come to corporate America's rescue. When it's the planet and the world's most vulnerable populations that are at risk, however, it has espoused a much narrower view of the scope of its mission and the tools at its disposal. The truth is, climate change represents a direct threat to every aspect of the Federal Reserve's mission -- full employment and both price and financial stability -- and the Board has the legal means to begin countering it right now. In the coming months, President Biden must appoint Federal Reserve leaders who will be as strong of allies to the planet as Powell has been for Wall Street," said Eleanor Eagan, Research Director, Governance Team at Revolving Door Project

"Central banks like the Federal Reserve have powerful tools to end fossil fuel finance, but they aren't using these tools — and the Fed is one of the worst of a bad bunch. In our Unused Tools report, we identify ten criteria to assess central banks' performance on climate, and the Fed didn't score better

than “grossly insufficient” on even one. Even the International Energy Agency now recognizes we must end fossil fuel finance to keep global warming below 1.5°C. It’s time for the Fed to stop funding fossil fuels, and it’s time for President Biden to replace Jerome Powell with a leader willing to confront the climate crisis and its devastating impacts on BIPOC communities,” said David Tong, Global Industry Campaign Manager at Oil Change International.

“It’s beyond ridiculous that in the Year 2021 the Federal Reserve finances and invests in fossil fuels when they themselves should be setting a precedent. The global economy is shifting to a more green and ethical model and the Fed & US government should be setting an example,” said Susan Dolan, CEO, [The Peoples Hub](#)

"Under the leadership of Jerome Powell, the Fed has failed to recognize the deeply serious threat that climate change poses to financial stability, and its responsibility to act swiftly to incorporate climate risk into its financial supervision and regulation. Central banks around the world have begun supervising and stress testing their largest banks, and are finding that private sector climate risk management is wholly inadequate and that substantial regulatory intervention will be required to ensure safety and soundness. To avoid a climate-fueled financial crisis, the Fed must begin proactively using the full range of prudential tools available to mitigate climate risk in the financial system and to protect the U.S. economy.”, and these tools must be up for discussion at the annual symposium," said Alex Martin, Sr. Policy Analyst at Americans for Financial Reform.

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