

Michelle W Bowman: Brief remarks

Brief remarks by Ms Michelle W Bowman, Member of the Board of Governors of the Federal Reserve System, at the Fed Listens Event hosted by the Federal Reserve Bank of Dallas, Odessa, Texas, 20 April 2023.

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Thank you, Lorie, it is great to be here, and to hear the broad range of perspectives that are represented here today. In 2019, during a very different time in our history, the Federal Reserve began a year of listening sessions with the public, tied to changes being considered in our approach to monetary policy, which was: how the Federal Open Market Committee uses interest rates and other tools to promote a healthy economy. While data can tell us a lot, hearing the stories behind that data helps to paint a picture that brings it to life for me and for my colleagues. We have heard a lot about how Americans are faring in the economy, and about how they are affected by our policy decisions. And so, our effort to create opportunities to enhance our ability to listen has continued, and has become what I expect will be, and certainly should be, a permanent feature of the Federal Reserve's decision-making.

It is a simple fact that what the Fed does in Washington has a significant impact on how families and businesses spend, borrow and plan for the future. That is exactly why we need to learn about the experiences of people in Odessa, Midland and other communities in the Permian Basin. Lately, as you know, the Fed has been focused on lowering inflation, which is essential if we want to support a growing economy and rising incomes. We want to hear how inflation, along with the higher interest rates needed to bring inflation down, is affecting you and your communities. These conversations provide important context to the economic data that we consider, and they help guide our thinking about how we can best achieve stability and support for the economic well-being of all Americans.

One of the important issues we will talk about today is workforce development, which in every community depends on effective partnerships with the private sector. For many years, this region has been challenged to find qualified workers in certain industries. But now, the challenge of finding willing and qualified workers stretches far beyond just those requiring specific skills training. Our strong labor market has made it extremely difficult for growing businesses to find workers, which, if not addressed, could eventually undermine a strong economy. I am very interested to learn about the different strategies and approaches being used in this region to provide workers with the skills they need to fill these jobs, and what additional considerations might be helpful in your efforts to improve workforce development.

Another issue we will focus on today is education. As a mother of two middle school students during the depths of the pandemic, I am particularly interested in understanding how your communities have managed and continue to manage Kindergarten through 12th grade education after the disruptions many places experienced as a result of the pandemic school closures.

Student performance suffers during even brief periods of instruction disruption. So even in places where school closures may have been limited, there may continue to be

lasting effects on attendance and student performance. Where schools were permitted to remain open, we know that teacher and support staff shortages were, and continue to be, a significant challenge for many school districts. I look forward to hearing your views and experiences during our time together.

Thank you, again, for the invitation to be here today, and I look forward to our discussions.