

**NOMINATIONS OF KENNETH W. DAM,
DAVID D. AUFHAUSER, MICHELE A. DAVIS,
AND FARYAR SHIRZAD**

HEARING

BEFORE THE

**COMMITTEE ON FINANCE
UNITED STATES SENATE**

ONE HUNDRED SEVENTH CONGRESS

FIRST SESSION

ON THE

NOMINATIONS OF

KENNETH W. DAM, OF ILLINOIS, TO BE DEPUTY SECRETARY OF THE
TREASURY; DAVID D. AUFHAUSER, OF WASHINGTON, DC, TO BE GEN-
ERAL COUNSEL OF THE DEPARTMENT OF THE TREASURY; MICHELE
A. DAVIS, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF THE
TREASURY FOR PUBLIC AFFAIRS; AND FARYAR SHIRZAD, OF VIR-
GINIA, TO BE AN ASSISTANT SECRETARY OF COMMERCE FOR IMPORT
ADMINISTRATION

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MARCH 29, 2001
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NOMINATIONS OF KENNETH W. DAM, OF ILLINOIS, TO BE DEPUTY SECRETARY OF THE TREASURY; DAVID D. AUFHAUSER, OF WASHINGTON, DC, TO BE GENERAL COUNSEL OF THE DEPARTMENT OF THE TREASURY; MICHELE A. DAVIS, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF THE TREASURY FOR PUBLIC AFFAIRS; AND FARYAR SHIRZAD, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF COMMERCE FOR IMPORT ADMINISTRATION

THURSDAY, MARCH 29, 2001

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, DC.

The hearing was convened, pursuant to notice, at 11:48 a.m.,
Senator Max Baucus presiding.

Also present. Senator Kyl.

**OPENING STATEMENT OF SENATOR MAX BAUCUS, A U.S.
SENATOR FROM MONTANA**

Senator BAUCUS. The hearing will come to order. This is going to have to be compressed because we do not a lot of time. That is, there will be a couple of votes soon.

We are here to have a hearing to confirm some very capable candidates to important positions at Treasury and Commerce. The President has nominated Kenneth Dam to be Treasury Deputy Secretary, David Aufhauser to be General Counsel of Treasury, Michele Davis to be Treasury Assistant Secretary for Public Affairs, and Faryar Shirzad to be an Assistant Secretary of Commerce. And I thank all of you for coming on this date and being patient and waiting for us.

We have a strong tradition in this committee of promptly moving through nominees once the candidate's information is received from the White House and appropriate reviews are made. We now want to move forward very quickly and intend to vote on these nominations in the very near future. I think it is particularly important for the new administration to have senior officials in place as soon as possible.

The nominees bring extensive experience and knowledge. And Mr. Dam has impressive credentials in government, academia, and corporate America. He was a law professor at University of Chicago. He once served as Deputy Secretary of State during the Reagan Administration. He is a man that the United Way turned to when a fundraising scandal rocked the public's confidence in the charity. His experience and intellect assured me that the second highest position at Treasury would be filled by a man who is very trustworthy, knowledgeable, and respected.

David Aufhauser has been nominated to be General Counsel. He will oversee more than 2,200 attorneys and 1,600 support staff, a job with great responsibility. His 23 years as a litigator makes him very qualified for this position at Treasury.

Mr. Shirzad has been nominated for the position of Assistant Secretary for Import Administration. He is no stranger to this Committee, having served with distinction as the Committee's International Trade Counsel.

Michele Davis will bring her Congressional experience and skills in communications to her position as Secretary for Public Affairs.

I am happy to support these nominations and look forward to working with you. I know I can speak for the entire Committee in saying that we wish you very well, and we hope you will be confirmed quickly and good luck. These are not going to be easy times.

I would like at this point for each of you just to say a word or two, getting to the heart of the statements you are going to make, and we will proceed that way, beginning with you, Mr. Dam.

**STATEMENT OF KENNETH W. DAM, OF ILLINOIS, NOMINEE TO
BE DEPUTY SECRETARY OF THE TREASURY**

Mr. DAM. Thank you, Senator Baucus, Senator Kyl. I have a statement, as you know, which I would like to submit, with your permission, for the record. And I would simply like to say that I am grateful for the opportunity to be here today and to appear before you.

I would also like to introduce my wife, Marcia, who is sitting behind me.

Senator BAUCUS. Marcia, will you stand, please, so we can all see you? I will bet you are very proud.

Mr. DAM. And so I thank you for the privilege of appearing before this Committee. I just simply want to say that if I am confirmed I look forward to working very closely with the Members of the Committee as well as with you, Senator Baucus, and Senator Kyl, and also with other people in the Congress. It will be a great privilege.

Senator BAUCUS. Thank you very much.

[The prepared statement of Kenneth W. Dam appears in the appendix.]

Mr. Aufhauser.

**STATEMENT OF DAVID D. AUFHAUSER, OF WASHINGTON, DC,
NOMINEE TO BE GENERAL COUNSEL OF THE DEPARTMENT
OF THE TREASURY**

Mr. AUFHAUSER. Mr. Chairman, I do have a written statement and I will just submit it for the record. Just briefly, there is one thing I wanted to allude to in the statement.

When I interviewed for a job for Edward Bennett Williams more than 20 years ago he asked me what makes a good lawyer. And I quickly stepped into it and said "eloquence." He said, "No. You are wrong. It is the talent and the ability to listen. Only then do you know what to say."

I am here to tell you that one of my pledges as General Counsel for Treasury, if confirmed, will be that I will listen to members of this Committee, to your staff, and to Congress, and try to respond to the best of my ability with good scholarship and good counsel both to you and to my now sole client, Mr. Dam here.

Senator BAUCUS. Thank you. Thank you very much.

Mr. AUFHAUSER. With the permission of the Committee, I would like to introduce my family.

Senator BAUCUS. Absolutely.

Mr. AUFHAUSER. My wife, Jane Tucker Dana, who is the smartest lawyer in the city.

Senator BAUCUS. Jane, do you want to stand? We want to see the smartest lawyer in the city. (Laughter.)

Mr. AUFHAUSER. My son, David.

Senator BAUCUS. David, why do you not stand too?

Mr. AUFHAUSER. If we appear before the Committee next fall, hopefully, we will report that he has made Eagle, having completed his Eagle project this summer.

Senator BAUCUS. Oh, super.

Mr. AUFHAUSER. My daughter, Anne, who was elected president of her seventh grade class, only to learn that they have term limits. (Laughter.)

Senator BAUCUS. Welcome to the world of politics.

Mr. AUFHAUSER. You may guess what her position is on the issue.

And my daughter, Kate, who has been bewitching all of us long before there was a Harry Potter.

Senator BAUCUS. Kate.

Mr. AUFHAUSER. Thank you, Mr. Chairman.

Senator BAUCUS. Thank you very much.

[The prepared statement of David D. Aufhauser appears in the appendix.]

Ms. Davis.

**STATEMENT OF MICHELE A. DAVIS, NOMINEE TO BE AN AS-
SISTANT SECRETARY OF THE TREASURY FOR PUBLIC AF-
FAIRS**

Ms. DAVIS. Thank you, Senator Baucus and Senator Kyl. And we really appreciate you taking the time today. I will submit my statement for the record. I would like to introduce my mother, if that is okay. My mom, Pat Davis, is here.

Senator BAUCUS. Nice to meet you, Mrs. Davis.

Ms. DAVIS. She flew in from Cleveland to be here for this today.

Senator BAUCUS. Thank you.

Ms. DAVIS. I am really eager to get to work at Treasury in Public Affairs. An informed public, I learned in the House, is crucial to good policymaking. And I hope to keep that in mind through all my working days at Treasury.

Thank you.

Senator BAUCUS. Thank you.

[The prepared statement of Michele A. Davis appears in the appendix.]

Mr. Shirzad.

STATEMENT OF FARYAR SHIRZAD, OF VIRGINIA, NOMINEE TO BE AN ASSISTANT SECRETARY OF COMMERCE FOR IMPORT ADMINISTRATION

Mr. SHIRZAD. Thank you, Senator Baucus, Senator Kyl. I do have a written statement that I would like to submit for the record.

I do have a fairly large contingent with me, so if you would indulge me.

Senator BAUCUS. This is great. All right.

Mr. SHIRZAD. I have my wife, Nancy; my son, David; my parents, Nasser and Parraneh Shirzad; and my siblings and my aunt and uncle in the second row there, all of who mean more to me than I think they know. And I appreciate the opportunity to introduce them.

Senator BAUCUS. Would you all stand, please? [Laughter.] All of you. The whole family. That is great. Thank you very much.

Mr. SHIRZAD. I do want to say, having served 3 years on the staff of the Committee, that I fully understand how important in all respects, but particularly in the conduct, the implementation, and the development of trade policy, how important it is for the President and the Executive Branch to work with Congress.

And my pledge to you, should I be confirmed, is to make good on what I have learned in the 3 years that I served up here, which is that we must work together to do what is necessary. And I appreciate the opportunity to do that. Thank you.

Senator BAUCUS. Well you are very, very welcome.

[The prepared statement of Faryar Shirzad appears in the appendix.]

Senator BAUCUS. I have three obligatory questions that I have to ask all of you. And I will ask them en bloc.

First, is there anything that any of you are aware of in your background that might present a conflict of interest of the duties of the office to which you have been nominated?

For the record, I see four heads nodding that there is nothing. All right.

Do you know of any reason, personal or otherwise, that would in any way prevent you from fully and honorably discharging the responsibilities to the office to which you have been nominated?

Mr. DAM. No, sir.

Mr. AUFHAUSER. No, sir.

Mr. SHIRZAD. No, sir.

Ms. DAVIS. No, sir.

Senator BAUCUS. Third, do you agree, without reservation, to respond to any reasonable summons to appear and testify before any duly constituted committee of Congress if you are confirmed?

Mr. DAM. Yes, sir.

Mr. AUFHAUSER. Yes, sir.

Mr. SHIRZAD. Yes, sir.

Ms. DAVIS. Yes, sir.

Senator BAUCUS. Thank you.

I have just a couple of questions for you, Mr. Dam. Here it is the last week of March and next week we are having an important debate on the floor of the Senate about the budget and the size of the tax cut. And the President is very ardently pushing for his \$1.6 trillion tax cut, and what he campaigned on.

But one slight problem we have, we do not have any real details of the tax plan and/or of the budget. And I was wondering when we might expect to see the details of his tax plan. And, basically, because the Joint Tax Committee needs to see it, the specifications, to do revenue estimate of the plan.

Mr. DAM. Well, that is a serious question and I wish I could give a real answer to that. I will carry your message back. I am sure that everyone wishes to cooperate with you and provide you what you need. But I cannot speak to the details of your question.

Senator BAUCUS. I appreciate that. If you could take that back and speak with a little bit of forceful, earnest perseverance, that would be very helpful.

Mr. DAM. Good, Senator. Thank you.

Senator BAUCUS. Another question. There was a recent article in Forbes magazine entitled, "Are you a chump?" It is a cover story about tax avoidance schemes being pedaled to individuals and small businesses. And many of these shelters make extensive use of foreign entities, such as trusts and partnerships that make it difficult for the IRS to find.

And the article concludes that Americans are becoming more shameless about how they dodge the IRS and ever more confident the IRS cannot keep up with them. And since 1995, the number of IRS auditors has dropped 21 percent and a taxpayer's chance of being examined has dropped about 71 percent.

I would just like you to think about it. It is going to be difficult for a full answer at this point, because you have not been confirmed yet. But the question is, how can we assure Americans who are paying their fair share that they are not chumps? That they are being good Americans but too many Americans are not being good Americans. And maybe they are being taken advantage of and feel like they are chumps.

So how do we assure people who pay their fair share that they are not chumps?

Mr. DAM. Well, that is a serious question. I think it is important that all Americans pay their fair share and, particularly, that they abide by the law. And we certainly plan to enforce the law fully.

There are problems offshore. And, as you know, there have been various international efforts to make sure that people are not able to escape their taxes, and particularly American taxes.

But I do not know all of the details of this. But I take your point. And I will make this a priority to investigate.

Senator BAUCUS. I would just encourage you to read the article. I was passing through an airport and saw Forbes magazine and there was the cover story. And I felt I am a ranking member of the Finance Committee, I had better read this thing. And it is an eye opener.

Mr. DAM. Right. There are, of course, various kinds of audits and various ways of ferreting out people who are evading taxes. But I take your point about the importance of audits.

Senator BAUCUS. A lot of this has to do with resources the IRS has or does not have. And I would just like to hear from you whether the Administration's budget will provide the IRS with sufficient resources, you think, to properly enforce our tax laws.

Mr. DAM. Again, I cannot give a full answer to that. I do know that the IRS computer budget has been substantially increased. There are also additions for positions to permit enhanced activity of the kind you are talking about. But I am not able to address the details because I was not involved in the budget process.

Senator BAUCUS. Sure. Well I appreciate this. But, you are right. These are very serious issues. And my guess is that several of us on the Committee will be inquiring about the degree to which the IRS is clamping down properly on those who cheat so that fewer Americans feel that they are not chumps. And I can just tell you now that this is something that I am going to be looking into. And so when we have future discussions I hope that we can get some solutions.

Mr. DAM. Well I want to assure you, we are going to give you all the information you need.

Senator BAUCUS. Thank you. And some recommendations too on how to solve them.

Mr. DAM. That and some recommendations. Thank you.

Senator BAUCUS. Thank you.

Mr. DAM. Thank you.

Senator BAUCUS. Senator Kyl.

Senator KYL. Thank you, Mr. Chairman.

Just to make a point for those members of the families of these nominees who have, in some cases, traveled long distances to be here today. Let me assure you that while it may be somewhat disappointing that this hearing is not going to take a long time and that these four nominees will not be closely grilled in a lot of ways, while that may seem to be a bit disappointing to the four of them, I am sure it is not at all disappointing. They realize that next time they appear before the Committee they are likely to be grilled pretty extensively about one matter or another.

The reason that we do not need to take a great deal of time in this hearing to ask a lot of very difficult questions is, as the Chairman pointed out, all of these candidates have been vetted very carefully. And we have concluded that in each case there is certainly—that they are: (a) well qualified; and, (b) there is nothing in their background that would preclude them from serving. And, therefore, we do not need to stand on ceremony and take a great deal of everyone's time in quizzing them about things that really are not that significant.

The key thing here is that we have very qualified candidates. We appreciate the fact that they are proud of their families and that

they would invite all of you to be here. And I think that the last point that the Chairman made is one that all of us can take from this hearing. And that is, that in all four cases we have very responsible people for very responsible positions and that each of us has an obligation to help all of the American people to understand what their rights and responsibilities as citizens are.

That includes, of course, paying their fair share of taxes. And for those who serve in the public, administering the laws as fairly and carefully and honestly as they possibly can. It is a reciprocal set of rights and responsibilities. We all take it very, very seriously.

And I am just very proud that all of you could be here, those members of the family who are here, to participate in what is a very truncated procedure, but one which is actually very, very meaningful to the continuity of good government and the service of the people of America.

So we thank all you family members for being here. We thank the nominees for being here. And we do look forward to your early confirmation and then just grilling you all day long the next time you come before the Committee.

Thank you very much.

Senator BAUCUS. Well thank you very much, Senator Kyl. It is a very good comment. It also fits in, I think, with another probable fact, that is, you as the nominees and you as the families are with each other now. Once they are confirmed, you may not see very much of each other. (Laughter.) So take advantage of this while you can. And it is the awful dilemma that all of us in public service have, the balance between our job and family. And it is not an easy dilemma to resolve and easy to balance. But I know that all of you will do the best you can. And also both of you, in a very understanding way, recognizing both obligations and desires.

So I wish you well. It is not an easy task. But I thank you and I am so proud that all of you here want to take this on for the country. And we appreciate that.

I have just a couple of questions for Mr. Shirzad, and that is with respect to steel imports coming into this country. I would like your thoughts whether you will personally play a role in the Administration in deliberations over whether to initiate any anti-dumping investigations and what the appropriate remedy might be. This is becoming an issue.

Mr. SHIRZAD. If I am confirmed, Senator, obviously as the head of the Office of Import Administration, my job will be to enforce and to administer the unfair trade laws, the anti-dumping laws and the countervailing duty laws. I think there are about 150 pending orders in place now involving various types of steel products and a likelihood that more cases will be on the way.

I know very well from my time up here on the Hill and, frankly, from my time in private practice before that, the unique situation with the steel industry and the surge in steel imports that have come in since 1998 and again last year. And I will be very, very mindful of that as I administer my responsibilities, should I be confirmed.

Senator BAUCUS. I appreciate that. And the same applies also to softwood lumber imports coming into this country, particularly from Canada. Can we count on you to utilize your trade and legal

experience to effectively and promptly enforce our laws against unfair trade, as this case proceeds?

Mr. SHIRZAD. Absolutely. I am very mindful of the fact that the softwood lumber agreement will be expiring very soon. And if public reports are accurate, cases will likely be filed as early as Monday. So I am eager for the opportunity to be in place, should the Senate see it fit to do that, so I that I can make sure that—

Senator BAUCUS. Well I appreciate that, because this is of great concern to many Senators, as I am sure you know.

Mr. SHIRZAD. Absolutely.

Senator BAUCUS. As is steel. We have got to advance quickly and fairly and firmly on it because there are a lot of jobs at stake that would just be lost as consequence of dumping, in my judgment.

Well, I have no more questions. Just each of you, I just wish you very best luck. The hearing is adjourned.

[Whereupon, at 12:07 p.m., the hearing was concluded.]

APPENDIX

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

PREPARED STATEMENT OF DAVID D. AUFHAUSER

Thank you Mr. Chairman, Senator Baucus and Members of the Committee for the opportunity to appear before you today. I am honored to be President Bush's nominee to serve as General Counsel of the Department of the Treasury and I am particularly grateful to Secretary O'Neill for recommending me to the President. I also deeply appreciate the expeditious manner in which you have scheduled this hearing and the opportunity for my family to share in the proceedings.

More than twenty years ago, I interviewed for a job with Edward Bennett Williams who was to become my teacher and partner. He asked what makes a good lawyer. I responded, "eloquence." Williams shook his head. A lawyer's first, perhaps his greatest talent he told me is the ability to listen "Only then will you know what to say."

That lesson has been the foundation of my twenty-three years of legal practice litigating criminal and civil trade, securities, tax and Federal regulatory matters in courtrooms, boardrooms and in proceedings before committees of Congress. And it is a lesson that I will continue to honor as the chief legal officer of the Treasury Department.

I pledge to listen and respond, to the best of my ability, with well-founded scholarship, sound counsel and balanced advocacy in an open partnership with the staff and members of this Committee and Congress.

Mr. Chairman, I am grateful to you for bringing me before this Committee and respectfully ask that I be permitted to introduce my family to you and members of the Committee.

**SENATE FINANCE COMMITTEE
STATEMENT OF INFORMATION REQUESTED OF NOMINEE**

A. BIOGRAPHICAL INFORMATION

1. Name: (Include any former names used.)
David Dean Aufhauser
2. Position to which nominated:
General Counsel, U.S. Department of Treasury
3. Date of nomination:
February 27, 2001
4. Address: (List current residence, office, and mailing addresses.)
Home: 3105 36th Street, N.W., Washington, D.C. 20016
5. Date and place of birth:
November 19, 1950, New York City
6. Marital status: (include maiden name of wife or husband's name.)
Married – Jane Tucker Dana
7. Names and ages of children:
David Dean Aufhauser, Jr. (16)
Anne Simons Aufhauser (13)
Katherine Tucker Aufhauser (10)
8. Education: (List secondary and higher education institutions, dates attended, degree received, and date degree granted.)

<i>Port Jefferson High School, NY</i>	<i>1968</i>	
<i>Wesleyan University</i>	<i>1972</i>	<i>AB</i>
<i>Harvard University</i>	<i>1974</i>	<i>MBA</i>
<i>Univ. Pennsylvania</i>	<i>1977</i>	<i>J.D.</i>

9. Employment record: (List all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment.)
- 9/77 to Date -- Williams & Connolly LLP, Washington, D.C. (Partner)*
5/76 to 8/76 -- Paul Weiss Rifkind Wharton & Garrison (Summer Associate)
5/75 to 8/75 -- Reynolds Securities, New York City (Summer Associate)
6/74 to 7/74 -- Citicorp, New York City (Creditor Officer Trainee)
5/73-5/73 -- Chemical Bank, London (Summer Associate)
10. Government experience: (List any advisory, consultative, honorary, or other part-time service or positions with Federal, State or local governments, other than those listed above.)
- None**
11. Business relationships: (List all positions held [for the past 10 years] as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, other business enterprise, or educational or other institution.)
- Partner, Williams & Connolly LLP**
Member, Executive Committee (1998-2000)
12. Memberships: (List all memberships and offices held in professional, fraternal, scholarly, civic, business, charitable, and other organizations.)
- Chairman, Parents Committee, Troop 1946, Boy Scouts of America (3 years)**
Coach, Capital City Little League, Washington, D.C. (4 years)
Congressional Country Club
Member, Steering Committee, Civil Just Reform Task Force (1992)
Counsel, Republican National Convention Credentials Committee (1992; 1988, 1996)
Member, Legal Advisory Group to the Republican House Leadership Conference (1993-94)
ABA Member, 1977 to date
13. Political affiliations and activities:
- Registered Republican**
- a. List all public offices for which you have been a candidate.
- None**
- b. List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.
- Counsel to RNC Credentials Committee (1988, 1992, 1996)**

- c. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$50 or more for the past 10 years.

<i>Bush-Cheney for President</i>	<i>\$1,000</i>	<i>(2000)</i>
<i>Dole-Kemp for President</i>	<i>\$1,000</i>	<i>(1996)</i>
<i>Bush-Quayle for President</i>	<i>\$1,000</i>	<i>(1992)</i>
<i>Steve Kelly for State Senate</i>	<i>\$ 250</i>	<i>(1998)</i>

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

None

15. Published writings: (List the titles, publishers, and dates of all books, articles, reports, or other published materials you have written.)

"Pretrial and Trial Strategy," ABA (Sept. 1993)
"A Defense Lawyer's Perspective," ABA (March 1992)
"Searches—What Do You Do When They Don't Bother To Knock?," ABA (Jan./Feb. 1993)
"Civil Compromise and Criminal Concession: The Limits of Rule 408," ABA (Jan./Feb. 1997, Vol. 28, No. 3)
"EPA's Audit Policy: Protecting the Innocent" ABA (Mar./Apr. 1996)
"Corporate Probation: Camel in Tent," Business Crimes Bulletin (Sept. 1998, Vol. 5, No. 8)
"Developments in Enforcement," ABA (Jan./Feb. 1994)
"Status Offenses," ABA (Jan./Feb. 1992)

16. Speeches: (List all formal speeches you have delivered during the past five years which are on topics relevant to the position for which you have been nominated. Provide the Committee with two copies of each formal speech.)

None

17. Qualifications: (State what, in your opinion, qualifies you to serve in the position to which you have been nominated.)

Twenty-three years practicing law in Washington, D.C.; the confidence of the Secretary; a facility for financial matters; and an ability to listen, analyze and advocate.

B. FUTURE EMPLOYMENT RELATIONSHIPS

1. Will you sever all connections with your present employers, business firms, associations, or organizations if you are confirmed by the Senate? If not, provide details.

Yes, but see Appendix 1 .

2. Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, provide details.

No.

3. Has any person or entity made a commitment or agreement to employ your services in any capacity after you leave government service? If so, provide details.

No.

4. If you are confirmed by the Senate, do you expect to serve out your full term or until the next Presidential election, whichever is applicable? If not, explain.

Yes.

C. POTENTIAL CONFLICTS OF INTEREST

1. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

None. I plan to convert my financial holdings into diversified mutual funds as advised by the Treasury Department's Assistant General Counsel for Ethics.

2. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

None.

3. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy. Activities performed as an employee of the Federal government need not be listed.

None.

4. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Provide the Committee with **two** copies of any trust or other agreements.)

See Response to No. C.1. I do not foresee any potential conflict of interest. Should any potential conflict issue arise, I will promptly consult with the Treasury ethics officials.

5. **Two** copies of written opinions should be provided directly to the Committee by the designated agency ethics officer of the agency to which you have been nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position.

See attached.

6. The following information is to be provided only by nominees to the positions of United States Trade Representative and Deputy United States Trade Representative:

Have you ever represented, advised, or otherwise aided a foreign government or a foreign political organization with respect to any international trade matter? If so, provide the name of the foreign entity, a description of the work performed (including any work you supervised), the time frame of the work (e.g., March to December 1995), and the number of hours spent on the representation.

D. LEGAL AND OTHER MATTERS

1. Have you ever been the subject of a complaint or been investigated, disciplined, or otherwise cited for a breach of ethics for unprofessional conduct before any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

No.

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority for a violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, provide details.

No.

3. Have you ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

No.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, provide details.

No.

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

E. TESTIFYING BEFORE CONGRESS

1. If you are confirmed by the Senate, are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be, reasonably requested to do so?

Yes.

2. If you are confirmed by the Senate, are you willing to provide such information as is requested by such committees?

Yes.

PREPARED STATEMENT OF KENNETH W. DAM

Chairman Grassley, Ranking Member Baucus, and members of the Senate Finance Committee, I am grateful for the opportunity to appear before you today in connection with my nomination to be Deputy Secretary of the Treasury. I am honored that President Bush has asked me to serve in this important position, and I thank you for the privilege of appearing before you today.

Mr. Chairman, I have a deep and great respect for public service. And while I could not imagine the road my career would take when I grew up on a small farm in Kansas, among my other life experiences I have been most fortunate to serve our country and to make close friends during my years with the Federal Government. Here is how I arrived before you today:

After graduating from the University of Chicago Law School in 1957, I served as a law clerk to U.S. Supreme Court Justice Charles Whittaker and then joined a New York law firm. I became a faculty member of the University of Chicago Law School in 1960, and in 1971 I left to become Assistant Director of the Office of Management and Budget for national security and international affairs. After 2 years, I was appointed Executive Director of the Council on Economic Policy, responsible for coordination of U.S. domestic and international economic policy, under the leadership of the Chairman of that Council, George P. Shultz.

I returned to the University of Chicago Law School at the end of 1973 and was named Provost of the University in 1980. In 1982, I was appointed Deputy Secretary of State. After 3 years of implementing President Reagan's foreign policy initiatives, I departed for IBM, where I worked as a corporate vice president until 1992.

In 1992, I took a leave from IBM to serve, on an interim basis, as president and CEO of the United Way of America in order to clean up a scandal in that organization and to put into place a new system of controls and governance. Once I accomplished that goal, I returned to the teaching of law.

Members of the committee, this nomination appeals to me for three fundamental reasons.

First, I believe deeply in President Bush's vision for economic prosperity and security for our Nation. I strongly support the tenets of his plan: tax cuts that tear down the barriers to the middle class, debt reduction, and a secure Social Security system. In addition, I would like the opportunity to be an active advocate for the President, who understands our Nation's international role and its responsibility for a more open and vibrant world economy.

Second, I look forward to the prospect of working side by side again with my longtime friend Paul O'Neill. In a distinguished career, Paul has earned a reputation as a straight shooter, an innovator, and a deep thinker. I value his conviction and leadership, and I would be proud to serve with him again.

And third, I would be privileged to join the ranks of the Treasury Department, whose employees are known throughout government for their dedication and professional excellence. The Department boasts a rich legacy, and I hope to gain your agreement to allow me to be associated with that heritage.

Thank you once again, Mr. Chairman, for the privilege of appearing before this committee. If I am confirmed, I assure you that I will work closely and with enthusiasm with you and the members of the Committee in the coming months. I would be pleased to respond to questions.

**SENATE FINANCE COMMITTEE
STATEMENT OF INFORMATION REQUESTED OF NOMINEE**

A. BIOGRAPHICAL INFORMATION

1. Name: (Include any former names used.)
Kenneth W. Dam
2. Position to which nominated:
Deputy Secretary of the Department of the Treasury
3. Date of nomination:
3/8/01
4. Address: (List current residence, office, and mailing addresses.)
Residence: 5609 South Kenwood Avenue
Chicago, IL 60637

Office: University of Chicago Law School
1111 East 60th Street
Chicago, IL 60637
5. Date and place of birth:
August 10, 1932
Marysville, KS
6. Marital status: (include maiden name of wife or husband's name.)
Married (Marcia Wachs)
7. Names and ages of children:
Eliot Dam 29
Charlotte Dam 23
8. Education: (List secondary and higher education institutions, dates attended, degree received, and date degree granted.)

INSTITUTION	DATES		DEGREE	DATE OF DEGREE
	ATTENDED	DEGREE		
Marysville High School	1946-1950	HS Grad.	1950	
University of Kansas	1950-1954	S.B.	1954	
Univ. of Chicago Law School	1954-1957	J.D.	1957	

9. Employment record: (List all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment.)
- Securities Analyst, Northern Trust Co., Chicago, 1954-55 (part-time)
 Law Clerk, U.S. Supreme Court, Justice Charles E. Whittaker,
 Washington, D.C. 1957-58
 Associate (law), Cravath, Swaine & Moore, New York, NY 1958-60
 Associate Professor, later Professor of Law, University of Chicago Law School,
 Chicago, IL 1960-1971
 Program Assistant Director, Office of Management and Budget,
 Washington, D.C. 1971-1973
 Executive Director, Council on Economic Policy, White House,
 Washington, D.C. 1974-1980
 Provost, University of Chicago, 1980-1982
 Deputy Secretary of State Department, Washington, D.C., 1980-1985
 Vice President for Law and External Relations, IBM Corp., Armonk, NY,
 1985-1992
 President and CEO, United Way of America, Alexandria, VA, 1992
 Max Pam Professor of American and Foreign Law, University of Chicago
 Law School, Chicago, IL, 1992 to present
 Arbitration Panelist, American Arbitration Association, 1980's to present
 Arbitration Panelist, Center for Public Resources, 1980's - present
10. Government experience: (List any advisory, consultative, honorary, or other part-time service or positions with Federal, State or local governments, other than those listed above.)
- Advisory Committee, Office of the United States Trade Representative, 1987-92
 Consultant, Central Intelligence Agency,
 Chairman, DCI Economic Intelligence Advisory Panel, 1993 to present.
 (This organization had CIA predecessors which I served on from
 1975-1980 and from 1986 or 1987 to 1993
 Member, Defense Policy Board, 1994-1997
 Chairman, Committee on Scientists and Engineers in the Federal Government
11. Business relationships: (List all positions held [for the past 10 years] as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, other business enterprise, or educational or other institution.)
- National Research Council, 1991-92, 1994 – present (participation
 in studies).
 Board Member, United States Council for International Business, 1986-92
 Director, Law and Economics Program, University of Chicago, 1995-99
 Member, Advisory Board, BMW of North America, 1990-95

Of Counsel, Kirkland & Ellis, 1993-95
 Chairman, German-American Academic Council, 1999-2000
 Consultant, U.S. Russian Business Forum, RAND Corp., 1997-98
 Chairman, Advisory Committee, Foreign Affairs, 1996 to date
 President and Chief Executive Officer, United Way of America
 (on interim basis), March-August, 1992
 Director, America-China Society, 1988-99
 Director, American Council on Germany, 1986-95
 Director, The Asia Society, 1987-92
 Director, Foreign Policy Association, 1987-92
 Director, Japan Society, 1988-92
 Director, Joint Council on Economic Education, 1987-92
 Director, United States Council for International Business, 1986-92
 Director, Alcoa, 1987 to present
 Director, Council on Foreign Relations, 1992 - present
 Director, Chicago Council on Foreign Relations, Director, 1993 - present
 Director, Brookings Institution, 1999 - present
 Chairman, German-American Academic Council, 1999 - present
 Co-Chairman, Aspen Strategy Group, 1989 - present

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

American Academy of Arts and Sciences, American Academy of Diplomacy,
 American Bar Association, American Law Institute

13. Political affiliations and activities:

- a. List all public offices for which you have been a candidate.

None

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

None

- c. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$50 or more for the past 10 years.

See Senate Finance Committee – Attachment 1

Senate Finance Committee
Attachment 1
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13. c. Political Contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$50 or more for the past 10 years.

<u>Recipient</u>	<u>Date</u>	<u>Amount</u>
Republican National Committee	8/11/00	\$1,000
Richard G. Lugar	6/27/00	250
John McCain	3/02/00	400
John McCain	10/4/99	500
George W. Bush	3/22/99	1,000
Richard G. Lugar	1/22/99	250
Richard G. Lugar	1/22/98	250
Richard G. Lugar	2/20/97	250
Rudy Boschwitz	9/23/96	250
Republican National Committee	9/18/96	1,000
Richard G. Lugar	8/23/96	250
Richard G. Lugar	3/12/96	1,000
Rudy Boschwitz	12/15/95	1,000
Maggie Tinsman	10/10/95	1,000
Richard G. Lugar	6/01/95	1,000
James Clifford Miller, III	1/27/94	250
Republican National Committee	10/07/92	1,000
Bob Dole	5/18/92	1,000
George Bush	3/19/92	1,000
George Bush	11/14/91	1,000
Harold Rogers	10/08/91	500

14. Honors and Awards: (List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognitions for outstanding service or achievement.)
- LL.D. (honorary) New School for Social Research
American Academy of Arts and Sciences
American Academy of Diplomacy
American Law Institute
15. Published writings: (List the titles, publishers, and dates of all books, articles, reports or other published materials you have written.)

Books:

Cryptography's Role in Securing the Information Society (co-editor)
(National Academy, 1996).

The Rules of the Game: Reform and Evolution in the International Monetary System (University of Chicago Press, 1982)

Energy: The Next Twenty Years, A Study Group Report Sponsored by the Ford Foundation (co-author) (Ballinger Publishing Co., 1979)

Economic Policy Beyond the Headlines (with George P. Shultz) (W. W. Norton; 1978; 2d ed., University of Chicago press, 1998)

Oil Resources: Who Gets What How? (University of Chicago Press, 1976).

The GATT: Law and International Economic Organization (University of Chicago Press, 1970).

Federal Tax Treatment of Foreign Income (with Lawrence Krause)
(Brookings Institution, 1964)

Articles:

"Intellectual Property in an Age of Software and Biotechnology," in Eric A. Posner, Chicago Lectures in Law and Economics 113 (2000)

"Intellectual Property and the Academic Enterprise," in German-American Academic Council Foundation, *The Changing Character, Use and Protection of Intellectual Property* 17 (GAAC Bonn-Washington 1999).

"Self-Help in the Digital Jungle," 28 (2) *J. of Leg. Studies* (June 1999).

"Who Says Who Can Access What? The Policy Crisis over Cryptography in the Information Age," *Science, Technology, and the Law* (New York Academy of Sciences 1998).

- "National Cryptography Policy for the Information Age." *Issues in Science and Technology* 33 (Summer 1996).
- "Some Economic Considerations in the Intellectual Property Protection of Software." 24 *J. of Leg. Studies* 321 (1995)
- "Die Okonomischen Grundlagen des Patentrechts," in Claus Ott and Hans-Bernd Schaefer (eds.), *Okonomische Analyse der rechtlichen Organisation von Innovationen* 283 (1994)
- "The Economic Underpinnings of Patent Law," 23 *J. of Leg. Studies* 247 (1994).
- "Extraterritoriality in an Age of Globalization: The Hartford Fire Case," 1993 *Supreme Court Review* 289.
- "The Growing Importance of International Protection of Intellectual Property," 21 *The International Lawyer* 3 (1987).
- "Economic and Political Aspects of Extraterritoriality," 19 *The International Lawyer* 887 (1985).
- "Extraterritoriality and Conflicts of Jurisdiction," 77 *Am. Soc. Of Int'l Law (Proceedings)* 370 (1983)
- "From the Gold Clause Cases to the Gold Commission: A Half Century of American Monetary Law," 50 *U. of Chicago L. Rev.* 504 (1983).
- "The Legal Tender Cases," 1981 *Supreme Court Review* 367.
- "Antitrust in an Open World Economy," *Conference Board Bulletin* No. 94, p. 9 (1981).
- "The Economics of Due Process," in Behram Kursunoglu and Arnold Perlmutter (eds.), *Directions in Energy Policy: A Comprehensive Approach to Energy Resource Decision-Making* (1979)
- "The American Fiscal Constitution," 44 *U. of Chicago L. Rev.* 271 (1977)
- "Reflections on Wage and Price Controls," 30 *Industrial and Labor Relations Review* 139 (1977) (with George P. Shultz).
- "The Myth of Budget Tuning," (with George P. Shultz) 5 *The Stanford Magazine* 13 (1977).
- "The Role of Rules in the International Monetary System," (U. of Miami Law and Economic Center 1976).

- “Class Actions: Efficiency, Compensation, Deterrence, and Conflict of Interest.”
4 J. of Legal Studies 47 (1975).
- “Economic Intelligence and Analysis.” Commission on the Organization of the
Government for the Conduct of Foreign Policy, Appendices to Report,
Vol. 3, p. 303.
- “Class Action Notice: Who Needs It?,” 1974 Supreme Court Review 97.
- “The Evolution of North Sea Licensing Policy in Britain and Norway,” 17 J. Law
and Econ. 213 (1974).
- “The Special Responsibility of Lawyers in the Executive Branch,” 55 Chicago Bar
Record, Special Centennial Issue 4 (1974).
- “Implementation of Import Quotas: The Case of Oil,” 14 J. Law and Econ. 1
(1971).
- “Consumer Protection: An Overview,” 39 Antitrust L.J. 914 (1970).
- “Corporate Takeovers and the Antitrust Laws,” 25 Bus. Lawyer 735 (1970);
30 Antitrust L.J. (1970)
- “The Pricing of North Sea Gas in Britain,” 13 J. Law and Econ. 11 (1970).
- “Fortner Enterprises v. United States Steel: ‘Neither a Borrower nor a Lender
Be,’” 1969 Supreme Court Rev. 1, reprinted in Philip B. Kurland (ed.), *the
Supreme Court and Patents and Monopolies* 215 (1975).
- “Exclusive Distributorships in the United States and the European Economic
Community,” in *Ius Privatum Gentium, Festschrift für Max Rheinstein*,
Vol. 2, p. 721 (1969), reprinted in 16 Antitrust L.J. 111 (1971).
- “Is the Colgate Doctrine Dead?,” 37 Antitrust L.J. 772 (1968).
- “Oil and Gas Licensing in the North Sea,” 8J. Law and Econ. 51 (1965).
- “The European Common Market in Agriculture,” 67 Columbia L. Rev. 209 (1967).
- “Trademarks, Price Discrimination and the Bureau of Customs,” 57 Trademark
Reporter 14 (1967), reprinted from 7J. Law and Econ. 45 (1964)
- “Some International Constraints on Improved Export Earnings of Developing
Countries: Tariff Preferences and the Cotton Textiles Agreement,” in
Development: International Law and Economics 107 (Vol. 2,
Proceedings of the International Society, Stanford School of Law, 1967)

- "International Legal Aspects of Federalism." in David P. Currie (ed.), *Federalism and the new Nations of Africa* (1964).
- "The Economics and Law of Price Discrimination: Herein of Three Regulatory Schemes," 31 *U. of Chicago L. Rev.* 1 (1963)
- "Regional Economic Arrangements and the GATT: The Legacy of a Misconception," 30 *U. of Chicago L. Rev.* 615 (1963).
- "U.S. International Economic Strategies," in *The Future of American International Engagement 85* (Center for Strategic & International Studies (1997)
- "Role of Private Groups in Public Policy: Cryptography and the National Research Council" (*Law School Occasional Paper 38*) (1997).
- "Government Should Loosen Reins on Communications Encryption," (with Herbert S. Lin) *Dayton Daily News* 19B (Nov. 24, 1996).
- "Protecting Information in Cyberspace," (with Herbert S. Lin) *Journal of Commerce* (Sept. 23, 1996).
- "The Cryptography Wars," *Washington Post* (with Herbert S. Lin) (July 23, 1996).
- "Inter-Organizational Collaboration: Biotechnology and Computers Compared," 152 *Journal of Institutional and Theoretical Economics* 216 (1996).
- "Law, Diplomacy, and Force: North Korea and the Bomb" (*Law School Occasional Paper No. 33*).
- "At the Heart of the Political Culture," in Beate Lindeman (ed.), *Amerika in Uns, Deutsch-amerikanische Erfahrungen and Visionen* (1995).
- "U.S. Policy Options in International Trade," *The American Enterprise* Vol. 1, No. 4, p. 30 (1990).
- "Introduction" to Special Issue, *The International Lawyer* 807 (1989).
- "Korea At the Crossroads, a report of the Korea Study Group Chairèd by Kenneth W. Dam (Council on Foreign Relations and The Asia Society, 1987).
- "The Questionable Future of a Business-Judgement Rule in Antitrust," in Betty Bock, *The Future of a Business-Judgement Standard in Antitrust*, *Antitrust Forum* 1986, *Conference Board Research Bulletin No. 207*, p. 18.

- "The Reform Package of 1986: The Mix of Politics, Law and Economics," in Betty Bock, *Antitrust: New Directions vs New Backlash*, Antitrust Conference 1986, Conference Board Research Bulletin No. 197, p. 15.
- "Economic Analysis and Antitrust Law," in Betty Bock, *Antitrust and New Views of Microeconomics*, Conference Board Research Bulletin, No. 195, p. 10.
- "The Future of Gold," Occasional Paper No. 20, University of Chicago Law School (1984).
- "Implications for Antitrust of a shrinking Globe," in Betty Bock, *Antitrust in the Competitive World of the 1980s*, Conference Board Research Bulletin No. 112, p. 12.
- Comment on Donald G. Ogilvie, "Constitutional Limits and the Federal Budget," In Rudolph G. Penner, *The Congressional Budget Process After Five Years* 135 (1981).
- Comment on William F. Baxter, "The Political Economy of Antitrust," in Robert D. Tollison (ed.), *The Political Economy of Antitrust* 71 (1980).
- Comment on J. M. Finger, "Trade Liberalization: A Public Choice Perspective," In Ryan C. Amacher et al. (eds.), *Challenges to a Liberal International Economic Order* 467 (1979).
- Comment on Harold Demsetz, "Economics as a Guide to Antitrust," 19 *J. Law and Econ.* 385 (1976).
- Comment on "Alternatives to a Law of the Sea Treaty," in Ryan C. Amacher and Richard James Sweeney, *The Law of the Sea: U.S. Interests and Alternatives* 152 (1976).
- Comment on Herbert Stein, "The Politics of Inflation," in Meiselman and Laffer, *The Phenomenon of Worldwide Inflation* (1975).
- Review of Carl H. Fulda and Warren F. Schwartz, *Cases and Materials on the Regulation of International Trade and Investments*, 57 *A.B.A.J.* 1018 (1971).
- Review of Richard E. Caves, *Air Transportation and its Regulators*, 32 *U. of Chicago L. Rev.* 200 (1964).
- Review of Association of the Bar of the City of New York, *Conflict of Interest and Federal Service*, *Bulletin of Atomic Scientists* 343 (1961).

I believe this to be a complete list, but cannot at this point in my career be certain that there are no other small pieces that have been published by someone.

16. Speeches: (List all formal speeches you have delivered during the past five years which are on topics relevant to the position for which you have been nominated. Provide the Committee with two copies of each formal speech.)

None

17. Qualifications: (State what, in your opinion, qualifies you to serve in the position to which you have been nominated.)

I have extensive high-level government experience. I served as OMB Program Assistant Director (for national security and international affairs), (1971-73) as Executive Director of the White House Council on Economic Policy (1973) (under the Chairmanship of Treasury Secretary George P. Shultz) and as Deputy Secretary of State (1982-85).

I have considerable private sector business experience as IBM's Vice President for Law and External Affairs.

Through my academic work I am known as an expert in international economic issues.

I have long known and worked with Treasury Secretary Paul O'Neill.

B. FUTURE EMPLOYMENT RELATIONSHIPS

1. Will you sever all connections with your present employers, business firms, associations, or organizations if you are confirmed by the Senate? If not, provide details.

Yes, except that I will receive a pension from IBM as a former employee and therefore will also receive retirement health benefits.

I will retire as an Alcoa Director upon confirmation and will receive a pension and deferred compensation as a retired director.

I was promised by the Dean of the University of Chicago Law School that I would be granted a leave of absence and will be entitled to participate (at my sole cost) in their University's health plan, which will enable me to use the facilities of the University of Chicago Hospital not only for myself, but also for my wife and my daughter who will continue to live in Chicago.

I will continue to receive author royalties under past book contracts with University of Chicago Press.

2. Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, provide details.

No

3. Has any person or entity made a commitment or agreement to employ your services in any capacity after you leave government service? If so, provide details.

No, other than my leave of absence from the University of Chicago Law School.

4. If you are confirmed by the Senate, do you expect to serve out your full term or until the next Presidential election, whichever is applicable? If not, explain.

Yes

C. POTENTIAL CONFLICTS OF INTEREST

1. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

None

2. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

None

3. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy. Activities performed as an employee of the Federal government need not be listed.

None, other than Chairmanship of a Committee on Cryptography for the National Research Council, a position that is not strictly speaking one of an employee of the U.S. government. The report was published as, "Cryptography's role in Securing the Information Society (co-editor) (National Academy, 1996).

4. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Provide the Committee with **two** copies of any trust or other agreements.)

I do not foresee any potential conflict of interest. Should any potential conflict arise, I will consult promptly with Treasury ethics officials.

5. Two copies of written opinions should be provided directly to the Committee by the designated agency ethics officer of the agency to which you have been nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position.
6. The following information is to be provided only by nominees to the positions of United States Trade Representative and Deputy United States Trade Representative:

Have you ever represented, advised, or otherwise aided a foreign government or a foreign political organization with respect to any international trade matter? If so, provide the name of the foreign entity, a description of the work performed (including any work you supervised), the time frame of the work (e.g., March to December 1995), and the number of hours spent on the representation.

D. LEGAL AND OTHER MATTERS

1. Have you ever been the subject of a complaint or been investigated, disciplined, or otherwise cited for a breach of ethics for unprofessional conduct before any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

No

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority for a violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, provide details.

No

3. Have you ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

I was a defendant in an action brought in the District of Columbia by one of the parties to a 16-member arbitration in which I served as one of the three independent American Arbitration Association arbitrators. The action was enjoined by the Federal District Court for the Southern District of New York in Hunt v. Mobil Oil Corp. 583 F. Supp. 1092 (S.D.N.Y. 1984). See also later opinion in same case, 654 F. Supp. 1487, 1493-1494, 1504-1505 (S.D.N.Y. 1987).

In addition, I have been a director of Alcoa, a publicly traded company, and Alcoa has been involved in various legal matters. For more information, please contact Lawrence Purtell, Executive Vice President and General Counsel of Alcoa at 212 836-2650.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, provide details.

None

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

None

E. TESTIFYING BEFORE CONGRESS

1. If you are confirmed by the Senate, are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so?

Yes

2. If you are confirmed by the Senate, are you willing to provide such information as is requested by such committees?

Yes

PREPARED STATEMENT OF MICHELE DAVIS

Chairman Grassley, Ranking Member Baucus, and members of the Senate Finance Committee, thank you for the opportunity to appear before you today. It is a great privilege to be considered for the position of Assistant Secretary of the Treasury for Public Affairs. I am honored that Secretary O'Neill has recommended me and President Bush has nominated me to serve in this position, and that you are taking the time to consider my nomination today. And I'd like to take a second to recognize my mother, Pat Davis, and thank her for being here today.

The Treasury Department is at the center of President Bush's efforts to work with Congress to keep America's economy strong and to spread prosperity around the world. The public affairs office at Treasury plays an essential role in educating the public about tax policy, debt management, Social Security financing, and a host of international issues that affect our prosperity. I look forward to helping make the case publicly for the President's agenda and to keeping the media and all interested parties—including you and your committee—informed on Treasury's work.

An informed public is crucial to the democratic process. I learned in my years working in the House that an informed public debate leads to better policymaking. I can think of no greater honor than to be asked to do this job and to work with Secretary O'Neill, who teaches me something new every day and whose enthusiasm for getting things done has already energized the entire staff at the Treasury. I am eager to get to work with the talented people in the Department, across the Administration and here in the Congress. Thank you.

A. BIOGRAPHICAL INFORMATION

1. Name: (Include any former names used.)

Michele Aileen Davis

2. Position to which nominated:

Assistant Secretary of the Treasury for Public Affairs

3. Date of nomination:

MAR 22

4. Address: (List current residence, office, and mailing addresses.)

Residence:
3441 S. Stafford St. #A1
Arlington VA 22206

Office:
2217 Main Treasury
15th and Pennsylvania Ave
Washington, DC 20220

5. Date and place of birth:

Passaic, NJ, 10-5-66

6. Marital status: (include maiden name of wife or husband's name.)

Single

7. Names and ages of children:

None

8. Education: (List secondary and higher education institutions, dates attended, degree received, and date degree granted.)

Georgetown University, 9/84 – 5/86; 9/87-5/88; B.S. Foreign Service, concentration in International Economics, 5/88

London School of Economics, 9/86-5/87; Certificate in Economics, 5/67

American University, 9/89 – 5/92; M.A. Economics. Completed comprehensive exams for a Ph.D., with fields in International Finance and Industrial Organization

9. Employment record: (List all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment.)

Consultant, US Department of the Treasury, 1/01 to present.

Communications Director, Office of the House Majority Leader, H-329 Capitol, US House of Representatives, Washington DC 20515, 3/97 to 1/01

Press Secretary, Office of the House Majority Leader, H-329 Capitol, US House of Representatives, Washington DC 20515, 10/95 to 3/97.

Deputy Communications Director, Office of the House Majority Leader, US House of Representatives, Washington DC 20515, 1/95 to 10/95.

Economist, Joint Economic Committee, US Congress, Washington DC 20515, 3/94-1/95

Economist, Citizens for a Sound Economy, 1250 H St #700, Washington DC, 1/92-3/94

Director, New Jersey Citizens for a Sound Economy, Trenton New Jersey, 1/93 to 12/93

Policy Analyst, Citizens for a Sound Economy, 1250 H St #700, Washington DC, 2/91 – 1/92

Teaching Assistant, American University, Washington DC, 9/89 to 5/92

Waitress, Clyde's of Georgetown, 3130 M St NW, Washington DC 20007, 10/87-5/92

10. Government experience: (List any advisory, consultative, honorary, or other part-time service or positions with Federal, State or local governments, other than those listed above.)

None

11. Business relationships: (List all positions held [for the past 10 years] as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, other business enterprise, or educational or other institution.)

None

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

None

13. Political affiliations and activities:

- a. List all public offices for which you have been a candidate.

None

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

Volunteer for 2 weeks at the Anne Northup for Congress 1996 campaign.

Volunteer work for the Dick Armey campaign during the 1996 and 2000 Republican conventions.

- c. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$50 or more for the past 10 years.

none

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

None

15. Published writings: (List the titles, publishers, and dates of all books, articles, reports, or other published materials you have written.)

Wasting America's Money, with Dan Murphy, Citizens for a Sound Economy Foundation, 1992.

Reclaiming The American Dream – A Citizens Guide to Removing Government Barriers to Economic Growth, with Arthur Hall, Citizens for a Sound Economy Foundation, 1992.

Medicare's Self-Destruction, Citizens for a Sound Economy Foundation, January 22, 1993.

Will the Real Managed Competition Please Stand Up?, Citizens for a Sound Economy Foundation, April 26, 1993.

The Clinton Health Care Plan: By Its Own Criteria, It Doesn't Measure Up, Citizens for a Sound Economy Foundation, September 23, 1993.

Medical Savings Accounts: Putting Consumers in the Driver's Seat, Citizens for a Sound Economy Foundation, October 4, 1993.

The Slow Road to Clinton: How the Detours Lead to the Same Dead End, Citizens for a Sound Economy Foundation, January 25, 1994.

H.R. 3955: A Down Payment on Expanding Access to Affordable Health Insurance, Citizens for a Sound Economy Foundation, April 5, 1994.

I wrote several other position papers of various lengths as part of my job at Citizens for a Sound Economy from 1990 to 1994. The topics ranged from trade issues to tax policy and postal service reform.

16. Speeches: (List all formal speeches you have delivered during the past five years which are on topics relevant to the position for which you have been nominated. Provide the Committee with two copies of each formal speech.)

None

17. Qualifications: (State what, in your opinion, qualifies you to serve in the position to which you have been nominated.)

My background in economics and economic policy combined with my experience communicating the agenda of the House of Representatives will serve me well in informing the media and the public about the operations and positions taken by the Treasury and the Treasury Secretary.

B. FUTURE EMPLOYMENT RELATIONSHIPS

1. Will you sever all connections with your present employers, business firms, associations, or organizations if you are confirmed by the Senate? If not, provide details.

Yes

2. Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, provide details.

No

3. Has any person or entity made a commitment or agreement to employ your services in any capacity after you leave government service? If so, provide details.

No

4. If you are confirmed by the Senate, do you expect to serve out your full term or until the next Presidential election, whichever is applicable? If not, explain.

Yes

C. POTENTIAL CONFLICTS OF INTEREST

1. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

None

2. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

None

3. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy. Activities performed as an employee of the Federal government need not be listed.

As part of my work at Citizens for a Sound Economy, a 501(c)(3) organization, I organized grassroots activities and advocated positions on legislation before the Congress.

4. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Provide the Committee with **two** copies of any trust or other agreements.)

I do not foresee any potential conflict of interest. Should any potential conflict issue arise, I will consult promptly with Treasury Ethics officials.

5. **Two** copies of written opinions should be provided directly to the Committee by the designated agency ethics officer of the agency to which you have been nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position.

6. The following information is to be provided only by nominees to the positions of United States Trade Representative and Deputy United States Trade Representative:

Have you ever represented, advised, or otherwise aided a foreign government or

a foreign political organization with respect to any international trade matter? If so, provide the name of the foreign entity, a description of the work performed (including any work you supervised), the time frame of the work (e.g., March to December 1995), and the number of hours spent on the representation

D. LEGAL AND OTHER MATTERS

1. Have you ever been the subject of a complaint or been investigated, disciplined, or otherwise cited for a breach of ethics for unprofessional conduct before any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

No

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority for a violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, provide details.

No

3. Have you ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

No

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, provide details.

No

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

None.

E. TESTIFYING BEFORE CONGRESS

1. If you are confirmed by the Senate, are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be, reasonably requested to do so?

Yes

2. If you are confirmed by the Senate, are you willing to provide such information as is requested by such committees?

Yes

PREPARED STATEMENT OF HON. CHARLES E. GRASSLEY

This morning we meet to consider the nominations for three positions with the Department of the Treasury and one position with the Department of Commerce. I believe all four of these nominees are well-qualified for their positions, and I look

forward to hearing from them today. We will not be voting on these nominations today, but we will hopefully be voting on them sometime next week.

Our first nomination is Kenneth Dam. Mr. Dam has been nominated for the position of Deputy Secretary of the Treasury. Currently a law professor at the University of Chicago, but he is certainly no stranger to government service. He has worked in the Office of Management and Budget and served as the Executive Director of the Council on Economic Policy. He was also the Deputy Secretary of State from 1980–1985. I want to also welcome Mr. Dam's wife Marsha, to the hearing.

Next, we will consider the nomination of David Aufhauser to be General Counsel for the Department of Treasury. Mr. Aufhauser has practiced law for 23 years in Washington D.C. and is currently a partner at Williams & Connolly LLP. Mr. Aufhauser's experience as an attorney litigating criminal and civil trade cases, as well as securities, tax, and Federal regulatory matters makes him uniquely qualified for the position of General Counsel. Mr. Aufhauser is accompanied by his wife, Jane Dana, his three children, David, Jr., Katherine and Anne, and his brother Keith. His former executive assistant, Elizabeth Vannoy, is also here with him today.

Our next nominee is Michele Davis. Ms. Davis has been nominated to the position of Assistant Secretary of Treasury for Public Affairs. Currently, Ms. Davis serves as a consultant to the Treasury Department. Prior to her service in the Executive Branch, she was the Communications Director for House Majority Leader Dick Armey for almost four years. In addition to her public affairs work in the House of Representatives, Ms. Davis had a strong economics background that will serve her well at the Treasury Department. I'd like to also recognize Ms. Davis's mother, Margaret, for being here today.

It is great pleasure for me to have the honor of welcoming our fourth nominee, Faryar Shirzad, to testify before the Committee today. I would also like to take an opportunity to welcome his family. First, we have his wife Nancy Woodward, and son David. Also here with us today are Faryar's parents, Mr. Nasser Shirzad and Mrs. Pari Shirzad. It is great to see you here with us. I believe Mr. Shirzad is infinitely qualified to serve as the Assistant Secretary for Import Administration. Mr. Shirzad served the Finance Committee for 3 years as the International Trade Counsel for the majority under then-Chairman Senator Roth. During that time, Mr. Shirzad was known for his international trade expertise, his fairness, and his deep commitment to doing what is right for the American people. I am confident he will carry that same commitment to public service to the Department of Commerce should he be confirmed.

PREPARED STATEMENT OF FARYAR SHIRZAD

Mr. Chairman, Senator Baucus, members of the Committee,

I want to thank you for taking the time to hold this hearing during this extraordinarily busy period in the legislative calendar. Having had the opportunity to serve as trade counsel to this committee for the past 3 years under Chairman Roth, I know very well the demands on your time.

I would, however, like to take a few minutes to thank the many people whose support made my nomination possible. Most importantly, I would like to express my gratitude to President Bush and to Secretary Evans for this tremendous honor. The President and the Secretary have made trade a top priority for this Administration, and I am honored that they would ask me to join them in this important effort.

I would also like to thank you Mr. Chairman, along with Senator Baucus, Senator Lott, Senator Nickles, Senator Helms and others in Congress, for your expressions of support as I was being considered for this position. I am honored by the confidence you have shown in me and I will, if confirmed, work hard every day to ensure that your confidence was well placed.

I also want to thank your former colleague and my former boss, Senator Roth, who was, for me, the embodiment of what public service should be about. I will always be grateful to him for the opportunities he provided me in serving this wonderful committee and for the help and guidance that he continues to offer me even now.

On a personal level, I would like to recognize and thank my family, many of whom are here with us today. Most important for me is my wife, Nancy, who has given me more love and support than any one person deserves, and, together with our son David, is the absolute treasure of my life. I also want to recognize and thank my parents, Nasser and Parvaneh Shirzad, for all that they've done for me and for setting an example of love, honor, integrity, and hard work that I have tried very hard to follow in my life.

I am also humbled by the outpouring of interest and support that the Iranian-American community has demonstrated in connection with my nomination. The

United States has welcomed hundreds of thousands of Iranians with open arms over the past twenty-five years, and has given us the opportunity to achieve the American dream, like generations of immigrants before us. It is gratifying that my nomination has served, even in a small way, as a reminder that we really are a part of the American family.

I am sitting here with a sense not only of humility, but also of responsibility, recognizing that the position for which I have been nominated is so important to the formulation and the conduct of our trade policy. The availability and vigorous enforcement of our trade laws is essential in preserving the confidence of the American people in the fairness of the trading system. Over the long run, trade liberalization will only be successful if the American people believe that they are realizing the benefits of trade and that they have the opportunity to compete on a level playing field, both here and abroad.

I am mindful that decisions in trade remedy cases often have a very significant impact both here and abroad. My first priority will be to ensure the integrity of the trade remedy process and to ensure that these laws are enforced in faithful adherence to Congress's intent.

This committee has a distinguished history of leadership on trade matters, a tradition that is in good hands with your leadership, Mr. Chairman, and that of Senator Baucus. If I am confirmed, I hope that you will look to me as someone that you and your staffs can work with as we move forward together on developing and implementing a trade agenda that works for all Americans.

Thank you.

**SENATE FINANCE COMMITTEE
STATEMENT OF INFORMATION REQUESTED OF NOMINEE**

A. BIOGRAPHICAL INFORMATION

1. **Name: (Include any former names used.)**
Faryar Shirzad
2. **Position to which nominated:**
Assistant Secretary of Commerce, Import Administration
3. **Date of nomination:**
March 22, 2001
4. **Address: (List current residence, office, and mailing addresses.)**
Home: 5145 N. 38th Street, Arlington, VA 22207
Work: Office of the Secretary, U.S. Department of Commerce, 14th and
Constitution Avenues, N.W., Room 5838, Washington, D.C. 20230
5. **Date and place of birth:**
August 20, 1965; London, England
6. **Marital status: (Include maiden name of wife or husband's name.)**
Married to Nancy J. Woodward
7. **Names and ages of children:**
David Woodward Shirzad, age 5
8. **Education: (List secondary and higher education institutions, dates**

attended, degree received, and date degree granted.)

University of Virginia Law School, August 1989 to May 1992, J.D. (May 1992)

John F. Kennedy School of Government, Harvard University, September 1987 to June 1989, M.P.P. (June 1992)

University of Maryland, College Park, June 1984 to December 1986, B.S. (December 1986)

University of Michigan, Ann Arbor, August 1983 to May 1984 (freshman year; no degree)

Walt Whitman High School, Bethesda, Maryland, September 1980 to May 1983, High School Diploma (May 1983)

9. Employment record: (List all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment.)

Senior Advisor, Office of the Secretary
United States Department of Commerce
14th and Constitution Avenues, N.W.
Washington, D.C. 20230
February 2001 to present

International Trade Counsel
Committee on Finance
United States Senate
SD-219
Washington, D.C. 20510
December 1997 to January 2001

Associate Attorney
Skadden, Arps, Slate, Meagher & Flom
1440 New York Ave., N.W.
Washington, D.C. 20005
January 1995 to December 1997

Associate Attorney
Robins, Kaplan, Miller & Ciresi
1801 K Street, N.W.
Washington, D.C. 20006

September 1992 to January 1995

Summer Associate
Powell, Goldstein, Frazer & Murphy
1001 Pennsylvania Avenue, N.W.
Washington, D.C. 20004
Summer 1991

Summer Clerk
Office of Policy Development
United States Department of Justice
Constitution Ave. & 10th Street, N.W.
Washington, D.C. 20530
Summer 1989 and Summer 1990

Research Assistant
Office of Commissioner Joseph Grundfest
U.S. Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549
Summer 1988

Paralegal
Crowell & Moring
1001 Pennsylvania Ave., N.W.
Washington, D.C. 20004
June 1986 to July 1987

10. **Government experience: (List any advisory, consultative, honorary, or other part-time service or positions with Federal, State or local governments, other than those listed above.)**

None.

11. **Business relationships: (List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, other business enterprise, or educational or other institution.)**

None.

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

Member of the D.C. and Maryland Bars
Term Member, Council on Foreign Relations

13. Political affiliations and activities:

a. List all public offices for which you have been a candidate.

None.

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

I am a Republican and have worked on the following political efforts over the past 10 years.

Bush-Cheney Presidential Transition 2000/2001

I served as the lead International Trade Policy coordinator on the transition.

Bill Roth for Senate (Delaware) 2000

I distributed literature and posted signs in support of Senator Roth's campaign in Delaware.

Bob Dole for President 1996

I was a member of Lawyers for Dole and assisted the campaign with registering the candidate on state ballots.

Bill Shepard for Governor of Maryland 1991

I was the policy director for the campaign.

c. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$50 or more for the past 10 years.

I contributed \$100 to the Bush-Cheney Recount Committee.

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

University of Virginia

Selected for membership in the Raven Society.

University of Maryland, College Park
Graduated *summa cum laude*.
Invited to join Beta Gamma Sigma and Financial Management
Association Honor Society.
Selected to receive University's recommendation for Rhodes Scholarship
and Marshall Scholarship.

15. Published writings: (List the titles, publishers, and dates of all books, articles, reports, or other published materials you have written.)

"The Role of the WTO in Furthering U.S. Trade Policy Objectives" Georgetown Journal of Law and Policy in International Business, Volume 31, Number 3 (Spring 2000)

"The WTO Dispute Settlement System: Prospects for Reform" Georgetown Journal of Law and Policy in International Business, Volume 31, Number 3 (Spring 2000)

"Iran: The War Within", Critical Issues: A Journal of Analysis and Opinion (Fall 1988)

16. Speeches: (List all formal speeches you have delivered during the past five years which are on topics relevant to the position for which you have been nominated. Provide the Committee with two copies of each formal speech.)

I have participated as a speaker in a number of events, primarily as a part of a panel or in other similar settings. In every instance, my remarks were made from notes that I have not kept. As such, I do not have any formal speeches that I can share with the Committee.

17. Qualifications: (State what, in your opinion, qualifies you to serve in the position to which you have been nominated.)

I am an international trade attorney with extensive experience in both the public and private sectors. I served, from 1997 to 2001, as International Trade Counsel on the majority staff of the Senate Committee on Finance under then-Chairman William V. Roth, Jr. (DE). In that role, I was responsible for advising the Chairman on all matters relating to the Committee's jurisdiction over international trade. I played a significant staff role in the drafting and passage of a number of important trade initiatives, including the African Growth and Opportunity Act, the Caribbean Basin Trade Partnership Act, the Foreign Sales Corporation Repeal and Extraterritorial Income Exclusion Act, and legislation granting permanent normal trade relations status to China.

I was also responsible for coordinating the Finance Committee's oversight of the Office of the United States Trade Representative (USTR); the United States

International Trade Commission (USITC); the International Trade Administration (ITA) of the Department of Commerce; the U.S. Customs Service; and, the trade functions of the Treasury Department. I also advised the Chairman on all matters relating to the United States' participation in the World Trade Organization and the North American Free Trade Agreement.

Prior to my work in the public sector, I was an international trade attorney in Washington, D.C. at the law firm of Skadden, Arps, Slate, Meagher & Flom. I previously practiced law at Robins, Kaplan, Miller & Ciresi, also in Washington, D.C. As an attorney, I have advised clients on all aspects of international trade regulation and trade policy, and have extensive experience litigating trade remedy cases at the Department of Commerce, the USITC and the United States Court of International Trade.

B. FUTURE EMPLOYMENT RELATIONSHIPS

1. **Will you sever all connections with your present employers, business firms, associations, or organizations if you are confirmed by the Senate? If not, provide details.**

I have no such connections, other than my current employment with the Department of Commerce. Therefore, this question is not applicable.

2. **Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, provide details.**

No.

3. **Has any person or entity made a commitment or agreement to employ your services in any capacity after you leave government service? If so, provide details.**

No.

4. **If you are confirmed by the Senate, do you expect to serve out your full term or until the next Presidential election, whichever is applicable? If not, explain.**

If confirmed, my intention at this time is to serve until the next Presidential election.

C. POTENTIAL CONFLICTS OF INTEREST

1. **Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.**

I am not aware of any such conflicts.

2. **Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.**

I am not aware of any such conflicts.

3. **Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy. Activities performed as an employee of the Federal government need not be listed.**

I have not had direct involvement in the passage of any legislation outside of my time as a Federal employee. I did, however, serve as chairman of the advocacy committee of the Huntington's Disease Society of America for several years. In that capacity, I helped inform members of HDSA regarding policy matters relevant to HD families, including biomedical research funding, medical records privacy and genetic discrimination. I also represented HDSA in a number of coalitions and working groups in connection with these issues.

4. **Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Provide the Committee with two copies of any trust or other agreements.)**

I will consult with ethics officials at 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. sec. 208(b) if the interest is not substantial.

5. **Two copies of written opinions should be provided directly to the Committee by the designated agency ethics officer of the agency to which you have been nominated and by the Office of Government Ethics**

concerning potential conflicts of interest or any legal impediments to your serving in this position.

6. The following information is to be provided only by nominees to the positions of United States Trade Representative and Deputy United States Trade Representative:

Have you ever represented, advised, or otherwise aided a foreign government or a foreign political organization with respect to any international trade matter? If so, provide the name of the foreign entity, a description of the work performed (including any work you supervised), the time frame of the work (e.g., March to December 1995), and the number of hours spent on the representation.

D. LEGAL AND OTHER MATTERS

1. Have you ever been the subject of a complaint or been investigated, disciplined, or otherwise cited for a breach of ethics for unprofessional conduct before any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

No.

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority for a violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, provide details.

No.

3. Have you ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

No.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, provide details.

No.

5. Please advise the Committee of any additional information, favorable or

unfavorable, which you feel should be considered in connection with your nomination.

I feel that the information that I have provided to the Committee is sufficient. If there is any other information that the Committee would like to receive, I will be glad to provide it.

E. TESTIFYING BEFORE CONGRESS

- 1. If you are confirmed by the Senate, are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so?**

Yes.

- 2. If you are confirmed by the Senate, are you willing to provide such information as is requested by such committees?**

Yes.

RESPONSES TO QUESTIONS FROM SENATOR ROCKEFELLER

Steel

Question: Given the importance of maintaining a strong domestic steel industry to the U.S. economy and national security, what options is the Administration considering to respond to the steel crisis?

Answer: Due to the concerns that you and others have raised, and because of the importance of the U.S. steel industry, the Administration has undertaken a comprehensive review of available options on how to address this issue, including consideration of the section 201 provision. This Administration has made clear that the vigorous enforcement of the unfair trade laws is vital to addressing the challenges currently confronting the industry. Currently, the office of Import Administration is responsible for more than 150 antidumping and countervailing duty orders, investigations and suspension agreements on steel products. If confirmed, I intend to place a high priority on effective enforcement of our laws and the expeditious handling of future cases.

Bed Linens

Question: Recognizing the primacy of U.S. law, should the Commerce Department even consider revising its approach and significantly weaken our dumping law in light of this decision [Bed Linens] against a third country? Please explain how IA intends to address such practices (as seasonal dumping) in your answer.

Answer: Absent a decision directed at an action of the U.S. Government and our antidumping laws, nothing in the WTO compels a revision of the Commerce Department's current practices. As with any decision issued by the WTO, I will, if confirmed, examine thoroughly the specifics of the case and ensure that the United States has an effective response to any challenges to our practices.

With respect to agricultural cases, and with others that may involve the circumstances you describe, U.S. law contains provisions for dealing with targeted dumping, whether it deals with certain customers, particular time periods, or specific regions. If confirmed, I will enforce these provisions fully in accordance with the law.

Maintaining Strong Trade Laws

Question: Can you assure me that our antidumping and countervailing duty laws will not be put on the table by the U.S. in any bilateral or multilateral trade negotiations? If you cannot so assure me, please explain why it is in our national interest to jeopardize one of our few remaining trade remedies to address dumped and illegally subsidized imports?

Answer: I want to assure you that I am a strong supporter of our trade remedy laws and that, if confirmed, I will oppose efforts to weaken these laws by our trading partners. I know well from my time as trade counsel to the Senate Finance

Committee the importance of the trade remedy laws for addressing foreign unfair trade practices and maintaining support for trade liberalization.

China Safeguard Provision

Question: In the event of market disruption, do you commit this administration to take strong action, pursuant to the terms of the agreement's product-specific safeguard, to limit Chinese imports as necessary to prevent such market disruption?

Answer: As you know, the China safeguard provision is administered by USTR and the U.S. International Trade Commission. However, the importance of ensuring that U.S. industries and workers are not harmed by unfairly traded goods or market-disrupting import surges as China enters the WTO is a goal shared throughout the Administration. If confirmed, I will work closely with USTR to assist with the implementation of this provision.

Critical Circumstances

Question: Can you assure me that I can count on the IA to provide domestic industries that are subjected to dumped and unfairly subsidized goods necessary relief via findings of critical circumstances where foreign producers flood the market with goods in anticipation of investigations?

Answer: I am fully committed to the strong enforcement of U.S. trade laws in accordance with Congress's intent. The critical circumstances provision is important to the effective administration of these laws and ensures that relief to the industry is not undermined by import surges prior to the preliminary determination. If confirmed, I intend to enforce this provision in accordance with the statute to ensure that the trade laws are not undercut.

