

# Fed's Jay Powell creating 'zombie' firms, says noted Fed watcher

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*Is the Federal Reserve's lower-for-longer interest rate policy worsening the income divide and benefiting Wall Street, not Main Street? Is it actually thwarting innovation in the markets?*

*Yes, concludes Danielle DiMartino Booth, CEO and chief strategist for Quill Intelligence, a research and analytics firm and newsletter publisher. Before starting her own firm, DiMartino Booth spent nine years at the Federal Reserve Bank of Dallas, where she served as adviser to Fed president Richard W. Fisher throughout the 2008 financial crisis. She's the author of *Fed Up: An Insider's Take on Why the Federal Reserve Is Bad for America* (Portfolio).*

*Under current Fed Chair Jerome Powell, "effectively the Fed wants cover for running loose monetary policy longer than ever," she said in an interview.*

*David Kotok, co-founder of Cumberland Advisors, a fixed-income investment firm in Sarasota, Fla., knows DiMartino Booth and admires her "sharp, centrist" views. However, "It's always easier to criticize the Fed with a retroactive view," he said.*

*He's not as concerned about the Fed's exploding balance sheet.*

*"My view is that the CARES Act should be many more trillions of dollars," Kotok said. "We need the equivalent of a Marshall Plan" for the United States, similar to the rescue plan for Europe after World War II.*

Read the full article at: [The Philadelphia Inquirer](#)

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