

**Statement of Frederic S. Mishkin
Nominee to the Board of Governors of the Federal Reserve System
before the
Committee on Banking, Housing, and Urban Affairs
United States Senate**

July 12, 2006

Chairman Shelby, Senator Sarbanes, and members of the Committee, I am honored to have been nominated by President Bush to serve as a member of the Board of Governors of the Federal Reserve System. I thank you for the opportunity to appear today and for the expeditious scheduling of this hearing.

After receiving my B.S. in Economics from M.I.T. in 1973, I went on to earn my Ph.D. in economics from the same institution in 1976. I have been a professor at the University of Chicago, Northwestern University, Princeton University and, since 1983, have been a professor at the Graduate School of Business, Columbia University. My research has focused on monetary policy and the financial system, and I am an author of more than one hundred professional articles and more than ten books on these topics. I currently am a research associate of the National Bureau of Economic Research, serve on six editorial boards of academic journals and have been a past president of the Eastern Economic Association.

In addition to my academic background, I also have substantial public policy experience. From 1994 to 1997, I was an executive vice president and director of research at the Federal Reserve Bank of New York and, in that capacity, attended Federal Open Market Committee meetings on a regular basis. I continue to be a consultant to the Federal Reserve Bank of New York and currently am a member of its Economic Advisory Panel. I also have consulted for numerous central banks

throughout the world, as well as for the World Bank and the International Monetary Fund.

As the members of this Committee know, Congress has assigned to the Federal Reserve considerable responsibilities, among which are: fostering price stability while maintaining maximum sustainable employment; promoting a safe and sound banking and a stable and efficient payments system; and promoting financial literacy and fair dealing for consumers. If confirmed by the Senate, working with Chairman Bernanke and my fellow Board members, I will do my utmost to fulfill these responsibilities. I believe that my experience as a scholar whose research has focused on issues of direct concern to central banks and my prior experience within the Federal Reserve will enable me to substantially contribute to the operations of the Federal Reserve System.

I look forward to responding to your questions. Thank you.