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Trump nominates a weak dollar advocate for the Federal Reserve.

Who Is Stephen Miran?

REVIEW & OUTLOOK

President Trump likes to stir things up, and he's done it again with his choice of Stephen Miran to fill an open seat on the Federal Reserve Board of Governors. We can't recall when a President nominated to the Fed someone whose abiding policy conviction is to weaken the U.S. dollar.

Mr. Miran has been chairman of the White House Council of Economic Advisers in Mr. Trump's second term. He's an ardent promoter of the President's economic policies, especially tariffs. For Mr. Miran, this is a matter of conviction. Before his White House days he offered a detailed case for rewriting the rules of the global trade and financial system.

He summed up his central argument in a widely cited November 2024 essay: "From a trade perspective, the dollar is persistently overvalued, in large part because dollar assets function as the world's reserve currency." Foreign central banks hold huge dollar reserves and most of the world's goods are traded in dollars. He says this global demand for dollars results in an overvalued greenback that leads to trade imbalances and harms Americans.

His solution? Manage a decline in the dollar's value over time by reducing the global demand for the U.S. currency, or at least mitigate the effects of its overvaluation. Tariffs do the latter in his view by forcing foreigners to pay for the fact that their currencies are undervalued and boost their exports to the U.S.

But his ambition goes beyond tariffs. In that 2024 essay he laid out other policy options for negotiating a weaker dollar and diminishing its reserve-currency status. One idea is to tax foreigners who hold U.S. Treasury debt as an incentive to hold less of it. This would amount to a de facto default on current debt.

More ambitiously, Mr. Miran floats a "Mara- Lago Accord" in which leading nations would negotiate a new global financial system to rebalance currency values. This echoes the Plaza and Louvre accords of the 1980s that coordinated monetary policies to arrest the surging dollar amid the rush of capital and goods into the U.S. during the Reagan economic boom. Mr. Miran says his essay wasn't "policy advocacy," but when you land something like this after an election it's intended to get the attention of policy makers. It did, and Mr. Miran got the White House job. One question is whether Mr. Miran has talked to Mr. Trump about all this. The President likes a weak dollar for protectionist purposes, but he also likes the dollar's reserve-currency status. That status lets the U.S. borrow more cheaply to fund its deficits and gives him leverage to impose sanctions to pursue U.S. security interests.

China and Russia in particular want to break the dollar's hold on global trade so U.S. sanctions won't matter. Mr. Trump has gone out of his way to impose higher tariffs on countries that are trying to diminish the dollar's global status—see Brazil.

Others have written on these pages about the burden of being a reserve-currency country, notably Lewis Lehrman and John Mueller. But their answer is a global monetary reform that links the dollar to gold. Their goal is a stable dollar, not a weak one.

This is a debate worth having, as improbable as such a reform is. But Mr. Miran gives no indication he has given any thought to such a global monetary reform. His preoccupation is devaluing the dollar to reduce the flow of capital and imported goods to the U.S.

None of this is at stake any time soon, since Mr. Miran would for now only fill the remaining term of Adriana Kugler, who resigned Friday and whose term ends in January. Mr. Miran would be only a single vote on the Federal Open Market Committee.

But Mr. Trump is also looking to replace Fed Chair Jerome Powell, and as Chair Mr. Miran would have a global platform and influence. Senators can do the country a favor by exploring Mr. Miran's views and whether a dollar devaluationist at the Fed is in the U.S. national interest.

