

ROBERT J. JACKSON, JR.
SENATE CONFIRMATION HEARING TESTIMONY

Chairman Crapo, Ranking Member Brown, and members of the Committee, thank you very much for the opportunity to join you today. It is my honor to be testifying before you regarding my nomination to be a Commissioner of the Securities and Exchange Commission.

For me, there is no greater privilege or responsibility than upholding the SEC's mission to protect investors, maintain fair, orderly, and efficient markets, and facilitate access to capital. To understand why that's so important to me, I thought it might be helpful for me to start by sharing a bit about myself and my family. I was born in the Bronx, New York, to my two wonderful parents, Maureen and Robert Jackson, and I feel so fortunate that they are here with me today. My mother was one of nine children; my father was one of five. No one, least of all my parents, would have even dreamed that one day they might be sitting behind their son on an occasion like this.

You see, the day I was born, my father was working as an accounting clerk at a small encyclopedia company called Funk & Wagnalls. Throughout my childhood, my mother held several part-time jobs, including the early shift at Dunkin' Donuts, just to help make ends meet.

They were young, overworked and sometimes overwhelmed. But they believed that if they worked hard and saved what they could, their son might someday go to college.

So every month my parents plowed their hard-earned paychecks into the market, knowing that if their investments were protected and growing they would one day be able to afford to send me to school. That's really the only reason why I had the chance to go to college—and the incredible opportunity to be here today with you.

I believe that the SEC's purpose is to protect everyday investors like my Mom and Dad. Because today's markets are so complex, it can be easy to get lost in technical details and forget why those safeguards are so important. But my story shows why protecting America's investors is at the heart of what the SEC does. Safe markets not only encourage investment and entrepreneurship and growth. Safe markets make it possible for two young middle-class parents to transform their lives—so that someday their son has the chance to sit before the United States Senate as a Presidential nominee. Safe markets are at the core of the American dream—something I have learned by living it.

That's why my work—in government, as a teacher, and as a researcher—has focused on everyday investors' confidence in our markets. At the Treasury Department during the financial crisis, I was proud to help develop rules that tie top managers' pay more closely to performance and give investors a voice on executive compensation. When my research team at Columbia Law School showed that the SEC's systems were inadvertently giving high-speed traders market-moving information before the public could see it on the SEC's website, I worked with this Committee's Staff to help make sure the SEC gave investors the level playing field they deserve. And when our team helped convince regulators to release additional information about stockbroker fraud, we were proud to help others use the data to expose the brokers most likely to defraud investors.

If I have the honor of being confirmed, I intend to bring those tools to bear on the SEC's crucial task. I will be a strong advocate for exploring how new technologies can make corporate disclosures more reliable and enforcement efforts more effective and efficient. I will encourage the Staff and my fellow Commissioners to draw on the SEC's long history of favoring transparency as a means of maintaining investor confidence in our markets. And I will work to implement the corporate-governance protections that Congress has enshrined into law—so that investors, employees, and communities can be sure that our companies are working to produce the kind of long-term value creation that has been the hallmark of the American economy for generations.

As I mentioned, the SEC's three-part statutory mandate requires the agency to protect investors, maintain fair and efficient markets, and facilitate capital formation. I believe in all three of these noble goals, and in the thousands of SEC Staff across the Nation who work every day to achieve them. Whether protecting retirees from stockbroker fraud, making sure Americans get a fair price when they purchase shares of stock, or uniting an entrepreneur with the funding he or she needs to spur a life-changing invention, the daily, meat-and-potatoes work of the Commission and its Staff is crucial to the functioning of our economy. If confirmed, it would be my privilege to be a part of those efforts.

But I also believe it is important to remember why that work is so important. For me, that reason will always be my family's story. You see, my parents' confidence in our markets not only changed my life—it changed their lives, too. My father, the encyclopedia company clerk, retired as the Chief Accounting Officer of a public company. My mother left Dunkin' Donuts, earned her teaching degree, and has been teaching elementary school for nearly thirty years. None of that would have been possible if my parents hadn't felt they could safely save for their futures—and mine—in our markets. If I'm confirmed, you should know that helping to make stories like theirs possible is what will motivate me every day. That's truly what makes the SEC so important—and it's why I'm so honored to be here.

Thank you again for the opportunity to appear before you today. I would be delighted to answer any questions you might have.