

April 26, 2001

STATEMENT OF JOHN B. TAYLOR
NOMINEE FOR
UNDER SECRETARY OF THE TREASURY FOR INTERNATIONAL AFFAIRS
TO THE COMMITTEE ON FINANCE
UNITED STATES SENATE

Chairman Grassley, Ranking Member Baucus, and members of the Committee on Finance, thank you for the opportunity to appear before your committee today. I am honored that President Bush has nominated me to serve as Under Secretary of Treasury for International Affairs and, if confirmed, to have the opportunity to work with Secretary O'Neill, the Treasury staff, and others in the new Administration.

If confirmed, I look forward to working closely with this committee, the Senate and your colleagues in the Congress to advance the President's ambitious economic agenda to further the well-being of the American people.

I have great enthusiasm for public service. If I am confirmed, this would be my fourth stint working in the Federal government. I am particularly interested in using my skills and experience to contribute positively to the formulation of international economic and financial policy for the United States. I majored in economics at Princeton University, and obtained a Ph.D. in economics from Stanford University. I have taught economics at Columbia, Yale, Princeton, and Stanford Universities. I have served as a Senior Economist and then as a Member of the President's Council of Economic Advisers. Some of my most vivid memories as a Member of the CEA were my international responsibilities, which included trade negotiations and working on the early days of transition in Poland and other eastern and central European economies. In recent years I have served as an adviser to the Federal Reserve System and to many central banks around the world. I have focussed much of my research on developing tools that central bankers and financial market analysts can use to analyze policy and developments in financial markets.

The role of the Treasury Under Secretary for International Affairs is to advise the Secretary and the President on U.S. participation in the international financial system, which includes such subjects as macroeconomic policy, exchange rate policy, trade and investment, and our participation in the International Monetary Fund and the World Bank. The Under Secretary also represents the United States in various bilateral and multilateral fora, and serves as the G-7 finance deputy for the United States in the G-7 process.

Should I be confirmed, I am committed to implementing the priorities of President Bush and Secretary O'Neill. The goals of higher productivity growth and rising living standards for people in the United States will guide my work. These same goals will guide my approach to the policy challenges in the emerging market and poor developing countries, and elsewhere in the world.

Mr. Chairman, I am grateful for this opportunity. I would be pleased to answer any questions you and the other members of the Committee may have.