S. HRG. 107–329

NOMINATIONS OF: GRANT D. ALDONAS, KENNETH I. JUSTER, MARIA CINO, AND ROBERT GLENN HUBBARD

HEARING

BEFORE THE

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS UNITED STATES SENATE

ONE HUNDRED SEVENTH CONGRESS

FIRST SESSION

ON

NOMINATIONS OF:

GRANT D. ALDONAS, OF VIRGINIA, TO BE UNDER SECRETARY OF THE INTERNATIONAL TRADE ADMINISTRATION U.S. DEPARTMENT OF COMMERCE

KENNETH I. JUSTER, OF THE DISTRICT OF COLUMBIA TO BE UNDER SECRETARY OF THE BUREAU OF EXPORT ADMINISTRATION, U.S. DEPARTMENT OF COMMERCE

MARIA CINO, OF VIRGINIA, TO BE ASSISTANT SECRETARY AND DIRECTOR GENERAL, UNITED STATES AND FOREIGN COMMERCIAL SERVICE U.S. DEPARTMENT OF COMMERCE

ROBERT GLENN HUBBARD, OF NEW YORK, TO BE CHAIRMAN OF THE COUNCIL OF ECONOMIC ADVISERS

APRIL 24, 2001

Printed for the use of the Committee on Banking, Housing, and Urban Affairs

U.S. GOVERNMENT PRINTING OFFICE

78–159 PDF WASHINGTON : 2002

For sale by the Superintendent of Documents, U.S. Government Printing Office
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TUESDAY, APRIL 24, 2001

U.S. SENATE,
COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,
Washington, DC.

The Committee met at 3 p.m., in room SD–538 of the Dirksen Senate Office Building, Senator Phil Gramm (Chairman of the Committee) presiding.

OPENING STATEMENT OF CHAIRMAN PHIL GRAMM

Chairman. GRAMM. Let me call the Committee to order. The first thing I should do is introduce our panel, then administer the oath, and then I will ask each of you to make an opening statement. I would like to ask you to keep it within 5 minutes, but if you run over a little, I am not going to stop you.

I would first like to introduce Grant Aldonas of Virginia. He is nominated by the President to be Under Secretary of Commerce for International Trade. I have known Grant and worked with him on the Finance Committee, I am very pleased that you have been nominated for this position. Opposing protectionism and promoting free trade is God's work, and as should be true in all of God's noble efforts, there should be little compromise and much effort.

Our next nominee is Ken Juster of the District of Columbia. He is nominated to be Under Secretary of Commerce for Export Administration. Ken, let me welcome you before the Senate Banking Committee.

As you know, we have reported the Export Administration Act. It represents a major modernization of an important law that expired in 1995, and we hope to see this bill passed into law this year. We expect you to be effective in promoting American exports and protecting American technology under this new law, and I look forward to working with you.

Maria Cino of Virginia to be Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service. Let me say that one of our Members, Rick Santorum, is going to be here at some point, and when he arrives, we will give him an opportunity to introduce you.

Let me say to Ken Juster that Senator Chuck Schumer is inserting in the record his introduction of you. He had intended to be here, but we have all kinds of things going on today.

Finally, Glenn Hubbard, who is an economist and professor of Economics and Finance at Columbia University. He is nominated to be a member and Chairman of the President's Council of Economic Advisers. Glenn, we are very happy to have you here with us today.

Let me get each of you to rise and raise your right hand.

[Witnesses sworn.]

Chairman GRAMM. Please be seated. Grant, why don't you begin?

STATEMENT OF GRANT D. ALDONAS, OF VIRGINIA TO BE UNDER SECRETARY INTERNATIONAL TRADE ADMINISTRATION U.S. DEPARTMENT OF COMMERCE

Mr. ALDONAS. Thank you, Mr. Chairman. It is an honor to appear before you today as President Bush's nominee to be Under Secretary of Commerce for International Trade. I have a longer statement that I would with your consent submit for the record.

Chairman GRAMM. I will put the extended statement of each of our witnesses in the record.

Mr. ALDONAS. I will summarize my points here. First, I want to express my thanks to President Bush and Secretary Evans. I am humbled by the confidence they have placed in me and I look forward to representing our Nation's interests—and God's interest as well, Mr. Chairman—in the international trade arena if confirmed.

Second, I want to thank——

Chairman GRAMM. Don't forget the order.

[Laughter.]

Mr. ALDONAS. I am conscious of that. Second, I want to thank you for making time on the Senate Banking Committee schedule. The Senate Banking Committee obviously has been punching things out left and right early on in this year, and I appreciate your making time for us.

I want to assure you of my interest in building a strong partnership with the Committee, and I hope that I can call regularly on your advice and good counsel and on your staff regarding all matters before the International Trade Administration.

Third, I want to underscore how proud I am to have the opportunity to serve with the professionals at the International Trade Administration, whether it is the industry experts in Trade Development, the Market Access and Compliance staff responsible for enforcing our trade agreements, the staff of Import Administration that are responsible for addressing foreign unfair trade practices, or the officers of United States and Foreign Commercial Service that link American business to export opportunities abroad.

I also want to say how pleased I am to have colleagues like Maria Cino with her experience and stature and expertise as a part of our team in ITA to head the United States and Foreign Commercial Service, and Ken Juster, who is going to be heading the Bureau of Export Administration.

Fourth, in terms of priorities, I believe we should pursue the overall goal of shaping an economic environment in which goods, services, capital and ideas flow freely, because that is the environment in which the American entrepreneurs' risk, and American workers' labor, will be ultimately rewarded.

At a practical level in the International Trade Administration, that means focusing the Department's resources on the objective of expanding export and business development opportunities abroad, including the use of tools that the Senate Banking Committee has given us, like the Trade Promotion Coordinating Committee; making clear our commitment to see that our trade agreements are enforced and that our exporters receive the benefit of the bargain that our negotiators reach at the negotiating table; and adopting the same results-oriented approach to the enforcement of our unfair trade laws.

And here, with respect to the unfair trade laws, I want to be clear that we would like to use these as tools not as an end in and of themselves but as tools to encourage the elimination of the underlying unfair trade practices, the market distortions they create, and the limitation they impose on our exporters.

Finally, I would like to express my thanks to Senator Bill Roth for the opportunity he gave me to serve as Chief of the International Trade Counsel on the Finance Committee while he was Chair for 4 years, and to both Senator Roth and Senator Moynihan, the Ranking Member on the Finance Committee. I owe them a debt that I hope my continued public service can, in part, repay.

Most importantly, I would like to thank my wife, Pam, who has been my partner.——

Chairman GRAMM. Why don't you introduce any members of your family who are here?

Mr. ALDONAS. This is my wife, Pam Olson, who has been my partner in every endeavor for the last 21 years. We just got through another anniversary, for which I am always grateful.

[Laughter.]

This is my son, Noah, who is all of 10 and is cross with me because he missed a good lunch and a field trip to come down to the Senate Banking Committee this afternoon.

[Laughter.]

I have two daughters who are not here, Nicole and Kirsten, who are off at college, and hopefully will be coming home pretty soon. I have my brother John, who is the workout expert at the Overseas

Private Investment Corporation. So, when anything bad happens at OPIC, he has to take care of it.

The other point I would make, Mr. Chairman, particularly for you, knowing that you sit on the Finance Committee, is Pam recently left her partnership at Skadden Arps and her role as the first woman chair of the ABA Tax Section to become the Deputy Assistant Secretary for Tax Policy. And all I can say is that for 20 years, I have assiduously followed her advice, and I would recommend that you do the same on tax policy.

[Laughter.]

Mr. ALDONAS. I would be pleased to answer any questions you may have.

Chairman GRAMM. Ken, why don't you, if you have any kinfolks here, introduce them and then make your statement.

STATEMENT OF KENNETH I. JUSTER, OF THE DISTRICT OF COLUMBIA, TO BE UNDER SECRETARY BUREAU OF EXPORT ADMINISTRATION U.S. DEPARTMENT OF COMMERCE

Mr. JUSTER. Thank you, Mr. Chairman. It is a great honor for me to be here today as the President's nominee for the position of Under Secretary of Commerce for Export Administration.

I thank the President and Secretary Evans for their confidence and trust in me. I appreciate the time that several Members of the Committee have taken in the past few weeks to meet with me individually to discuss export and related issues. I regard consultation with this Committee as an important and ongoing process, and if confirmed, I will look forward to working closely with you and your staff.

The Bureau of Export Administration operates at the intersection of issues involving industry and national security. As you know, a principal focus for the Bureau is administering an export control system that is intended to further the growth of U.S. exports while protecting our national security.

On the one hand, it is important to enhance the operation of the system for the 21st Century in a manner that affords business the opportunity to compete effectively in today's increasingly competitive global marketplace.

It is in my view essential to the health of our Nation's industrial and technological base that U.S. companies be able to export their goods, services and technology without being hindered by arbitrary or unnecessary export controls. At the same time, however, as someone who has worked at the U.S. Department of State, I fully appreciate the critical importance of protecting this country's national security by ensuring that our sensitive technologies do not fall into the wrong hands.

The challenge for all of us in government and in the private sector is to have a tough minded yet common sense export control regime that strikes the proper balance between sharing our technology with friends and protecting against the transfer of sensitive technology to potential adversaries.

If confirmed, I am committed to the pursuit of policies and procedures that will advance these objectives.

If confirmed, I also will try to enhance multilateral cooperation to control the proliferation of the most critical technologies to potential adversaries. If the U.S. Government determines that our companies should not make a particular technology available to certain countries, then we owe it to our business community to make every effort possible to ensure that our allies and partners do not undercut us by making that same technology available.

Finally, the Bureau's work involving industry and national security extends to assisting in the coordination of the U.S. Government's initiatives on critical infrastructure protection. This effort includes promoting public-private partnerships across industry sectors, integrating the various infrastructure plans developed by these partnerships into a comprehensive national plan, and assisting Federal departments and agencies in assessing their own reliance on critical infrastructures.

In an era when cyberterrorism is a real and dangerous threat, I regard the work of the Bureau's Critical Infrastructure Assurance Office as an important component of our overall mission.

Let me conclude by thanking the Committee for its prompt consideration of my nomination and by reiterating my commitment to work closely and cooperatively with you.

Thank you.

Chairman GRAMM. Ms. Cino.

STATEMENT OF MARIA CINO, OF VIRGINIA TO BE ASSISTANT SECRETARY AND DIRECTOR GENERAL UNITED STATES AND FOREIGN COMMERCIAL SERVICE U.S. DEPARTMENT OF COMMERCE

Ms. CINO. Mr. Chairman, Senator Hagel, it is an honor and a privilege to come before you as President Bush's nominee for the position of Assistant Secretary and Secretary General of the United States and Foreign Commercial Service.

Thank you for granting me this hearing today. I know how busy you are, and I appreciate your attention to this nomination. I look forward if confirmed to working with the Members and staff of this Committee on matters related to export promotion.

I would also like to thank President Bush and Secretary of Commerce Don Evans for their support in my nomination.

Small- and medium-sized American businesses understand and appreciate the unique and valuable role played by commercial service in trade promotion and trade compliance. If confirmed, I have set three goals for the agency: First, to increase the number of exports from traditionally underserved communities, which would include minority, rural and women-owned businesses.

Second, increase the number of new exporters, and help current exporters increase the number of markets to which they export.

And third, to include the quality of export assistance provided to American companies by the Commercial Service by enhancing the skills of our employees through professional development opportunities. I welcome the challenge of leading a worldwide, field-based operation of 1,700 dynamic individuals.

My 20 plus years of leading field-based organizations developing and adhering to complex budgets, setting goals, long-term and

short, building coalitions and developing, motivating and mentoring staff have prepared me for this position.

Finally, let me say that I am humbled. I could never imagine, our growing up in blue collar ethnic and conservative household, that I would be sitting here today before the U.S. Senate in a confirmation hearing to be Assistant Secretary and Director General for the United States and Foreign Commercial Service.

I want to thank my loving parents for teaching me that if I work hard, anything was possible. I would also like to thank my colleagues and my friends who challenged me and gave me the opportunity to grow. I deeply appreciate the honor of being here today.

If confirmed, I look forward to working with Grant Aldonas and my sister International Trade Administration bureaus to promote U.S. exports, to support U.S. trade policies, and to enforce trade agreements.

Thank you.

Chairman GRAMM. Thank you.

Glenn, I know that your family is here. Why don't you start by introducing them, then give us your statement.

STATEMENT OF ROBERT GLENN HUBBARD, OF NEW YORK TO BE CHAIRMAN OF THE COUNCIL OF ECONOMIC ADVISERS

Mr. HUBBARD. Thank you, Mr. Chairman.

My wife Constance is here and my two sons, Raph and Will. I think Will has escaped into a nap. My older son, Raph, may follow our footsteps as an economist, Mr. Chairman, but he may decide to be a baseball pitcher instead, so I don't know whether we will snag him.

Chairman GRAMM. The money's better in baseball.

[Laughter.]

Mr. HUBBARD. That is what my wife reminds me of. If he can become a New York the Yankee, that is fine. I am also privileged to have my wife's parents, Cecil and Betty Pond, with me, and my children's godparents, Bev and Bill Roberts.

I would like to begin, Mr. Chairman, just by thanking you for the timely consideration of my nomination—especially given the pressures under which the Committee is operating. I am very honored to be the President's nominee as Chairman of the Council of Economic Advisers.

Because I am an advocate of a tax cut, I will start out by reducing the length of my oral remarks.

Chairman GRAMM. Let me stop you a minute on that thought, and let me recognize Senator Schumer who wanted to say a word on behalf of Maria Cino.

COMMENTS OF SENATOR CHARLES E. SCHUMER

Senator SCHUMER. Ken Juster and Maria Cino are both New Yorkers, and are extremely well-qualified. I apologize for being late, but it has been a busy day. I hope the Committee gives each of them a unanimous recommendation and I thank you, Mr. Chairman, for the time, and apologize to Mr. Hubbard for interrupting.

I am back to the Judiciary Committee. I apologize to the witnesses. Thank you.

Mr. HUBBARD. I am also a transplanted New Yorker—another one of your constituents.

Senator SCHUMER. Transplanted coming or going?

Mr. HUBBARD. Both. I am not a native New Yorker and I am living in Washington.

Senator SCHUMER. I am sure those few years in New York have helped Mr. Hubbard along.

[Laughter.]

Chairman GRAMM. Go ahead.

Mr. HUBBARD. Thank you, Mr Chairman.

Again, I would like to say at the outset that I am honored to be President Bush's choice to be Chairman of the Council of Economic Advisers. Should you confirm me, I will take very seriously the long-standing tradition of the Council in providing economic analysis to the President and to the Executive Branch.

The stewardship of the Council is a wide-ranging responsibility for everything from the preparation of the Economic Report of the President to the advice to the President and the Vice President.

As I had mentioned to you, Mr. Chairman, when we met in your office, I intend to continue the tradition of applying the highest professional standards possible. I share your concern for the Lord's work, as you know. The Lord, I think, is usually on the side of economic efficiency. The constituency for the Lord's work is sometimes small, but, at the Council, we count ourselves as part of that constituency. I look forward to working with you on this Committee and other Committees in the Congress in the economic policy process.

Thank you.

Chairman GRAMM. Thank you.

Let me recognize Senator Santorum, who wanted to make a comment on behalf of Maria Cino.

COMMENTS OF SENATOR RICK SANTORUM

Senator SANTORUM. First let me apologize for being late, but I wanted to get over here and introduce to the Committee Mario Cino, and just tell you that I have the utmost respect for this young woman. She is someone who I got to know when she did everything she could to elevate a rather fumbling politician from outside of Buffalo, NY, named Bill Paxon, into the leadership of the House of Representatives.

She did an outstanding job with him in running his office, and just amazed me with her incredible confidence and work ethic, and under understanding of the process as well as the politics of the process. She went over and she did some great work in the political realm for a while.

Again, she was just someone I felt knew her job and did it as well as she could, no matter what job it was.

When I found out that she was interested in taking a job with the Administration, frankly it did not matter what job she was taking, in my mind, because I knew that she would take the kind of energy and effort and professionalism to that position that would be beyond what anyone could possibly hope for.

I am excited she has agreed to come on to this Administration and work for the United States and Foreign Commercial Service.

I know she will do an outstanding job in our Government and for the businesses who rely on the Foreign and Commercial Service.

Chairman GRAMM. Thank you, Senator Santorum. I have just a couple of points I would like to make.

First, Mr. Juster, have you had an opportunity yet to study the Export Administration Act reported by this Committee?

Mr. JUSTER. Yes, I have, Senator.

Chairman GRAMM. Do you feel comfortable in vigorously supporting it?

Mr. JUSTER. I commend this Committee on its work on S. 149 and I do regard it as a very positive step toward reform of the export control system.

I should note that, while I have not been involved in Administration discussions regarding the legislation, the Administration has indicated its support for the legislation. If confirmed, I would be joining the Administration in supporting the legislation.

Chairman GRAMM. Thank you.

Let me go back to Mr. Aldonas and just simply say that I have had, in my political career, the following experience, and I would submit that you will have it in your new job.

People knock on my door and tell me terrible stories about how these foreigners are cheating, and how they won't allow goods they produce to come into this foreign country.

Then I say to them, well, what do you want me to do?

They say, not in these words, but the basic translation is, foreign governments cheat their consumers, and I want you to cheat American consumers by protecting me from foreign competition.

I would say of 100 people who come to see me with a trade complaint, 99 of them do not have the least interest in dealing with that complaint. They simply want to use that trade complaint as a reason for imposing protectionism in the American market.

I had the president of a major automobile company once try to explain to me his effort to force the Japanese to open their market. And so I listened and listened and listened, trying to determine the relevance of what he was saying to me.

And finally it became clear that the relevance was justification for erecting protectionist barriers against Japanese automobiles in the American market. So I just commend that experience.

Maybe your experience will turn out to be different than mine. Maybe yours will be one in a thousand instead of one in a hundred that have a legitimate case that they actually want to be fixed.

But I think it is very important that the Commerce Department set a very high standard when people are actually asking for trade remedies that will put Americans out of work, that will make America noncompetitive in many different areas.

As you know, the political base for international trade, like the political base of freedom, is often very, very small. I have found, of all issues that I have dealt with in public life, that trade is the least well-understood. Of all issues that I have dealt with, it is the most difficult because it is counterintuitive. It is like skiing.

[Laughter.]

Chairman GRAMM. So I commend you to your task.

Senator Hagel.

COMMENTS OF SENATOR CHUCK HAGEL

Senator HAGEL. Thank you, Mr. Chairman.

I too welcome each of you this afternoon. I note with some curiosity that there is such a big deal made, Mr. Chairman of being from New York, when I would rather think that a Texas background might serve you better.

But if you cannot be from Texas or Nebraska, then I guess New York will have to suffice.

[Laughter.]

Senator HAGEL. I do not say that in any gratuitous way to curry favor with the Chairman. We have never done such a thing here, and I am not about to violate that principle.

Chairman GRAMM. Well, all of their bosses are from Texas. You need to understand that.

Senator HAGEL. Well, I am glad. But we do not have anybody from Nebraska, unless you have claimed Nebraska.

I might add, as long as we are on Nebraska, did you know, Mr. Chairman, that the Navy pilot that brought the P–3 in successfully on Hainan Island was from Nebraska. I do not know what that has to do with your hearing.

[Laughter.]

Chairman GRAMM. Isn't he the Navy pilot that ran down that jet fighter?

[Laughter.]

Senator HAGEL. We have a big airspace in Nebraska. That is where he learned how to fly.

[Laughter.]

Senator HAGEL. Nonetheless, picking up a little bit on where the Chairman left off on his observations during his distinguished career about trade, I happen to concur with the Chairman on that point.

Not that I have been in Congress near as long as Chairman Gramm, but at one time, I was a business man. And at one time, I did a lot of work around the world, or attempted to do work around the world.

So I have seen from various perspectives the importance of this government in promoting trade and trade policy. I do not believe there is a more important dynamic for the future of this country and the future of the world than trade. I think it is that important.

The three of you—and we will get to Mr. Hubbard in a moment—are charged with a heavy responsibility which each of you I think understands.

And I would be very interested in getting each of your thoughts on where we should direct more of our focus on trade issues.

I left a meeting about half an hour ago of the United States/China Security Commission. It was a Commission set up which you know about, Mr. Aldonas, to look at some of the more high tech, dual use pieces of equipment and exports that we now export specifically to China, especially in light of events of the last few weeks.

We are now confronted, your Administration and the Congress, together are confronted with this perplexing dilemma. Do we pull back on trade with China? Do we try to punish China. Do we adjust our relationship with China through trade.

I have never believed that that is effective. As a matter of fact I think it is counterproductive. That is aside from the point that I would again like to ask each of you to share with this Committee some of your thoughts about where we should be doing better, how can we do better, how will you lead that effort to promote trade.

Mr. Aldonas, we will begin with you.

Mr. ALDONAS. Maybe I could divide the answer between some of the policy priorities and some of the practicalities, Senator. It is the right question to be asking of us and of the Administration at this point. On the policy priorities, I think the President was clear in Quebec. His stance is that this Administration is going to be an Administration that stands for free trade, for trying to create the environment in which entrepreneurs can succeed where capital is at risk and where workers can see rising standards of living. Trade is essential to that.

The first near-term prospect, as outlined by the President, is the Free Trade Agreement of the Americas. We have an opportunity to build out the arrangements we have with the Canadians and Mexicans into an agreement that covers the 34 democracies in the western hemisphere.

The President is focused on that. We have a window of opportunity because of the President's focus. The President's agenda can be changed and be shaped by events like those in China. I think this is an opportunity for our trading partners in Latin America to seize as much as it is an opportunity for us. But that is the first target out of the box.

It is also a good precursor to what we should be doing with in the framework of the World Trade Organization which is launching a new round of multilateral trade negotiations.

As you well know, it is essential to our agricultural community to be in the WTO. We have the agriculture negotiations as part of the built in agenda, which have gotten a lot farther than frankly I would have expected at this point without having a solid push from the prior Administration. This Administration is fully behind that effort.

There is one essential element that is missing as a part of that package, however, which is to get trade promotion authority from the Congress. The President is committed to doing that by the end of the year.

Although the argument is many times made that it is our trading partners that have to know we have trade promotion authority, in my view, it is our negotiators that need to know it. What they need to know is that there is a contract between the Congress and the Executive about what the agenda is when they sit down to negotiate at a table. That is the critical element that I think in many respects has been missing, as we have gone to the negotiating table in recent years.

On the practical side, I would like to see us at the Commerce Department get focused on trade agreements compliance in a way we haven't in the past. So, if it is a problem with a customs inspector, in Shanghai, we solve that problem there, so it doesn't become a debate about principles.

If it is a systemic problem among all customs inspectors in China, I want to hear about it, so we can bring the weight of the

U.S. Government to bear on that and resolve that at the political level before we end up in a larger dispute.

If it is a problem with the EU, where we realize we are going to be headed for litigation in the WTO, then I think all of us at the Commerce Department need to be building an effective record that allows us to vindicate our rights when we are in that forum at the end of the day.

And, I will be dedicating most of my time to focusing on ensuring that the trade agreements we have reached and the bargains our negotiators negotiated are going to be fulfilled.

Chairman GRAMM. Mr. Juster, did you want to answer that question as well?

Mr. JUSTER. I would be happy to.

Senator HAGEL. Thank you, Mr. Chairman.

Mr. JUSTER. As you noted, Senator Hagel, my area focuses on the exports of sensitive technology to countries around the world. In terms of my overall philosophy, it would be to promote such exports when we are dealing with allies and partners and we can work together in areas of defense cooperation.

But we must be more careful when we are exporting sensitive technology to countries of concern. We might permit such exports if they are going to help the people of a country and open up their society without enhancing their weapons capabilities.

But if there is a true national security concern, we want to restrict such exports. In those circumstances, it is incumbent upon us to try to get multilateral cooperation on restricting these exports, so that we are not just restricting our own companies' ability to export such technology. Instead, we should be working in a cooperative way with allies and not having our own exports undercut by the same technology being shipped abroad by our allies.

I therefore want one of my priorities to be to enhance multilateral cooperation of export controls, and to try to make sure that we are working effectively with our allies and partners in terms of stopping the proliferation of weapons capabilities in countries of concern.

Chairman GRAMM. Senator Corzine.

COMMENTS OF SENATOR JON S. CORZINE

Senator CORZINE. Yes, Mr. Chairman. I appreciate very much the time and service that this outstanding panel is about to begin. Tremendous credentials.

I have actually worked with several of these folks on a personal level and give testimony to their excellence and commitment to integrity, but I would be remiss if I did not—and I hope this question has not been asked of a future Chairman of the Counsel of Economic Advisers on his current views of how the economy is evolving. I do not know whether someone asked that question, but I would love to hear your comments, sir.

Mr. HUBBARD. Certainly, Senator. In my view, the economy's current rate of growth is unacceptably low. That is, the economy's potential rate of growth is substantially above the rate of growth that we have experienced in the past two quarters.

In the first quarter, the economy's rate of growth likely will be in the range of 1 to 2 percent at an annual rate.

I share the predictions of many private forecasters that the economy's rate of growth is likely to improve toward the end of 2001, and going into 2002. I would caution, however, that part of the prediction of improvement in growth by private forecasters reflects a belief that a more stimulative fiscal policy will be in place.

To give a quick answer to your question, Senator, I believe we are in a growth slowdown at the moment. The rate of growth is unacceptably low, but we are likely not at the present time to be in a recession.

Senator CORZINE. Thank you, Mr. Chairman.

Chairman GRAMM. Let me thank each of you for coming today. We will try to have a mark-up and report each of your nominations to the floor of the Senate as soon as we can.

And again I want to thank each of you for your willingness to serve. Thank you very much.

[Whereupon, at 3:35 p.m., the hearing was adjourned.]

[Prepared statements, biographical sketches of the nominees, and response to written questions follow:]

PREPARED STATEMENT OF SENATOR CHARLES E. SCHUMER

Thank you, Mr. Chairman. I want to thank you for having this hearing today and getting the nomination process moving.

I would like to welcome our New Yorkers, Ken Juster and Maria Cino It is good to see that New York, which breeds talent as well as the spirit of public service, has excellent representation on this panel. In particular, I have the privilege of introducing Ken Juster, who has been nominated by the President to serve as the Under Secretary of Commerce for Export Administration.

Ken is eminently well qualified to be the Under Secretary, not simply because he was born and raised in New York. Although that helps. Ken has had a distinguished academic and professional career. He received a B.A. from Harvard College—my alma mater—and then received a law degree from the Harvard Law School—also my alma mater. After a clerkship with the Second Circuit Court of Appeals, Ken came to Washington, DC, where he joined Arnold & Porter, practicing in international economic and legal matters, including export issues, economic sanctions, and foreign investment.

In the previous George Bush Administration, Ken served as an adviser to Lawrence Eagleburger and became Counselor of the State Department in 1992. While at State, Ken managed a wide-range of policy issues relating to many of the same countries with which he will have to deal if confirmed for his new position. Upon completion of his tenure, Ken received the Distinguished Service Award and Medal, which is the State Department's highest honor, then returned to Arnold & Porter.

Ken has the intellect and broad experience needed for an Under Secretary in Export Administration. He also has a great sense of humor, and he is someone with whom I am sure we will all enjoy working. In short, I think we are fortunate to have someone of Ken's caliber willing once again to enter public service. And I would like to welcome him here today.

PREPARED STATEMENT OF GRANT D. ALDONAS

UNDER SECRETARY-DESIGNATE
INTERNATIONAL TRADE ADMINISTRATION
U.S. DEPARTMENT OF COMMERCE

APRIL 24, 2001

Mr. Chairman, Senator Sarbanes, and Members of the Committee, I am honored to appear before you today as President Bush's nominee to be Under Secretary of Commerce for International Trade. I am humbled by the confidence the President and Secretary Evans have placed in me. I look forward to representing our Nation's interests in the international trade arena and am eager to tackle that challenge.

America's ability to lead on trade ultimately depends on a partnership between Congress and the President. That boils down to a question of trust between Members of Congress and the President and his team. If I am fortunate enough to be confirmed by the Senate, my primary objective will be to establish a strong working relationship with the Members of the Committee and your staff to ensure that ours is a partnership that works.

I intend to establish a regular schedule of meetings with your staff to ensure that you are fully informed of our progress. I will always be on call and will always be interested in your views on how we can improve our performance at the Commerce Department. I look forward to your advice and counsel.

President Bush and Secretary Evans are fond of quoting Ronald Reagan for the proposition that trade represents a "forward strategy for freedom." The Commerce Department's International Trade Administration ("ITA") is on the front lines in that effort.

The staff in Trade Development are the U.S. Government's industry experts, providing technical support to our trade negotiators, advice to American exporters, and advocacy for U.S. firms in sector-specific talks with our trading partners. Officials in Market Access and Compliance ("MAC") advocate the American exporter's interest in trade negotiations and are responsible for ensuring that American firms get the benefit of the bargain under our trade agreements. Import Administration ensures that our firms compete internationally on a level playing field. The officers of the United States and Foreign Commercial Service link American firms—particularly small- and medium-sized businesses—with trade and business development opportunities abroad.

I have had the good fortune to work with many of the professionals in International Trade Administration throughout my career, both in my prior public service with the State Department, the Office of the U.S. Trade Representative, and on the staff of the Senate Finance Committee, as well as during the many years I spent in the private sector. I want to underscore for the Committee, and for my friends in the Department, that I consider it an honor to have the opportunity to work side-by-side with them in advancing America's trade agenda. I also want to underscore how pleased I am that a colleague of Maria Cino's experience and stature will join our team in ITA as the head of the United States and Foreign Commercial Service.

We live in a time of unprecedented economic opportunity and unprecedented economic challenge. The end of Cold War barriers to peaceful commerce and the changing nature of communications and transportation technology have made us neighbors of every country around the globe. The challenge lies in ensuring that those changes expand the economic opportunity for all Americans.

The Commerce Department's International Trade Administration has a significant role to play in that effort. It is the American entrepreneur who puts his or her capital at risk and American workers who with their labor ensure that American goods and services represent a hallmark of quality around the world. It is their efforts, not the government's, that create economic prosperity. What we in government can do, however, is help shape an environment in which goods, services, capital and ideas flow freely because that is the environment in which the entrepreneur's risk and the American worker's labor will ultimately be rewarded.

I would like to outline three priorities I intend to focus on if confirmed as Under Secretary for International Trade that I believe will serve that end. First and foremost is expanding export opportunities for American business. At a practical level, that effort involves concentrating the Department's resources in ways that are likely to provide the greatest pay-off for American businesses trying to gain access to world markets.

The challenge within ITA is to ensure that the component parts stay fixed on a single goal—identifying promising targets for our exporters and providing the support they need to reach those markets. The Senate Banking Committee has been in the forefront of providing the Department with the tools to improve our performance in that regard. In particular, I would like to reinvigorate the Trade Policy Coordinating Committee as the vehicle for bringing not just the Department's resources to bear on behalf of U.S. exporters, but the resources of the government as a whole.

The Commerce Department can also contribute to the effort to expand the benefits of trade to all Americans. I intend, for example, to work closely with other parts of the Department, other U.S. agencies, and with trade promotion offices at the State-level to reach out to minority-owned businesses interested in international markets. I am committed to working closely with the Small Business Administration, in particular, to ensure that those small- and medium-sized businesses that provide the overwhelming source of new employment in our economy have the opportunity to "go global" from the outset of their existence.

Second, I want the Bush Administration's tenure to reflect the strongest possible commitment to the enforcement of our trade agreements. Both the President and Secretary Evans fully support that effort. We cannot expect the American public's support for an active trade agenda if our exporters do not get the benefit of the bargain they have a right to expect from our trade agreements.

What that means in practical terms is ensuring that each and every employee in the Commerce Department is focused on serving our exporters on the ground. If the problem lies with an errant interpretation of the World Trade Organization Customs Valuation Agreement by a customs official in Marseille, I want our Foreign Commercial Service officers to solve that problem at a working level in Marseille so that the goods can reach their markets without further delay. If the problem is a systemic one—a pattern of behavior that violates our rights under trade agreements, I want to hear about it immediately so that the staff in Trade Development can bring the weight of the U.S. Government to bear on the problem at a political level as early as possible in pursuit of a practical solution to our exporters' problems. If the problem is one that requires us to go to dispute settlement under our various trade agreements, I want our Market Access and Compliance officers to understand the importance of building the factual record for our claim and working closely with our counterparts in the Office of the U.S. Trade Representative to ensure that the dispute settlement process vindicates our rights.

Third, I would like to adopt the same results-oriented approach to the administration of our unfair trade laws by the Import Administration. Congress never intended antidumping and countervailing duty actions to be an end in themselves. Rather, the unfair trade laws represent tools that should be used in an effort to eliminate

the underlying unfair trade practices that distort markets and deny American firms—and firms worldwide—to compete on an equal basis.

The debate over the earliest versions of the U.S. countervailing duty law in the 1890's reflected Congress' intent to offset the market distortions introduced into the sugar trade by Russian subsidies to sugar production. Congress' action, however, also reflected an intent to provide leverage to pursue the elimination of such practices and their harmful effects on U.S. markets.

It is time to restore that focus to our efforts. Whether the issue is steel, lumber, semiconductors, or supercomputers, our goal should be the elimination of unfair practices that interfere with the market's ability to guide investment to its most productive use in our own economy and in markets for goods and services world wide. The capital markets impose a strict discipline that steers capital to those activities that generate the highest possible rate of return. Trade distorting subsidies and other unfair practices that interfere with the ability of the capital markets to impose that discipline impose a high cost on our exporters and on our economy as a whole.

In his conversations with me, Secretary Evans has put that in more human and tangible terms. He has often said that there is nothing more dispiriting to American workers and American entrepreneurs who put capital at risk than to see that they are not competing on a level-playing field. If confirmed by the Senate, I pledge to work within the Department, with other agencies, and, most importantly, with American industry to ensure that our policies and our actions target the elimination of trade-distorting practices and the costs they impose.

Let me close by once again thanking the President and Secretary Evans for nominating me to serve the American public as Under Secretary of Commerce for International Trade. I would also like to reiterate my appreciation to you, Mr. Chairman, to Senator Sarbanes, and to the other Members of the Committee for allowing me to appear before you today.

I would like to thank Senator Bill Roth for having given me the opportunity to serve as the Chief International Trade Counsel while he was Chairman of the Finance Committee for the past 4 years. Chairman Roth and his esteemed friend and colleague, Senator Pat Moynihan, the Ranking Member on the Finance Committee, exemplified the spirit that should always imbue the democratic process. I will be forever in their debt for the education and inspiration their leadership provided.

Last, and most importantly, I would like to thank my wife, Pam, and my children, Nicole, Kirsten, and Noah, for their support for me while I have been in public service. Pam recently left her law partnership and her role as the first woman ever to chair the American Bar Association's Section of Taxation to serve President Bush and Treasury Secretary O'Neill as the Deputy Assistant Secretary of Treasury for Tax Policy. I can say, objectively, based on 21 years of evidence that Pam is the best partner anyone could ask for—the President and Secretary O'Neill could not have found a better choice.

I would be pleased to answer any questions you may have.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Aldonas (Last) Grant (First) Douglas (Other)

Position to which nominated: Under Secretary for International Trade, Department of Commerce

Date of nomination: March 29, 2001

Date of birth: 7 (Day) February (Month) 1955 (Year) **Place of birth:** Minneapolis, Minnesota

Marital Status: Married **Full name of spouse:** Pamela Faith Olson

Name and ages of children:

Nicole Helen Aldonas – 20

Kirsten Inga Aldonas – 18

Noah Grant Olson Aldonas – 10

Education:

Institution	Dates attended	Degrees received	Dates of degrees
Univ. of Minnesota Law School	9/76-679	J.D.	6/79
Univ. of Minnesota	9/72-6/75	B.A.	6/75
Roosevelt High School	9/79-6/72	H.S. diploma	6/72

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships and any other special recognitions for outstanding service or achievement.

Joint Industry Group Excellence in Government Award 1999

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Office held (if any)	Dates
American Bar Association	Congressional Liaison Chair, Task Force on Multilateral Investment Agreements Vice Chair, Trade Committee Vice Chair, Committee on Trade and Foreign Investment in the United States Assistant Secretary	
American Society of International Law	Member	

Bar Memberships – District of Columbia; United States District Court for the District of Columbia; United States Court of International Trade; United States Court of Appeals for the Federal Circuit; United States Supreme Court

National Geographic Society – Member

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and inclusive dates of employment.

3/01 – Present: Senior Adviser to the Secretary of Commerce, U.S. Department of Commerce, Washington, D.C.

9/97 – 3/01: Chief International Trade Counsel, U.S. Senate Committee on Finance, Washington, D.C.

5/86 – 9/97: Partner, Miller & Chevalier, Washington, D.C. (Private law practice)

4/85 – 5/86: Associate, Sutherland Asbill & Brennan, Washington, D.C. (Private law practice)

1/80 – 4/85: Foreign Service Officer, U.S. Department of State

5/84 – 4/85: Director, South American and Caribbean Affairs, Office of the United States Trade Representative, Washington, D.C.

6/83 – 5/84: Special Assistant to the Under Secretary of State for Economic Affairs, U.S. Department of State, Washington, D.C.

2/82 – 6/83: Staff, Office of East-West Trade, Department of State, Washington, D.C.

7/80 – 2/82: Vice Consul, American Consulate General, Tijuana, Mexico

1/80 – 7/80: Junior Officer Training, Consular Training, and Spanish Language Training, Foreign Service Institute, Arlington, Virginia

9/79-12/79: Consumer Advocate, Minnesota Public Interest Research Group, Minneapolis, Minnesota
6/78 – 12/78: Law Clerk, Grossman Karlins Siegel & Brill, Minneapolis, Minnesota

1/76 – 4/76: Research Assistant, Governor's Crime Commission, St. Paul, Minnesota

Government experience: List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.

Adviser, Commission on U.S.-Pacific Trade and Investment (1996)

Counsel, Bipartisan Commission on Entitlement and Tax Reform, Washington, D.C. (1994)

Member, State Department Advisory Board on International Investment (1985-86)

Published Writings: List the titles, publishers and dates of books, articles, reports or other published materials you have written.

The following is based on an online search for articles and chapters of books I have written during my professional career:

- Future Challenges: New Substantive Areas — Comments, Symposium on the First Three Years of the WTO Dispute Settlement System, International Lawyer, Fall, 1998

- Multilateral Investment Agreements, International Legal Developments in Review: 1996, International Lawyer, Summer, 1997

- The World Trade Organization: Revolution in International Trade Dispute Settlement, Dispute Resolution Journal, July-September, 1995

- Judicial Review Under the Export Administration Act, in Law and Policy of Export Controls, American Bar Association (1993) (with Frances J. Henderson)

- Official Export Financing and Arrangements: US, UK, EC, OECD, in International Finance in the 1990s – Challenges and Opportunities (1993)

- Implementing the United States-Canada Free Trade Agreement, in the United States-Canada Free Trade Agreement: The Economic and Legal Implications, American Bar Association (1988)

- U.S. Legal Implications of Countertrade Deals, International Financial Law Review, September, 1985 (with Arthur T. Downey)

Political Affiliations and activities: List memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

None.

Political Contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.

Please see attached reports from the Federal Election Commission at Tab A. In addition, my wife an I contributed $1,000 to George W. Bush's initial gubernatorial campaign in 1994.

Qualifications: State fully your qualifications to serve in the position to which you have been named. (attach sheet)

I have been actively professionally in the international trade arena throughout my career, now spanning 21 years. I have considerable experience with international negotiations both in government and in the private sector, beginning with my tenure in the Foreign Service and with the Office of the United States Trade Representative, as well as a dozen years in the private practice of law representing clients in international transactions. I am fully familiar with the U.S. trade remedy laws that the Under Secretary of Commerce for international trade is responsible for enforcing, including the antidumping and countervailing duty laws, as well as the broader framework Congress has established for the conduct of American trade policy. I am also familiar

with the structure and budget of the International Trade Administration ("ITA") that I would be called upon to manage based on to my service as Chief International Trade Counsel on the Finance Committee, where I was responsible to the Chairman for oversight of the trade functions of the ITA.

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

I will remain an employee of the Commerce Department.

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

None.

3. Has anybody made you a commitment to a job after you leave government?

No.

4. Do you expect to serve the full term for which you have been appointed?

Yes.

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other

continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

None.

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

Please see letter from the Commerce Department's Assistant General Counsel regarding potential conflicts of interest attached at Tab B.

3. Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

None.

4. List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

None.

5. Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.

Please see letter and appended material from the Commerce Department's Assistant General Counsel for Administration attached at Tab B.

Civil, criminal and investigatory actions:

1. Give the full derails of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

None.

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

None.

PREPARED STATEMENT OF KENNETH I. JUSTER

UNDER SECRETARY-DESIGNATE
COMMERCE FOR EXPORT ADMINISTRATION
U.S. DEPARTMENT OF COMMERCE

APRIL 24, 2001

Chairman Gramm, Senator Sarbanes, and Members of the Committee: It is a great honor for me to be here today as the President's nominee for the position of Under Secretary of Commerce for Export Administration. I thank the President and Secretary Evans for their confidence and trust in me.

I appreciate the time that several Members of the Committee have taken in the past few weeks to meet with me individually to discuss export and related issues. I regard consultation with this Committee as an important and ongoing process. If confirmed, I will look forward to working closely with you and your staff.

The Bureau of Export Administration operates at the intersection of issues involving industry and national security. A principal focus for the Bureau is administering an export control system that is intended to further the growth of U.S. exports while protecting our national security. On the one hand, it is important to enhance the operation of the system for the 21st century in a manner that affords business the opportunity to compete effectively in todays increasingly competitive global marketplace. It is essential to the health of our Nation's industrial and technological base that U.S. companies be able to export their goods, services, and technology without being hindered by arbitrary and unnecessary export controls.

At the same time, however, as someone who has worked at the U.S. Department of State, I fully appreciate the critical importance of protecting this country's national security by ensuring that our sensitive technologies do not fall into the wrong hands. The challenge for all of us—in government and in the private sector—is to have a tough-minded, yet common-sense export control regime that strikes the proper balance between sharing our technology with friends and protecting against the transfer of sensitive technology to potential adversaries. If confirmed, I am committed to the pursuit of policies and procedures that will advance these objectives.

If confirmed, I also will try to enhance multilateral cooperation to control the proliferation of the most critical technologies to potential adversaries. If the U.S. Government determines that our companies should not make a particular technology available to certain countries, then we owe it to our business community to make every effort possible to ensure that our allies and partners do not undercut us by making that same technology available.

Finally, the Bureau's work involving industry and national security extends to assisting in the coordination of the U.S. Government's initiatives on critical infrastructure protection. This effort includes promoting public-private partnerships across industry sectors, integrating the various infrastructure plans developed by these partnerships into a comprehensive national plan, and assisting Federal departments and agencies in assessing their own reliance on critical infrastructures. In an era where cyber-terrorism is a real and dangerous threat, I regard the work of the Bureau's Critical Infrastructure Assurance Office as an important component of our overall mission.

Let me conclude by thanking the Committee for its prompt consideration of my nomination and by reiterating my commitment to work closely and cooperatively with you.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Juster (Last) Kenneth (First) I. (Other)

Position to which nominated: Under Secretary of Commerce for Export Administration

Date of nomination: March 15, 2001

Date of birth: 24 (Day) 11 (Month) 54 (Year) Place of birth: New York, New York

Martial Status: single Full name of spouse:

Name and ages of children:

Education:

Institution	Dates attended	Degrees received	Dates of degrees
Harvard Law School	9/76 - 6/80	J.D.	6/80
Harvard's Kennedy School of Government	9/77 - 6/80	M.P.P.	6/80
Harvard College	9/72 - 6/76	A.B.	6/76

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

U.S. Department of State's Distinguished Service Award and Medal (1993)

Phi Beta Kappa (1976)

Harvard's Center for International Affairs Research Grant to Japan (1975)

John Harvard Scholarship (honorary)

Harvard College Scholarship (honorary)

Detur Prize Book (Harvard College) (1975)

AFS International Scholarship to Thailand (1971)

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Office held (if any)	Dates
Council on Foreign Relations	Member	1993 - present
The Forum for International Policy	Senior Associate	1993 - 2001
U.S.-Panama Business Council	Board Member	1994 - 2001
Bulgarian-American Society	Board Member	1996 - 2001
American Bar Association	Member	1981 - present
District of Columbia Bar	Member	1981 - present
(see attachment)		

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and dates of inclusive employment.

(see attachment)

Memberships

Organization	Office held (if any)	Dates
ABA's Central and East European Law Initiative	Advisory Board	1994 - 2001
American Society of International Law	Member	1996 - present
Institute for Transnational Arbitration	Advisory Board	1996 - 2001
The Atlantic Council of the United States	Member	1989 - present
American Council on Germany	Member	1990 - present

Employment record

1/98 - present	Senior Partner, Arnold & Porter
5/93 - 12/97:	Partner, Arnold & Porter 555 12th Street, N.W. Washington, D.C. 20004
2/93 - 5/93:	Visiting Fellow Council on Foreign Relations 1779 Massachusetts Ave., N.W. Washington, D.C. 20036
8/92 - 1/93	Counselor (Acting) of the Department of State
8/89 - 8/92:	Deputy and Senior Adviser to the Deputy Secretary of State Department of State 2201 C Street, N.W. Washington, D.C. 20520-7512
1/88 - 8/89	Partner, Arnold & Porter
10/81 - 12/87:	Associate, Arnold & Porter 555 12th Street, N.W. Washington, D.C. 20004
8/80 - 7/81:	Law Clerk to Judge James L. Oakes U.S. Court of Appeals (2nd Circuit) Brattleboro, Vermont 05301
9/79 - 1/80	Teaching Assistant at the Kennedy
9/78 - 5/79:	School of Government Harvard University Cambridge, Massachusetts 02138
6/79 - 9/79:	Summer Associate at Arnold & Porter 555 Twelfth Street, N.W. Washington, D.C. 20004
6/78 - 9/78:	Staff, National Security Council Old Executive Office Building Washington, D.C. 20506
6/77 - 9/77:	Summer Associate at Weil, Gotshal & Manges 767 Fifth Avenue New York, New York 10022

Government experience:

List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.

8/89 - 1/93 Various positions, U.S. Department of State

8/80 - 7/81 Law Clerk to Judge James L. Oakes

U.S. Court of Appeals (2nd Circuit)

6/77 - 9/77 Staff, National Security Council

Published Writings:

List the titles, publishers and dates of books, articles, reports or other published materials you have written.

see attachment

Political Affiliations and activities:

List memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

Registered Republican

Adviser to Bush-Cheney Campaign, 2000 (unpaid)

Adviser to Dole-Kemp Campaign, 1996 (unpaid)

Publications

"The United States and Iraq: Perils of Engagement," in Richard N. Haass and Meghan O'Sullivan (eds.) Honey and Vinegar: Incentives, Sanctions, and Foreign Policy (Brookings Institution, 2000).

"The Santa Elena Case: Two Steps Forward, Three Steps Back," The American Review of International Arbitration, Vol. 10 (1999).

"The Mistake of a Separate Peace," The Washington Post, p. A15, August 9, 1999.

"Iraq: An American Perspective," in Richard N. Haass (ed.) Transatlantic Tensions: The United States, Europe, and Problem Countries (Brookings Institution, 1999).

Making Economic Policy: An Assessment of the National Economic Council (Brookings Institution, 1997) (co-author).

"Lessons on the Uprooted From Bosnia Peace Accord," Christian Science Monitor, p. 18, February 7, 1996 (co-author).

"The Myth of Iraqgate," Foreign Policy, No. 94 (Spring 1994).

"International Arbitration and Other Procedures for Dispute Resolution," in James A. Dobkin, et al. (eds.) Joint Ventures With International Partners (Butterworths, 1993).

"Assisting Countries in Transition," in Michael A. Epstein, et al. (eds.) New Developments in Doing Business in Eastern Europe, Russia and Ukraine (Prentice Hall, 1993).

"An Overview of U.S. Government Assistance to Central and Eastern Europe," in Charles Wolf, Jr. (ed.) Promoting Democracy and Free Markets in Eastern Europe (RAND, 1991).

"Law Enforcement Against International Terrorists," University of Colorado Law Review, Vol. 60, No. 3 (1989) (co-author).

"The UNCITRAL Model Law on International Arbitration," Ohio State Journal on Dispute Resolution, Vol. 3, No. 2 (1988) (co-author).

"The Libyan Sanctions: A Rational Response to State-Sponsored Terrorism?" Virginia Journal of International Law, Vol. 26, No. 4 (1986) (co-author).

"Attacking State-Sponsored Terrorism: The Libyan Sanctions," Export Today, Vol. 2, No. 2 (1986) (co-author).

Publications (continued)

"Multilateral Action Urged Against Terrorism," The Journal of Commerce, p. 15A, September 27, 1985 (co-author).

"Section 103 of the Revenue Act of 1971 and the Houdaille Case: A New Trade Remedy?" North Carolina Journal of International Law and Commercial Regulation, Vol. 9, No. 3 (1984) (co-author).

"Multinational Corporations: Foreign Corrupt Practices Act of 1977," Harvard International Law Journal, Vol. 20, No. 3 (1979).

"Foreign Policy-Making During the Oil Crisis," The Japan Interpreter, Vol. 11, No. 3 (1977).

"Kissinger's Evolving Agenda for China," Harvard Political Review, Vol. 3, No. 4 (1975).

Political Contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.

5/17/00	$1,000	Bush-Cheney 2000 Compliance Committee
3/18/99	$1,000	Bush for President
6/2/98	$500	Bush for Governor (George W. Bush)
3/2/95	$1,000	Dole for President
2000	$875	Arnold & Porter Partners Political Action Committee
1999	$800	
1998	$775	
1997	$675	
1996	$600	
1995	$575	

Qualifications: State fully your qualifications to serve in the position to which you have been named. (attach sheet)

see attachment

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

   Yes

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

   No

3. Has anybody made you a commitment to a job after you leave government?

   No

4. Do you expect to serve the full term for which you have been appointed?

   Yes

Qualifications

I believe that I am well qualified to serve as the Under Secretary of Commerce for Export Administration. My professional experience in both the private and public sectors as well as my educational training have focused on issues at the intersection of business, foreign policy, and national security, which are highly relevant to the position for which I have been nominated.

In the private sector, my law practice included representing major U.S. companies on a wide range of international legal, economic, and trade matters, including export controls, economic sanctions, foreign investment, foreign assistance, and foreign corrupt practices. I also have represented companies in significant international arbitrations, federal court litigation and regulatory matters, including cases involving U.S. sanctions against Libya and U.S. sanctions against the Noriega regime in Panama.

In the public sector, I worked at the State Department from 1989 to 1993 and at the National Security Council for a brief period in 1978. At the State Department, I was involved in a broad range of activities, including managing on an interagency basis U.S. assistance to Central and Eastern Europe, organizing the first international conference (involving 54 states and multilateral institutions) on assistance to the New Independent States of the former Soviet Union, leading the first international delegation to that region in February 1992, participating in negotiations with the Chinese regarding the release of a prominent political dissident following the events at Tiananmen Square in 1989, serving on the five-man team that traveled to Israel directly prior to and during the Gulf War in 1990 to negotiate with the Israelis regarding their posture during the War, investigating the re-export by friendly countries of U.S. high-technology to third parties of concern, and working on counter-terrorism issues (including the Pan Am 103) and on the promotion of U.S. business abroad.

My academic training also focused on the areas of national security, international trade, and international business transactions. As an undergraduate, I majored in Government, specializing in international relations and economic issues. Similarly, in graduate school in public policy and at law school, I took several courses dealing on international legal and business transactions and U.S. foreign policy. I also served as a teaching assistant in graduate school in courses on (i) Public Policy and Business, and (ii) Public Management. In addition, over the last 20 years, I have written numerous articles and spoken publicly on the subjects of international trade and business promotion, the use and misuse of economic sanctions, and the need for multilateral action against terrorism.

As a consequence of these experiences, I fully appreciate many of the critical components of the position for which I have been nominated. These include, of course, the substantive work involved in balancing the interests of the business community in promoting exports with the Government's imperative to protect our national security by

Qualifications (continued)

controlling trade involving sensitive technology. I believe my training also makes me well-suited for several of the other important elements of the Under Secretary position, including effectively managing a Bureau that has both regulatory and law enforcement units, working to improve interagency coordination on export issues, actively consulting with Members of Congress and their staffs, working closely with the business community, and engaging officials from other countries in seeking to reach agreement on multilateral approaches to export issues.

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

Pursuant to partnership agreement, I will receive a retirement payment from Arnold & Porter based on a pre-established formula, payable in 2-3 lump sum payments over a period of 2-3 years. However, I do not expect that Arnold & Porter will be affected by policies that I will influence.

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

None of which I am aware.

3. Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

None

4. List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

None

5. Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.

I do not believe the above responses suggest any conflict of interest. However, should any circumstance arise that would involve even the appearance of a conflict of interest, I would consult with the Commerce Department's legal counsel.

Civil, criminal and investigatory actions:

1. Give the full derails of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

None

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

None

PREPARED STATEMENT OF MARIA CINO

ASSISTANT SECRETARY AND DIRECTOR GENERAL-DESIGNATE
UNITED STATES AND FOREIGN COMMERCIAL SERVICE
U.S. DEPARTMENT OF COMMERCE

APRIL 24, 2001

Mr. Chairman, Ranking Member Sarbanes, Members of this Committee, it is an honor and a privilege to come before you as President Bush's nominee for the position of Assistant Secretary and Director General of the United States Foreign and Commercial Service. Thank you for granting me this hearing today. I know how busy you are and I really appreciate your attention to this nomination. I look forward, if confirmed, to working with the Members and staff of this Committee on matters related to export promotion.

I would like to thank Senator Santorum for that kind introduction. Ten years ago when Senator Santorum was first elected to Congress I was Chief of Staff to Congressman Bill Paxon. Our office acted as "big brother" to his office and we introduced him to the culture on Capitol Hill. We must have been good teachers. After only one term in the U.S. House of Representatives he came back as a U.S. Senator.

I also want to thank President George W. Bush and Secretary of Commerce Don Evans for their support of my nomination.

Mr. Chairman, Congress created the United States Foreign and Commercial Service to provide export assistance at a reasonable cost to American companies. From the beginning, our mission has been to help small- and medium-sized American business export their U.S. made products and services and protect the interests of U.S. businesses abroad. The Commercial Service has grown into a worldwide organization that facilities export transactions by linking U.S. suppliers with international buyers through our network of 105 domestic and 159 international field offices.

Small- and medium-sized American businesses understand and appreciate the unique and valuable role played by the Commercial Service in trade promotion and trade compliance. Federal, State and local international trade agencies also value the Commercial Service. Over the years we have forged a strong partnership with the Trade Promotion Coordinating Committee to leverage scarce resources and provide seamless export assistance to clients.

If confirmed, I will work to further strengthen the partnerships created through the Trade Promotion Coordinating Committee to better leverage Federal resources. The Commercial Service actively pursues partnerships with government agencies and the private sector. I believe that working together through partnerships at the point of service delivery is the most effective way to help American exporters in today's climate of increased global competition.

We live in a rapidly changing society. Our Nation continues to evolve into a service orientated, high-tech based economy where an increased number of exporters are from nontraditional backgrounds. The Commercial Service must continue to respond to these changes.

If confirmed, I have set three goals for the Agency:

- Increase the number of exporters from traditionally under-served communities (minority, rural and women-owned businesses).
- Increase the number of new exporters and help current exporters increase the number of markets to which they export.
- Improve the quality of export assistance provided to American companies by the Commercial Service by enhancing the skills of our employees through professional development opportunities.

This is truly an exciting time and one of tremendous opportunity for U.S. exporters. Commercial Service employees are dedicated, hardworking and committed to providing export assistance services that are second to none. Their enthusiasm is contagious. I invite each of you to visit your local U.S. Export Assistance Center to observe firsthand the tremendous service that these men and women provide to your constituent businesses seeking to export.

I welcome the challenge of leading a worldwide field-based organization of 1,700 dynamic individuals. My 20-plus years of leading field-based organizations, developing and adhering to complex budgets, setting short and long term strategic goals, building coalitions, and developing, motivating and mentoring staff have prepared me for this position. In addition, the contacts I have made in Federal, State and local agencies will enable me to further the goals of the U.S. Commercial Service. It is my hope that my skills in developing successful, strategic marketing and outreach programs will heighten the awareness and value of the Commercial Service's programs to American companies.

Finally, let me say that I am humbled. I could never have imagined that while growing up in a blue-collar, ethnic and conservative household, I would be sitting here today before the U.S. Senate at a confirmation hearing to be the Assistant Secretary and Director General for the United States and Foreign Commercial Service.

I want to thank my loving parents for teaching me that if I worked hard, anything was possible. I especially want to thank my late father for not heeding the advice of my grandfather who insisted that it would be a waste of money to send a girl to college. I also want to thank my colleagues and friends who challenged me and gave me the opportunity to grow.

I deeply appreciate the honor of being here today. If confirmed I look forward to working with Grant Aldonas and my sister International Trade Administration bureaus to promote U.S. exports, support U.S. trade policies and enforce trade agreements.

Thank you.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Cino, Maria

Position to which nominated:

Assistant Secretary for Commerce and Director General of the United States and Foreign Commercial Service

Date of nomination: 4/6/01

Date of birth: 4/19/57 **Place of birth:** Buffalo, New York

Name and ages of children: None

Marital Status: Single **Full name of Spouse:** NA

Education:

School:	St. John Fisher College
Attended:	1975 – 1979
Degree:	BA – Political Science
Degree Granted:	May 1979

School:	University of Dayton School of Law
Attended:	1979 – 1980
Degree:	Did not complete
Degree Granted:	None

Honors and awards:
List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

None

Memberships:
List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other orgainizations.

None

Employment Record:
List below all positions held since college, including the title or description of job, name of employment, location of work, and dates of inclusive employment.

Department of Commerce
Senior Advisor
Grant Aldonas – Supervisor
Washington, DC
April 2001 – Present

Republican National Committee
Deputy Chairman for Political Operations and Congressional Affairs
Fred Meyers - Supervisor
Washington, DC
May 2000 – March 2001

Bush for President, Inc.
National Political Director
Karl Rove - Supervisor
Austin, TX
March 1999 – April 2000

Wiley, Rein & Fielding
Government Affairs Consultant
Fred Fielding - Supervisor
Washington, DC
March 1997 – March 1999

National Republican Congressional Committee
Executive Director
Bill Paxon - Supervisor
Washington, DC
January 1993 – March 1997

Congressman Bill Paxon
Chief of Staff
Bill Paxon - Supervisor
Washington, DC
January 1989 – January 1983

Paxon for Congress
Campaign Manager
Bill Paxon - Supervisor
West Seneca, NY
August 1988 – December 1988

American View Point
Research Analyst
Linda DiVall - Supervisor
Alexandria, VA
January 1986 – July 1988

Republican National Committee
Executive Assistant to the Political Director, January 1985 – January 1986
Local Programs Director, January 1983 – January 1985
Political Education Program Director, July 1981 – January 1983

Bo Sullivan for Governor
Assistant Research Director
Bo Sullivan for Governor Committee
Essex, New Jersey
January 1981 – June 1981

Government Experience:
List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.

Department of Commerce
Senior Advisor
April 2001 – Present

Congressman Bill Paxon
Chief of Staff
1989 - 1993

Published Writings:
List the titles, publishers and dates or books, articles, reports or other published materials you have written.

None

Political Affiliations and activities:
List any memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

National Republican Congressional Committee, Executive Director, 1993 – 1997
Bush for President, Inc., National Political Director, 1999 – 2000
Republican National Committee, Deputy Chairman of Political Operations and Congressional Affairs, 2000 – 2001
Wish List, Board, 1997 – 1999
VIEW PAC, President, 1997 - 1999

Political Contributions:
Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates and names of recipients.

Collins for Senate	$500	1996
Wish List	$1000	1998

Qualifications:
State fully your qualifications to serve in the position to which you have been named.
My 20-plus years of experience in managing large, national field operations and staff qualifies me for this position, which requires managing a worldwide operation of over 1,700 employees in 250+ offices located in 85 countries and 48 U.S. states. I also have significant experience in developing and managing large and complex budgets, motivating and mentoring geographically dispersed employees and setting clear priorities, goals and objectives.

Future Employment Relationships:
1. **Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.**

   Yes

2. **As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation, practice with your previous employer, business firm, association or organization.**

   No

3. **Has anybody made you a commitment to a job after you leave government?**

   No

4. **Do you expect to serve the full term for which you have been appointed?**

   Yes

Potential Conflicts of interest:

1. **Describe any financial arrangements of deferred compensation agreements or other continuing dealings with business associates, clients or customers who will have been affected by policies with you will influence in the position to which you have been nominated.**

   None

2. **List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.**

   None

3. **Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.**

   None

4. **List any lobbying activity during the past 10 years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.**

   Over the past 10 years, in my capacity as Chief of Staff for a Member of Congress and as a Government Affairs Consultant for the law firm of Wiley, Rein and Fielding, I have worked on a wide range of issues. My primary role was one of gathering information and arranging for all interested parties to discuss their specific views. The issues I worked on ranged from telecommunications, transportation, housing, banking and health care.

5. **Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.**

   I will consult with the General Counsel of the Department of Commerce and, if appropriate, divest myself of conflicting interests, recuse myself, or obtain a conflict of interest waiver under 18 U.S.C. § 208 (b) if the interest is not substantial.

Civil, criminal and investigatory actions:

1. **Give the full details of any civil or criminal proceedings in which you were a defendant or any inquiry or investigation by a Federal, State or local agency in which you were the subject of the inquiry or investigation.**

   None

2. **Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.**

   None

PREPARED STATEMENT OF ROBERT GLENN HUBBARD

CHAIRMAN OF THE COUNCIL OF ECONOMIC ADVISERS-DESIGNATE

APRIL 24, 2001

Mr. Chairman, Senator Sarbanes, and other distinguished Members of the Committee, it is an honor and privilege for me to appear before you today as the President's nominee to be Chairman of the Council of Economic Advisers. I am mindful of the Council's significant responsibilities in the economic policy process, and I am eager to assume the duties of the position should I be confirmed.

Since my designation as Chairman, I have had the pleasure of visiting with many of you personally, and I look forward to meeting with all of you as your schedules permit. I have enjoyed the occasion to discuss the many economic priorities and opportunities we face in this Congress and the new Administration. Let me assure you that I am committed to a frank and outgoing dialogue with Members of Congress. Your input and advice are valuable to me personally and to the workings of the Council.

Before my recent nomination, I served as Russell L. Carson Professor of Economics and Finance at the Graduate School of Business and Department of Economics of Columbia University. While at Columbia University, I also served as a research associate of the National Bureau of Economic Research (in programs on monetary economics, economic fluctuations and growth, public economics, industrial organization, and corporate finance) and as a visiting scholar and director of the Tax Policy Program of the American Enterprise Institute. I have, in the past, worked with committees in both the House and the Senate on a range of economic policy issues, and I have acted as adviser to various government agencies. It is with this background that I come before this Committee to seek confirmation as Chairman of the Council of Economic Advisers.

Our Nation today confronts economic opportunities and challenges. Technological change and economic growth have increased living standards. We face the challenge of sustaining the economy's expansion. Though no single policy can generate the sustained growth and stability of our economy, the Administration is committed to a set of basic principles to, achieve this objective.

As Chairman of the Council of Economic Advisers, I will be an adviser to President Bush, Vice President Cheney, and other Administration officials on all aspects of economic policy. The Council will provide the soundest possible advice on the major issues of concern to the American people.

Mr. Chairman and Senator Sarbanes, as I have assured you personally, the recommendations of the Council of Economic Advisers will be based on a reasoned and comprehensive view of the economic environment and empirical evidence. We will be diligent in our efforts to continue the Nation's economic growth and in our response to events in the national and international economy.

In closing, I would like to take this opportunity to thank you, Mr. Chairman, and the Committee for the prompt consideration of my nomination. Mr. Chairman, I would be delighted to answer any questions you and the other Members of the Committee may have.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Hubbard (Last) Robert (First) Glenn (Other)

Position to which nominated: Chairman, Council of Economic Advisers Date of nomination:

Date of birth: 04/09/58 (Day) (Month) (Year) Place of birth: Orlanda, Florida

Martial Status: Married Full name of spouse: Constance Sue Pond

Name and ages of children: Robert Andrew Pond Hubbard (10)
William Charles Pond Hubbard (1)

Education:

Institution	Dates attended	Degrees received	Dates of degrees
Harvard University	09/79-05/83	A.M., Ph.D.	1981, 1983
University of Central Florida	09/76-06/79	B.A.,B.S.	1979

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships, and any other special recognitions for outstanding service or achievement.

Alumni Hall of Fame, University of Central Florida, 2000

Best Paper Award for Corporate Finance, Western Finance Association, 1998

Exceptional Service Award, U. S. Department of the Treasury, 1992

Distinguished Alumnus Award, University of Central Florida, 1991

John M. Olin Fellowship, National Bureau of Economic Research, 1987-1988

Teaching Commendations, Graduate School of Business, Columbia University

Northwestern University Associated Student Government Teaching Awards, announced in 1985, 1986, and 1987.

Honors and Awards (continued)

Graduate Distinctions: National Science Foundation Fellowship, Alfred P. Sloan Foundation Fellowship.

Undergraduate Distinctions: National Merit Scholarship, National Society of Professional Engineers Award, Florida Society of Professional Engineers Award, National Council of Teachers of English Award, Omicron Delta Kappa, Financial Management Association Honor Society.

Memberships: List below all memberships and offices held in professional, fraternal, business, scholarly, civic, charitable and other organizations.

Organization	Office held (if any)	Dates
American Economic Association		1983
American Finance Association		1983
Econometric Society		1983
Royal Economic Society		1983
Fifth Avenue Presbyterian Church		1995

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and dates of inclusive employment.

1994-present	Russell L. Carson Professor of Economics and Finance, Graduate School of Business, Columbia University
1997-present	Professor of Economics, Faculty of Arts and Sciences, Columbia University
1999-present	Co-Director, Columbia Business School Entrepreneurship program
1997-1998	Visiting Professor of Business Administration, Harvard Business School
1994-1997	Senior Vice Dean, Graduate School of Business, Columbia University
1988-present	Professor of Economics and Finance, Graduate School of Business, Columbia University.
1995-present	Visiting Scholar and Director of Tax Policy Program, American Enterprise Institute.
1994	MCI Fellow, American Council for Capital Formation.
1994	John M. Olin Visiting Professor, Center for the Study of Economy and the State, University of Chicago
1991-1993	Deputy Assistant Secretary (Tax Analysis) U. S. Department of the Treasury
1987-1988	John M. Olin Fellow in residence at the National Bureau of Economic Research
1983-1988	Assistant Professor of Economics, Northwestern University with half-time research appointment in the Center for Urban Affairs and Policy Research
1985	Visiting Scholar, Center for Business and Government, John F. Kennedy School of Government, Harvard University
1981-1983	Teaching Fellow (Department of Economics) and Resident Tutor in Economics (Dunster House), Harvard University

Government experience:

List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.

Deputy Assistant Secretary (Tax Analysis), U. S. Department of the Treasury, 1991-1993

Advisor/Consultative: Internal Revenue Service, National Science Foundation

Published Writings:

List the titles, publishers and dates of books, articles, reports or other published materials you have written.

(See attached list)

Political Affiliations and activities:

List memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

George W. Bush Presidential Campaign (Campaign Advisor on Economics, Budget, and Health Policy)

Political Contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.

George W. Bush for President ($1,000) 1999

Qualifications: State fully your qualifications to serve in the position to which you have been named.
(attach sheet) My qualifications are summarized by my professional experience as an economist (see the attached curriculum vitae).

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

I will request a leave of absence from Columbia University, my current employer.

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

I plan to return to my academic career at Columbia.

3. Has anybody made you a commitment to a job after you leave government?

Other than Columbia University, no.

4. Do you expect to serve the full term for which you have been appointed?

I plan to serve as long as I can be useful to the President as Chairman of the Council of Economic Advisers.

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated .

I can think of none.

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

I can think of none.

3. Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

I can think of none.

4. List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

I have not lobbied for legislation.

5. Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.

Should any conflict of interest present itself in an issue, I would recuse myself.

Civil, criminal and investigatory actions:

1. Give the full derails of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

None

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

None

ROBERT GLENN HUBBARD

Curriculum Vitae

15 Claremont Avenue
Apartment 63
New York, New York 10027
(212) 932-1347
Fax: (212) 864-6184
e-mail: rghubbard@aol.com

Graduate School of Business
Columbia University
609 Uris Hall; 3022 Broadway
New York, New York 10027
(212) 854-3493
Fax: (212) 854-3486
e-mail: rgh1@columbia.edu
http://www.gsb.columbia.edu/faculty/ghubbard

PERSONAL DATA

Born:	September 4, 1958, in Orlando, Florida.
Marital Status:	Married to Constance Pond Hubbard; two children, Robert Andrew Pond Hubbard and William Charles Pond Hubbard

FIELDS OF SPECIALIZATION

Public Economics, Corporate Finance and Financial Institutions, Macroeconomics, Industrial Organization, Natural Resource Economics, Public Policy.

EDUCATION

Ph.D., Economics, Harvard University, May 1983.
Dissertation: *Three Essays on Government Debt and Asset Markets*, supervised by Benjamin M. Friedman, Jerry A. Hausman, and Martin S. Feldstein.

A.M., Economics, Harvard University, May 1981.

B.A., B.S., Economics, University of Central Florida, June 1979, *summa cum laude*.

HONORS AND AWARDS

Alumni Hall of Fame, University of Central Florida, 2000.

Best Paper Award for Corporate Finance, Western Finance Association, 1998.

Exceptional Service Award, U.S. Department of the Treasury, 1992.

Distinguished Alumnus Award, University of Central Florida, 1991.

John M. Olin Fellowship, National Bureau of Economic Research, 1987-1988.

Teaching Commendations, Graduate School of Business, Columbia University.

Northwestern University Associated Student Government Teaching Awards, announced in 1985, 1986, and 1987.

Graduate Distinctions: National Science Foundation Fellowship, Alfred P. Sloan Foundation Fellowship.

Undergraduate Distinctions: National Merit Scholarship, National Society of Professional Engineers Award, Florida Society of Professional Engineers Award, National Council of Teachers of English Award, Omicron Delta Kappa, Financial Management Association Honor Society.

POSITIONS HELD

1994-present	Russell L. Carson Professor of Economics and Finance, Graduate School of Business, Columbia University.
1997-present	Professor of Economics, Faculty of Arts and Sciences, Columbia University
1999-present	Co-Director , Columbia Business School Entrepreneurship Program
1997-1998	Visiting Professor of Business Administration, Harvard Business School.
1994-1997	Senior Vice Dean, Graduate School of Business, Columbia University.
1988-present	Professor of Economics and Finance, Graduate School of Business, Columbia University.
1995-present	Visiting Scholar and Director of Tax Policy Program, American Enterprise Institute.
1994	MCI Fellow, American Council for Capital Formation.
1994	John M. Olin Visiting Professor, Center for the Study of Economy and the State, University of Chicago.
1991-1993	Deputy Assistant Secretary (Tax Analysis), U.S. Department of the Treasury.
1987-1988	John M. Olin Fellow in residence at the National Bureau of Economic Research.
1983-1988	Assistant Professor of Economics, Northwestern University, with half-time research appointment in the Center for Urban Affairs and Policy Research.
1985	Visiting Scholar, Center for Business and Government, John F. Kennedy School of Government, Harvard University.
1981-1983	Teaching Fellow (Department of Economics) and Resident Tutor in Economics (Dunster House), Harvard University.

DIRECTORSHIPS

2000-present	AngelSociety, LLC; Information Technology University, LLC

PROFESSIONAL ACTIVITIES

1987-present	Research Associate, National Bureau of Economic Research (Monetary Economics, Corporate Finance, Public Economics, Economic Fluctuations, Industrial Organization).
2000	Panelist, Graduate Fellowship Selection Committee, National Science Foundation
1999-present	Director, Project on Nonprofit Organizations, National Bureau of Economic Research
1997-present	Member, COSSA-Liaison Committee, American Economic Association.
1993-present	Panel of Economic Advisors, Federal Reserve Bank of New York.
1993-present	Board of Advisors, Institutional Investor Project, School of Law, Columbia University.
1995-1999	Member, Board of Academic Consultants, American Law Institute.
1997	Member, Grants Panel for Integrative Graduate Education and Research Training Program, National Science Foundation
1994-1996	Member, Economics Grants Panel, National Science Foundation.
1993-1996	Member, Federal Taxation and Finance Committee, National Tax Association.
1990-1995	Co-organized research program on International Aspects of Taxation at the National Bureau of Economic Research, Cambridge, Massachusetts.
1995	Member, Program Committee, American Economic Association Meeting
1983-1987	Faculty Research Fellow, National Bureau of Economic Research.
1983-1986	Adjunct Faculty Research Fellow, Energy and Environmental Policy Center, John F. Kennedy School of Government, Harvard University, Cambridge, Massachusetts.
1986, 1988, 1994	Member of the Brookings Panel on Economic Activity.
1985, 1987	Special guest of the Brookings Panel on Economic Activity.
1990-1991	Organized research program on Environmental Economics and Public Policy at the National Bureau of Economic Research, Cambridge, Massachusetts.
1988-1990	Co-organized research program on Dynamic Models of Firms and Industries at the National Bureau of Economic Research, Cambridge, Massachusetts.
1985-1989	Organized research program and workshops on contracting in financial markets at the Summer Institute, National Bureau of Economic Research, Cambridge, Massachusetts.
1988	Organized Economic Fluctuations program on Industrial Economics and Macroeconomics, National Bureau of Economic Research, Stanford, California.

1986-1988	Organized research program and workshop on links between macroeconomics and industrial organization at the Summer Institute, National Bureau of Economic Research, Cambridge, Massachusetts.
1991	Member, Program Committee, Econometric Society Winter Meetings.
1982-1983	Member, Energy Modeling Forum VII Study Group, Stanford University, Stanford, California.
1981-present	Consultant on research projects with private corporations and government and international agencies, including the Internal Revenue Service, Social Security Administration, U.S. Department of Energy, U.S. Department of State, U.S. Department of Treasury, and U.S. International Trade Commission; National Science Foundation; The World Bank; Board of Governors of the Federal Reserve System; Federal Reserve Bank of New York; Congressional Budget Office.
Member:	American Economic Association, American Finance Association, Association for Public Policy and Management, Econometric Society, International Association of Energy Economists, National Tax Association, the Royal Economic Society, and the Institute for Management Science.
Referee:	*American Economic Review; Canadian Journal of Economics; Columbia Journal of World Business; Econometrica; Economic Journal; Energy Economics; Energy Journal; International Finance; International Tax and Public Finance; Journal of Business; Journal of Business and Economic Statistics; Journal of Economic History; Journal of Economic Literature; Journal of Finance; Journal of Financial Economics; Journal of Financial Intermediation; Journal of Financial and Quantitative Analysis, Journal of Financial Services Research; Journal of Industrial Economics; Journal of International Money and Finance; Journal of Law and Economics; Journal of Macroeconomics; Journal of Money, Credit, and Banking; Journal of Monetary Economics; Journal of Political Economy; Journal of Public Economics; Journal of Regulatory Economics; Journal of Small Business Finance; Management Science; National Tax Journal; Quarterly Journal of Economics; Quarterly Review of Economics and Finance; RAND Journal of Economics; Review of Economic Dynamics; Review of Economic Studies; Review of Economics and Statistics; Review of Financial Economics; Scandinavian Journal of Economics; Southern Economic Journal;* National Science Foundation; C.V. Starr Center for Applied Economics (New York University); Addison-Wesley Publishing Company; Ballinger Press; Cambridge University Press; Harvard Business School Press; MIT Press; W.W. Norton; Oxford University Press.
Associate Editor:	Federal Reserve Bank of New York *Economic Policy Review; Journal of Macroeconomics; Journal of Small Business Finance; International Finance; International Tax and Public Finance; National Tax Journal.*

Former Associate Editor: *Journal of Industrial Economics*

PUBLICATIONS AND PAPERS

Edited Volumes

Effects of Taxation on Multinational Corporations (with M. Feldstein and J.R. Hines), Chicago: University of Chicago Press, 1995.

Taxing Multinational Corporations (with M. Feldstein and J. R. Hines), Chicago: University of Chicago Press, 1995.

Studies in International Taxation (with A. Giovannini and J. B. Slemrod), Chicago: University of Chicago Press, 1993.

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"Securities Transactions Taxes: Tax Design, Revenue, and Policy Considerations," Catalyst Institute, 1993.

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"Efficient Contracting and Market Power: Evidence from the U.S. Natural Gas Market," Transportation Center, Northwestern University, Summer 1985.

"Constructing a Panel Data Base for Studies of U.S. Manufacturing," University Research Grants Committee, Northwestern University, 1985-1986.

"Economic Analysis of Multiple-Price Systems: Theory and Application, "National Science Foundation (Regulatory Analysis and Policy Group, SES-8408805), 1984-1985.

"Contracting and Price Adjustment in Product Markets," University Research Grants Committee, Northwestern University, 1983-1984.

PAPERS PRESENTED

University Seminars

Bard College, University of Bergamo, University of California (Berkeley), Carleton, University of Chicago, Columbia, Emory, University of Florida, George Washington, Georgetown, Harvard, University of Illinois, Indiana University, Johns Hopkins, Laval, Lehigh, University College (London), University of Kentucky, London School of Economics, MIT, University of Maryland, Miami University, University of Michigan, University of Minnesota, New York University, Northwestern, Oxford, University of Pennsylvania, Princeton, Rice, University of Rochester, Stanford, Syracuse, University of Texas, Tufts, University of Virginia, University of Wisconsin, Virginia Tech, and Yale.

Conference Papers Presented

American Council for Capital Formation, Washington, DC, June 1994.

American Economic Association, New Orleans, January 2001; Boston, January 2000; New York, January 1999; New Orleans, January 1997; San Francisco, January 1996; Washington, D.C., January 1995; Boston, January 1994; Anaheim, January 1993; Washington D.C., December 1990; Atlanta, December 1989; New York, December 1988; Chicago, December 1987; New Orleans, December 1985; Dallas, December 1984.

American Enterprise Institute, Conference on Multinational Corporations, February 1999; Conference on Income Inequality, January 1999; Conference on Transition Costs of Fundamental Tax Reform, November 1998; Conference Series on Social Insurance Reform, 1997-1998; Conference Series on Fundamental Tax Reform, 1995-1998; Conference on Distributional Analysis of Tax Policies, Washington, D.C., December 1993.

American Finance Association, Boston, January 2000; New York, January 1999; New Orleans, January 1997.

Association of Environmental and Resource Economists, Dallas, December 1984; San Francisco, December 1983.

Association of Public Policy Analysis and Management, New Orleans, October 1984; Philadelphia, October 1983.

Bipartisan Commission on Entitlement and Tax Reform, Washington, DC, June 1994.

Brookings Panel on Economic Activity, September 1994, April 1988, September 1987, September 1986, April 1986, September 1985.

Centre for Economic Policy Research Conference on Capital Taxation and European Integration, London, September 1989.

Conference on International Perspectives on the Macroeconomic and Microeconomic Implications of Financing Constraints, Centre for Economic Policy Research, Bergamo, Italy, October 1994.

Congressional Research Service Conference for New Members of Congress, Williamsburg, January 1999.

Deutsche Bundesbank Conference on Investing for the Future, Frankfurt, Germany, May 2000.

Eastern Economic Association, Boston, March 1988; Boston, February 1983.

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Energy Modeling Forum, Stanford University, August 1983; February 1983; August 1982.

European Commission, Conference on Taxation of Financial Instruments, Milan, June 1998.

Federal Reserve Bank of Boston, Annual Economic Conference, North Falmouth, Massachusetts, June 1995.

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Hoover Institution, Conference on Fundamental Tax Reform, December 1995.

The Institute of Gas Technology, Washington, DC, May 1982.

The Institute of Management Science/Operations Research Society of America, Orlando, November 1983; Chicago, April 1983.

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National Academy of Sciences, February 1997.

National Association of Business Economists, Boston, September 1996; Dallas, September 1992; New Orleans, October 1987.

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National Bureau of Economic Research Conference on Indian Economic Reform, Rajasthan, India, December 1999.

National Bureau of Economic Research Conference on International Taxation, Washington, DC, April 1994; Cambridge, January 1994; New York, September 1991; Nassau, Bahamas, February 1989.

National Bureau of Economic Research Conference on Macroeconomics and Industrial Organization, Cambridge, July 1988; Cambridge, July 1987; Cambridge, July 1986; Chicago, November 1985.

National Bureau of Economic Research Conference on Pensions, Baltimore, March 1985; San Diego, April 1984.

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National Bureau of Economic Research Conference on Public Economics, Cambridge, April 1999, April 1994, April 1993, November 1991, April 1991, March 1988, November 1987, March 1987.

National Bureau of Economic Research Conference on Tax Policy and the Economy, Washington, DC, November 1996, November 1994, November 1991, November 1989.

National Bureau of Economic Research Trans-Atlantic Public Economics Seminar, Gerzensee, May 2000; Turin, May 1994.

National Tax Association/Tax Institute of America, Washington, DC, June 2000; Atlanta, October 1999; Arlington, May 1992; Seattle, October 1983.

Princeton Center for Economic Policy Conference, October 2000, October 1995.

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U.S. House of Representatives, Committee on Ways and Means, Washington, DC, June 1999; April 1997, June 1996, July 1992.

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RESPONSE TO WRITTEN QUESTIONS OF SENATOR SCHUMER FROM GRANT D. ALDONAS

Q.1. American cosmetics constitute one of our Nation's most important consumer product export sectors. American manufacturers have raised strong concerns about new regulations issued by the Korean Food and Drug Administration (KFDA) that are purported to insure the safety and efficacy of a wide range of skin care products that are already widely used and accepted both here and around the world. The American firms complain that the KFDA regulations are extremely discriminatory and in reality are serving as enormous barriers to the entry of safe and desirable American skin care products into the Korean Market. Indeed, of approximately 450 product applications submitted to date under the new regulations, only a handful have been approved, all of which were submitted by Korean firms. No foreign firm applications approved. Would you commit to expeditiously looking into this serious issue and reporting back quickly to the Committee about the status and avenues for redressing this apparent cosmetics trade barrier problem with Korea?

A.1. Yes. I understand this is an important market access issue for U.S. companies and, if confirmed, I will make it a priority for the International Trade Administration (ITA). Once confirmed, I will report back to you and the Committee on the extent to which our ITA compliance officers have already been actively monitoring the issue of trade barriers to exports of cosmetics in Korea and what future steps we will take to improve the prospects for our exporters in the Korean market.