

INTRODUCTORY STATEMENT OF BEN S. BERNANKE
NOMINEE FOR THE CHAIRMAN OF THE COUNCIL OF ECONOMIC ADVISERS
BEFORE THE COMMITTEE OF BANKING, HOUSING, AND URBAN AFFAIRS
UNITED STATES SENATE

May 25, 2005

Mr. Chairman, Senator Sarbanes, and members of the Committee:

I am honored to appear before you today as the President's nominee to chair the Council of Economic Advisers.

Created by Congress in 1946, the Council of Economic Advisers is a unique institution with a proud history. Its role is to provide the President with professional and objective advice on the entire range of issues bearing on the economic well-being of American citizens. I believe that, over the years, the Council has exerted an important, positive influence on economic policymaking in the United States. The economic challenges facing the United States today—including the needs to address the implications of an aging population, to achieve long-term energy security while protecting the environment, and to reform our tax system so that it is simpler, fairer, and more supportive of economic growth—are as great as at any time since the Council was created. If I am confirmed, I will do everything in my power to ensure that the Council continues its tradition of providing the best possible advice and analysis and promoting sound economic policies.

My background includes both academic and policy experience. I have held a professorship at Princeton University since 1985, where I also served as the chair of the economics department from 1996 until 2002. Before coming to Princeton I taught for six years at the Stanford Graduate School of Business. I have served as the Director of the Monetary Economics program of the National Bureau of Economic Research, as a member of that organization's business cycle dating committee, and as the editor of the *American Economic Review*, a leading research journal. I have been selected a Fellow of the Econometric Society and a member of the American Academy of Arts and Sciences. During my time as an academic, I visited or advised a number of policymaking institutions, including the Bureau of the Census, the State Department, and several Federal Reserve Banks. Since August 2002 I have served as a member of the Board of Governors of the Federal Reserve System, a position that has exposed me to a diverse set of policy issues and given me first-hand experience of the policymaking process.

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