



House of Commons
Treasury Committee

Reappointment of Andy Haldane to the Monetary Policy Committee

Fifth Report of Session 2019–21

*Report, together with formal minutes relating
to the report*

*Ordered by the House of Commons
to be printed 20 July 2020*

The Treasury Committee

The Treasury Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of HM Treasury, HM Revenue and Customs and associated public bodies.

Current Membership

[Mel Stride MP](#) (Chair) (Conservative, Central Devon)

[Rushanara Ali MP](#) (Labour, Bethnal Green and Bow)

[Mr Steve Baker MP](#) (Conservative, Wycombe)

[Harriett Baldwin MP](#) (Conservative, West Worcestershire)

[Anthony Browne MP](#) (Conservative, South Cambridgeshire)

[Felicity Buchan MP](#) (Conservative, Kensington)

[Ms Angela Eagle MP](#) (Labour, Wallasey)

[Mike Hill MP](#) (Labour, Hartlepool)

[Julie Marson MP](#) (Conservative, Hertford and Stortford)

[Siobhain McDonagh MP](#) (Labour, Mitcham and Morden)

[Alison Thewliss MP](#) (Scottish National Party, Glasgow Central)

Powers

The committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No. 152. These are available on the internet via www.parliament.uk.

Publication

© Parliamentary Copyright House of Commons 2020. This publication may be reproduced under the terms of the Open Parliament Licence, which is published at www.parliament.uk/copyright/.

Committee reports are published on the Committee's website at <https://committees.parliament.uk/committee/158/treasury-committee/> and in print by Order of the House.

Committee staff

The current staff of the Committee are John-Paul Flaherty (Second Clerk), Rachel Kift (on secondment from the National Audit Office), Dan Lee (Senior Economist), Gosia McBride (Clerk), Cat Melvin (on secondment from Financial Conduct Authority), Aruni Muthumala (Senior Economist), Matt Panteli (Senior Media and Policy Officer), Baris Tufekci (Committee Support Assistant), Adam Wales (Chief Policy Adviser), Maciej Wenerski (Senior Committee Assistant), Marcus Wilton (Senior Economist), and Tony Verran (on secondment from HM Revenue & Customs).

Contacts

All correspondence should be addressed to the Clerk of the Treasury Committee, House of Commons, London SW1A 0AA. The telephone number for general enquiries is 020 7219 5769; the Committee's email address is treascom@parliament.uk.

You can follow the Committee on Twitter using [@commonstreasury](https://twitter.com/commonstreasury).

Contents

Introduction	3
Our inquiry	3
1 The re-appointment of Andy Haldane	4
Background on Andy Haldane	4
Our evidence	4
Conclusion	5
Formal minutes	6
Witnesses	7
Published written evidence	7
List of reports from the Committee during the current Parliament	8

Introduction

Our inquiry

1. This Report considers the re-appointment of Andy Haldane as member of the Monetary Policy Committee. On 10 June 2020 the Bank of England announced¹ that Andrew Bailey had reappointed Andy Haldane after consultation with the Chancellor of the Exchequer.
2. We took oral evidence from Andy Haldane on Monday 20 July 2020. Andy Haldane has provided a full CV and answered our questionnaire prior to giving oral evidence. We thank him for this evidence.

1 <https://www.bankofengland.co.uk/news/2020/june/monetary-policy-committee-reappointment>

1 The re-appointment of Andy Haldane

Background on Andy Haldane

3. Andy Haldane joined the Bank of England's Monetary Policy Committee ("MPC") on 1 June 2014. He was reappointed for a further three year term on 12 June 2017.
4. Andy Haldane joined the Bank of England on leaving university as an economist in 1989 and since then has worked in number of Bank of England roles, rising to become Executive Director Financial stability in 2009 and Chief Economist in 2014.
5. Apart from work at the Bank he has other professional roles as an economist. Andy Haldane is a Professor of Economics at Nottingham University, Governor of the National Institute for Economic and Social Research, Fellow of the Academy of Social Sciences and Fellow of Nuffield College Oxford.
6. Andy Haldane is also chair of the Chair of the Government's Industrial Strategy Council
7. Andy has published over 200 academic articles, speeches and books on a wide range of topics in the field of economics.

Our evidence

8. In oral evidence, we questioned Andy Haldane about the outlook for the economy, and the operation of financial policy in the UK. Topics covered during the session included:
 - what he would have done differently over the 6 years he has been on the MPC;
 - the pace of rebound of the economy from the Coronavirus crisis and lockdown;
 - which of the OBR scenarios for the economy is most likely;
 - why pay growth has been sluggish in recent years despite strong employment growth;
 - the impact of the Government's economic policy response to the Coronavirus crisis;
 - how structural unemployment might be prevented from emerging from the crisis;
 - impacts of the crisis on youth unemployment;
 - the level of the National Debt and whether it will have an impact on growth;
 - the impacts of high levels of corporate debt;
 - Bank rate policy;
 - the potential impact of negative interest rates;

- the lack of women on the MPC and the extent to which its independence is challenged by lack of diversity;
- cultural issues that make the MPC less attractive to female applicants;
- what outreach the Bank is doing to demystify its monetary policy
- the impact of the Women in Finance Charter at the Bank of England;
- what can be done to improve BAME numbers at the Bank and on its policy committees;
- comparisons with and differences between the Coronavirus crisis and the 2008–9 financial crisis;
- the size of the shock to the banking system arising from the crisis;
- whether Banks can and should do more to help households in difficulty;
- the impacts of low interest rates on boom and bust cycles; and
- potential alternatives to the MPC’s inflation target, including nominal GDP targeting.

Conclusion

9. The Committee is content that Andy Haldane has the professional competence and personal independence to remain a member of the Monetary Policy Committee. We wish him every success in his continuing role as a member of the committee.

Formal minutes

The following declarations of interest relating to the inquiry were made:

20 July 2020

Mr Steve Baker declared the following interest:

That he has a shareholding in Glint Pay Ltd.

Monday 20 July 2020

Mel Stride, in the Chair

Rushanara Ali	Julie Marson
Mr Steve Baker	Siobhain McDonagh
Anthony Browne	Alison Thewliss
Felicity Buchan	

Draft Report (*Reappointment of Andy Haldane to the Monetary Policy Committee*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 9 read and agreed to.

Resolved, That the Report be the fifth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Adjourned till Wednesday 22 July 2020 at 2.00 p.m.

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Monday 20 July 2020

Andy Haldane, Chief Economist, Monetary Policy Committee, Bank of England

Published written evidence

The following written evidence was received and can be viewed on the Committee's inquiry web page at www.parliament.uk/treascom

- 1 Andy Haldane's CV
- 2 Andy Haldane's re-appointment hearing questionnaire

List of reports from the Committee during the current Parliament

All publications from the Committee are available on the [publications page](#) of the Committee's website.

Session 2019–21

First Report	Appointment of Andrew Bailey as Governor of the Bank of England	HC 122
Second Report	Economic impact of coronavirus: Gaps in support	HC 454
Third Report	Appointment of Richard Hughes as the Chair of the Office for Budget Responsibility	HC 618
Fourth Report	Appointment of Jonathan Hall to the Financial Policy committee	HC 621
First Special Report	IT failures in the financial services sector: Government and Regulators Responses to the Committee's Second Report of Session 2019	HC 114
Second Special Report	Economic Crime: Consumer View: Government and Regulators' Responses to Committee's Third Report of Session 2019	HC 91