

**NOMINATION OF ALAN M. DUNN,
PETER S. WATSON, AND
ARNOLD R. TOMPKINS**

HEARING
BEFORE THE
COMMITTEE ON FINANCE
UNITED STATES SENATE
ONE HUNDRED SECOND CONGRESS
FIRST SESSION
ON THE
NOMINATION OF

ALAN M. DUNN, TO BE AN ASSISTANT SECRETARY OF COMMERCE;
PETER S. WATSON, TO BE A MEMBER OF THE U.S. INTERNATIONAL
TRADE COMMISSION; AND ARNOLD R. TOMPKINS, TO BE AN ASSIST-
ANT SECRETARY OF HEALTH AND HUMAN SERVICES

NOVEMBER 20, 1991



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NOMINATION OF ALAN M. DUNN, TO BE AN ASSISTANT SECRETARY OF COMMERCE; PETER S. WATSON, TO BE A MEMBER OF THE U.S. INTERNATIONAL TRADE COMMISSION; AND ARNOLD R. TOMPKINS, TO BE AN ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES

WEDNESDAY, NOVEMBER 20, 1991

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

The hearing was convened, pursuant to notice, at 11:20 a.m., in room SD-215, Dirksen Senate Office Building, Hon. Lloyd Bentsen (chairman of the committee) presiding.

Also present: Senators Moynihan, Baucus, Bradley, Breaux, Packwood, and Grassley.

OPENING STATEMENT OF HON. LLOYD BENTSEN, A U.S. SENATOR FROM TEXAS, CHAIRMAN, SENATE FINANCE COMMITTEE

The CHAIRMAN. We will proceed with the nomination of, first, Mr. Alan M. Dunn, to be Assistant Secretary of Commerce for Import Administration.

Mr. Dunn, if you would come forward, please.

The first nomination that the committee will consider today is that of Alan Dunn, to be Assistant Secretary of Commerce. Mr. Dunn has been nominated to one of the most visible trade policy positions. If confirmed, it will be his responsibility as Assistant Secretary for Import Administration to oversee the implementation of the antidumping and countervailing duty laws.

American business has historically turned to these laws more often than any other trade laws. Why? Because they work. If an industry can make the case that is being hurt by imports that are being dumped or subsidized, it is entitled to some relief. Not even the President has authority to overrule the factual finding and that is the way we want to keep it.

In the Uruguay Round negotiations there have been attempts to weaken those laws by many of the countries who have been guilty of dumping in this country: to gut them entirely with something like a public interest test, for example, or to undermine them through numerous small changes which when taken together

would mean that industry would no longer have an effective remedy against dumping or subsidized imports.

So far the administration, headed by your predecessor as the lead negotiator, has resisted those efforts and assured us that it will not do anything to weaken those laws. I hope to hear the same commitment from you today.

Senator Warner was here earlier and would have liked very much to have introduced you, but he had cause to be at another committee meeting and could not do so.

I turn now to my colleague, Senator Packwood.

Senator PACKWOOD. No comments, Mr. Chairman.

The CHAIRMAN. Would you proceed with your statement?

STATEMENT OF ALAN M. DUNN, TO BE AN ASSISTANT SECRETARY OF COMMERCE

Mr. DUNN. Thank you, Mr. Chairman. Mr. Chairman and members of the committee, thank you for taking the time to consider my nomination to the position of Assistant Secretary for Import Administration.

I would also like to express my appreciation to President Bush for having nominated me and to Secretary Mosbacher, under whom I have served for the past 2½ years. I am deeply honored to have been recommended by the Secretary and nominated by the President to serve in this capacity.

I want to assure the committee that Secretary Mosbacher and I are very sensitive to your concerns regarding international negotiations which may have an impact upon U.S. laws as they are currently drafted. If reported favorably by this committee, and confirmed as Assistant Secretary, I will fight to protect the sanctity of U.S. trade laws and the rights of U.S. firms to seek effective redress as the U.S. Government undertakes negotiations in fora, such as the Uruguay Round and the North American Free Trade Agreement.

I realize that the administration of the trade laws is a matter of utmost importance to all members of this committee. I want to assure you that I intend to work closely with you and with the Congress to administer fully and effectively the mandate of the Import Administration.

My predecessor, Assistant Secretary Eric Garfinkel has maintained a close and excellent working relationship with your committee, which I intend to continue if confirmed. Secretary Mosbacher and Eric Garfinkel have set a high standard as defenders of U.S. trade laws. If confirmed, I will strive to be an equally strong defender and will actively seek your input as well as a guidance of the many industries which are critically affected by the trade laws.

Again, I thank you, Mr. Chairman and members of the committee, for this opportunity. I would be happy to answer any questions that you may have.

[The prepared statement of Mr. Dunn appears in the appendix.]

The CHAIRMAN. Well, if you are confirmed, what role do you expect to play in the Uruguay Round negotiations?

Mr. DUNN. I expect that I will step right in behind Mr. Garfinkel in exactly the same role that he has been playing in those negotiations.

The CHAIRMAN. Now the USTR, Carla Hills, has told us that she will not participate in anything that weakens the antidumping laws, but we have other countries that are continuing to press for changes in them. Are there any changes that you would entertain, that you believe would not weaken those particular laws?

Mr. DUNN. As you know, Mr. Chairman, we are not a demander in the dumping negotiations and we seek to keep them as they are or to the extent possible strengthen them through greater transparency. Those are the only kind of changes that I would contemplate under the dumping laws.

Under the subsidies code we are looking at significantly enhanced disciplines and I would strongly pursue those.

The CHAIRMAN. I remember back to the negotiations with the administration on the 1988 Trade Act. The administration opposed amendments by members of this committee aimed at addressing the problem of companies circumventing our antidumping duties, either by importing parts into the United States and putting the final product together here or by going to another country and setting up separate assembly operations there, which avoids the dumping duty since it is assessed only against products coming from the home country.

So we had to scale down the anti-circumvention provision we had included in the 1988 Act, so it would not violate the GATT. But the administration committed to seeking changes in the GATT so that we could respond to this kind of circumvention. Are you going to work to bring back an agreement that does a better job at addressing those problems than the 1988 Trade Act?

Mr. DUNN. Yes, Mr. Chairman. In fact, our negotiating team has been pushing for enhanced anti-circumvention measures and I would support that.

The CHAIRMAN. I defer to my colleague.

Senator PACKWOOD. You are familiar with the 1986 Canadian Softwood Lumber Agreement?

Mr. DUNN. Yes, Senator.

Senator PACKWOOD. The Canadians in my mind unjustifiably terminated that agreement. Can I count on you to closely monitor the countervailing duty case that has been filed?

At the moment the lumber industry is quiet, but they are putting their faith in the administration to follow this countervailing duty case with all speed and with all firmness and will expect some further action from the administration, if, as I expect we will win that case. We may have to go back to what we did prior to the Memorandum of Understanding. I hope I can count on your support in that, if and when we win the case, as I expect we will.

Mr. DUNN. Absolutely, Senator Packwood.

Senator PACKWOOD. I thank the Chair.

The CHAIRMAN. Well, you are at a high point in your popularity.

Mr. DUNN. I am grateful, Mr. Chairman.

The CHAIRMAN. Thank you very much, Mr. Dunn.

Mr. DUNN. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Warner was unable to be here to speak on behalf of Mr. Dunn, but has asked that his statement be made a part of the record. And without objection, so ordered.

[The prepared statement of Senator Warner appears in the appendix.]

The CHAIRMAN. Our next nominee is Peter S. Watson, to be a Member of the U.S. International Trade Commission. If he is confirmed, Mr. Watson will serve a 9-year term as an ITC Commissioner.

He brings with him important credentials, both in government and in the private sector. He is currently serving as a special advisor to the President of the Overseas Private Investment Corporation, OPIC. He returned to OPIC, where he worked back in 1989, just last September. In between, Mr. Watson served for 2 years as Director of Asian Affairs, National Security Council, where he saw firsthand the kind of serious trade problems American firms face in selling their products in the Asian countries. We discussed some of that yesterday as we conferred.

He has also practiced international law. At OPIC, Mr. Watson has had the responsibility for evaluating certain types of risks that American firms face when they do business abroad. At the ITC he would be responsible for the flip side, analyzing the risk to American companies here at home when they must compete with unfairly traded imports.

And particularly, he will be called upon to faithfully apply our antidumping, countervailing duty, and other trade remedy laws to decide whether imports are causing injury to American producers.

I will be interested in hearing how Mr. Watson's background, which is focused more on international commercial law and dispute resolution than on trade issues, has prepared him for these critical responsibilities at the ITC.

I welcome Mr. Watson and I yield to Senator Packwood for any comments he wants to make.

Senator PACKWOOD. Mr. Chairman, I have no statement. But I ask unanimous consent that a statement by Senator Hatch be placed in the record at this time.

The CHAIRMAN. Without objection that will be done.

[The prepared statement of Senator Hatch appears in the appendix.]

The CHAIRMAN. Mr. Watson, if you would proceed.

STATEMENT OF PETER S. WATSON, TO BE A MEMBER OF THE U.S. INTERNATIONAL TRADE COMMISSION

Mr. WATSON. Thank you very much, Mr. Chairman.

Mr. Chairman, with your indulgence I would like to begin by taking the opportunity of introducing my wife, Didi, and my daughter, Melanie, age 5½.

The CHAIRMAN. Well, we are delighted to have you.

Mr. WATSON. Thank you, sir.

Mr. Chairman, it is indeed a great honor to be considered by the President and by this committee for this important position. I am greatly conscious of the crucial role played by the ITC.

Of utmost importance is the independence of the Commission as a nonpartisan factfinding body. This independence should be jealously guarded and is critical to the credibility of the institution and of the laws it administers. I want to assure this committee that if confirmed I will bring no philosophical agenda with me to the Commission, other than the commitment to administer the laws according to the letter and the spirit in which they are enacted by Congress.

If confirmed, I will pledge to you my very best efforts to administer the law fairly and objectively. Mr. Chairman, I recognize the ITC has a very special relationship with this committee, and if confirmed, I will look forward to working with you and the staffs of the committee and of its members.

Finally, Mr. Chairman, let me extend a very sincere thanks to your committee and staff for the very kind and expeditious manner for which this nominee's confirmation has been handled. I have truly enjoyed the meetings with the members and their staff and they have all treated me with great courtesy.

Thank you, sir.

[The biographical of Mr. Watson appears in the appendix.]

The CHAIRMAN. When you worked at the National Security Council you were consulting with business firms that were having a tough time opening up markets abroad and getting protection for their intellectual property rights in particular. In your view, what is the proper U.S. response when you run into that kind of a problem? In trying to eliminate such unfair trade practices, when is U.S. retaliation under the trade laws appropriate?

Mr. WATSON. Sir, during the time I was with the National Security Council, indeed, I had a number of occasions to work with American businesses which are suffering precisely the types of market access and IPR problems to which you refer. I believe that I was able to develop a very good working relationship with USTR and Commerce to assist in addressing some of those problems.

I believe very firmly in the laws of the United States, such as Section 301, and the other market access opening provisions that are established to address the type of foreign trade barriers that are set out in the USTR publication in some 38 countries that have been listed.

I believe in the aggressive enforcement of U.S. trade laws to address the wrongs that are imposed on our corporate community by those that would not conform to international trade law and practice.

The CHAIRMAN. In watching the ITC work and trying to decide whether some of our domestic businesses were injured by imports, we have seen some of those Commissioners put their own interpretation on what they think the countervailing duty laws and the antidumping laws are, and really ignore congressional intent in the process. That gives us real heartburn on this committee.

What is your perspective on the purpose of those laws and the ITC's role in applying them?

Mr. WATSON. Sir, I included with great care the reference in my opening statement that I would bring no philosophical agenda to the ITC if confirmed and that I would enforce the laws in the spirit and the manner in which they are implemented, I am very con-

scious of the reason that the ITC was established by this and the other committees and I assure this committee that I have no intention to bring new and exciting ways of interpreting and applying the laws of these statutes.

I believe in judicial restraint, Mr. Chairman. The criteria that have been established by the statute and set out in congressional intent are extremely regulated and in my view leave very little room for the subjective approach that some may have taken in the past. You will see no such approach from this nominee, if confirmed.

The CHAIRMAN. Well said, Mr. Watson. I just may end up supporting you. [Laughter.]

Senator PACKWOOD. I want to send him out immediately.

The CHAIRMAN. All right.

Senator PACKWOOD. I have no questions, but I like your attitude.

Mr. WATSON. Thank you, sir.

Thank you very much, Mr. Chairman.

The CHAIRMAN. Thank you.

Mr. Arnold Tompkins has been nominated to be an Assistant Secretary for Management and Budget in the Department of Health and Human Services.

We are pleased to have you before the committee today to consider your nomination to be the Assistant Secretary for Management and Budget of the Department of Health and Human Services.

This committee's jurisdiction includes the largest programs administered by the Department of Health and Human Services. In your new position you will be responsible for overseeing the management and budgeting of some of the most Federal programs that directly affect millions of Americans, such as Social Security, Medicare, Medicaid and AFDC. Not an easy task.

In the current fiscal environment the administration of those very large programs requires that every dollar be accounted for with little tolerance for inefficiency or error. At the same time the American people expect and deserve the highest quality of service.

We are pleased to have you here.

Senator PACKWOOD. No statement, Mr. Chairman.

The CHAIRMAN. May we hear your statement?

Mr. TOMPKINS. Yes, sir.

STATEMENT OF ARNOLD R. TOMPKINS, TO BE AN ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES

Mr. TOMPKINS. Thank you, Mr. Chairman and members of the committee. It is indeed an honor to appear before you this morning as President Bush's nominee for the position of Assistant Secretary for Management and Budget in the U.S. Department of Health and Human Services.

I have had the privilege of serving Secretary Louis Sullivan, a man for whom I have the highest regard for the past 2 years. Secretary Sullivan is a person of integrity, devoted to improving the lives of all Americans and it is both exciting and gratifying to be a member of his team. I would consider it a special honor to continue to serve him as an Assistant Secretary.

Mr. Chairman, I have a short statement, but before I make it, I would like to express my appreciation to my mother, my wife, my sister and friends who are with me today. Without their support and encouragement, humor and love, it is highly unlikely that I would be appearing before you today as a nominee.

Mr. Chairman, I arrived at the Department 6 years ago serving as a Deputy Assistant Secretary for Social Services policy. Four years later I became the Acting Assistant Secretary for Planning and Evaluation and a year later took the position as counselor to the Deputy Secretary.

It has been my good fortune to have held these various positions over the past 6 years, because they have afforded me the unique opportunity of learning about the many facets of Health and Human Services. Since arriving at the Department I have been continuously and increasingly involved in the budget, financing, management and policy processes in administering the fourth largest budget in the world.

Mr. Chairman, it is the job of the Assistant Secretary of Management and Budget to provide the highest quality advice and guidance regarding administrative and financial management to the Secretary and all HHS components. The Assistant Secretary wields significant influence and power by leveraging Department resources to support and promote the Secretary's goals of initiatives.

Essential to supporting the Secretary's priorities is an ability to successfully bring together policy, management and service functions. The Assistant Secretary accomplishes these functions by performing three interrelated management roles.

First, as the Department's manager, with policy, administrative and management authority across Health and Human Services;

Second, as the operating division manager for the Office of the Secretary, responsible for applying Department policy and procedure.

And third, as the Assistant Secretary of Management and Budget Manager, responsible for the day-to-day direction of the ASMB employees.

Mr. Chairman, serving as the Assistant Secretary for Management and Budget is a job that I would embrace with enthusiasm and vigor. I want to express my sincere thanks to you and to the other members of the committee, as well as to the staff, for the courtesy you have shown by considering my nomination at this time, giving the committee's pressing schedule.

I will end my remarks at this time and would be happy to answer any questions that you or other committee members may have concerning my candidacy.

The CHAIRMAN. Mr. Tompkins, we'll take your remarks for the record in their entirety.

[The prepared statement of Mr. Tompkins appears in the appendix.]

The CHAIRMAN. You are taking over a very major responsibility, involving an incredible amount of the taxpayers' money. What do you have in mind insofar as what can be done in the improvement of management and budgeting at HHS?

Mr. TOMPKINS. The advent of an act called the Chief Financial Officer's Act provides an opportunity, I believe, that has not been

available to the Department. It forces management of all sectors and all programs in the Department to come together, look at performance measurements, and other management tools in order to get the best value for the taxpayer's dollar.

I intend to pursue that Act. I intend to pursue the meaning of those points in the Act that call for the integration of all the parts of HHS so that we are working together and have the ability to set appropriate budget priorities.

One of the biggest problems in the Department that I have become acutely aware of is the lack of proper data and management tools from which to make appropriate decisions. I want to come in and create more and better data so that the Congress, the administration, and citizens have information from which to make the best decisions possible.

The CHAIRMAN. As the Executive Director of the Task Force in Health Care Reform, what can you tell us about the plans of the administration in proposing a comprehensive reform of the health care system?

Mr. TOMPKINS. I have been working with the Deputy Secretary, Constance Horner, until recently, and now with the Secretary specifically on the Task Force in looking at options. We have reviewed most options that have been presented to us, presented to the Congress and to the country at large.

We are now going through a process of going to the Secretary, reviewing all options that are out there, both proposed as well as other things we think would be good ideas. I think we are very, very close to coming to some conclusions.

The Secretary is personally involved in this process more so than probably ever before and I think he wants to come to some conclusions very, very quickly. So I think we are moving very rapidly.

The Secretary outlined in a speech several months ago at a Faulkner and Gray health policy form, six areas that he would like to go into. In those six areas as well as in others, we are coming to some conclusions. We are also working with OMB and OMB staff on this issue.

So I think you will hopefully see something in the near future from the administration on this issue.

The CHAIRMAN. I should hope so. I must say that some of us have introduced legislation to try to take care of some of the more egregious things affecting the employees and the employers of small business.

Mr. TOMPKINS. Yes, sir.

The CHAIRMAN. Job loss, portability, carving out one person and taking the rest, incredible jumps in premiums, great variance between small businesses, depending on the industry they are in, double the premium if they have a lot of young women as compared to a lot of young men because of the costs of pregnancy.

But that is just taking care of some of the more difficult problems. There is a real concern out there about having accessibility and affordability of health care and that is diminishing.

I was dedicating a Texas children's hospital down in Houston the other day—\$146 million addition to the hospital. The largest pediatric hospital in the United States. Incredible skilled medical help available there. But last year there was \$43 million worth of un-

compensated care in that one hospital. They cannot do that without raising the fees on all the rest of the patients. And that really escalates costs.

Looking at health insurance premiums that increased last year 24 percent, and are estimated to do it again, I think it is reaching crisis proportions. I listen to Dick Darman say it is now 12.7 percent of our GNP going to 17 percent, if we continue on this path, by the end of this decade, and that that is unsustainable and I agree with him.

Senator PACKWOOD. As a matter of fact, if you recall, the CBO Director said 20 percent in his judgment by the end of the decade.

The CHAIRMAN. Yes.

If we are going to bring about major health care changes, a reform of the system is necessary. Everybody knows it has to be done but when you finally get down to the solution, it begins to come apart. I do not see how we can do it without the President involved in the process. I am very hopeful he will get involved, because I think it is something that has to be addressed, not just politically, but for the good of the country.

Senator Packwood?

Senator PACKWOOD. I echo the Chairman. Although it seems to me the problems are really only twofold. One is coverage and the other is cost. The coverage, if you want can be relatively easily done.

President Nixon suggested a way 20 years ago with the comprehensive health insurance plan. That does not solve your cost problem, but it solves your coverage problem. I think in retrospect the old Nixon plan had a lot of merit to it. I would hope the administration would consider it.

Thank you, Mr. Chairman.

Mr. TOMPKINS. Thank you, sir.

[Whereupon, the hearing was adjourned.]



APPENDIX

ADDITIONAL MATERIAL SUBMITTED

PREPARED STATEMENT OF ALAN M. DUNN

Mr. Chairman and Members of the Committee, thank you for taking the time to consider my nomination to the position of Assistant Secretary for Import Administration in the International Trade Administration. I would also like to express my appreciation to President Bush for having nominated me and to Secretary Mosbacher, under whom I have served for the past two and one-half years. I am deeply honored to have been recommended by the Secretary and nominated by the President to serve in this capacity.

I want to assure the Committee that Secretary Mosbacher and I are very sensitive to your concerns regarding international negotiations which may have an impact upon U.S. laws as they are currently drafted. If reported favorably by this Committee and confirmed as Assistant Secretary, I will fight to protect the sanctity of U.S. trade laws and the rights of U.S. firms to seek effective redress as the U.S. Government undertakes negotiations in fora such as the Uruguay Round of the GATT or the North American Free Trade Agreement.

I realize that the administration of the trade laws is a matter of utmost importance to all Members of this Committee and I want to assure you that I intend to work closely with you and with Congress to administer fully and effectively the mandate of the Import Administration. My predecessor, Assistant Secretary Eric Garfinkel, has maintained a close and excellent working relationship with your Committee which I intend to continue, if confirmed. Eric Garfinkel and Secretary Mosbacher have set a high standard as defenders of U.S. trade laws. If confirmed, I will strive to be an equally strong defender and will actively seek your input, as well as the guidance of the many industries which are critically affected by the trade laws.

Again, I thank you Mr. Chairman and the Members of the Committee for this opportunity. I am happy to answer any questions you may have.
Attachment.

RESPONSES OF ALAN M. DUNN TO INFORMATION REQUESTED BY SENATE
FINANCE COMMITTEE REGARDING NOMINATION FOR ASSISTANT SECRETARY OF
COMMERCE IMPORT ADMINISTRATION

A. BIOGRAPHICAL

1. Alan Michael Dunn
2. 2707 North Nelson St.
Arlington, Virginia 22207
3. Born: New Haven Connecticut, Feb. 16, 1953
4. Marital Status: Married on September 14, 1991 to Debra Ann Romash.
5. No children
6. Education (reverse chronological order):

UNIVERSITY OF VIRGINIA SCHOOL OF LAW

J.D., 1980

Managing Board Editor, Virginia Journal of
International Law

Vice President, John Bassett Moore Society of
International Law

INTERNATIONAL COURT OF JUSTICE

Certificate of Studies, 1979

Academie de Droit Internationale

Den Hague, The Netherlands

Scholarship student, graduate studies in private
international law

GEORGE MASON UNIVERSITY

B.S. with Distinction 1975

Major: Finance

WASHINGTON & LEE UNIVERSITY

Undergraduate studies 1971 - 1973

Major: Physics

7. Employment (reverse chronological order):

DEPUTY ASSISTANT SECRETARY OF COMMERCE FOR SCIENCE AND
ELECTRONICS

Responsible for programs and strategies of the
International Trade Administration to improve the
domestic and international competitiveness of U.S. high
technology industries, and to improve their access to
foreign markets. Supervises a staff of 55 which
formulates trade policy, performs research and analyses,
and promotes U.S. industry participation in international
trade events. (1990 - Present)

DEPUTY ASSISTANT SECRETARY OF COMMERCE FOR BASIC INDUSTRIES

Managed programs and supervised analytical staff of 65
persons conducting research and publishing studies
regarding the competitiveness of a wide range of U.S.
industries including metals, minerals, energy, chemicals,
pharmaceuticals, forest products and agricultural
commodities. (1989 - 1990)

O'CONNOR & HANNAN, ATTORNEYS AT LAW

Contract litigation of international shipping and maritime issues, and administrative matters before the U.S. Courts of Appeals for the D.C. and Federal Circuits, U.S. District Court, U.S. Claims Court, Federal Maritime Commission, an Maritime Administration. (1987 - 1989; Washington, D.C.)

TEMPS & CO.

General Counsel of a temporary office personnel service. Oversaw and conducted litigation; drafted and negotiated employment, severance, bid proposal, real estate, investment, insurance and other contracts; ensured compliance with local, state and federal laws; developed compliance programs for immigration, EEO, and U.S. government security contracts. (1985 - 1987; Washington, D.C.)

U.S. CONSUMER PRODUCT SAFETY COMMISSION

Executive Assistant and Chief of Staff to the Chairman with management responsibilities for approximately 600 career staff and appointees; directed formulation and presentation of policy, administrative decisions and political issues to the Chairman, officials of the Executive Office of the President, and Congress. (1984 - 1985)

COLLIER, SHANNON, RILL & SCOTT, ATTORNEYS AT LAW

International trade practice in administrative and court proceedings under antidumping, countervailing duty, escape clause, national security clause, generalized system of preferences, export control, balance of payments clause, foreign assets control, and section 337 provisions of U.S. trade laws. Prepared and managed cases before the Departments of Commerce, Treasury, and Labor, U.S. Trade Representative, International Trade Commission, Court of International Trade, and Congress. Drafted and presented speeches and testimony before Congress, and business organizations. (1980 - 1984; Washington, D.C.)

U.S. DEPARTMENT OF STATE FOREIGN SERVICE SPECIAL AGENT

Organized logistics and security operations for the Middle East peace conferees and the U.S. Ambassador to Egypt while stationed at the U.S. Embassy, Cairo; Managed travel and security of visiting foreign dignitaries within the U.S.; Senior watch officer in 24-hour operations/crisis center. (1975 - 1980)

8. Government Experience:**PRESIDENT'S PRIVATE SECTOR SURVEY ON COST CONTROL**

("GRACE COMMISSION") General Counsel to the Federal Construction Management Task Force; Drafted opinion letters and legal interpretations for more than fifty statutes addressed in Task Force report. (1982 - 1983)

(See also: Employment, above)

9. Memberships:

BAR MEMBERSHIPS

District of Columbia Court of Appeals (1980); District of Columbia Superior Court (1980); Supreme Court of Virginia (1987); U.S. Court of Appeals for the District of Columbia Circuit (1981); U.S. District Court for the District of Columbia (1981); U.S. Court of Appeals for the Federal Circuit (1983); U.S. Court of International Trade (1981).

ASSOCIATIONS

American Bar Association, International Law Section; D.C. Bar Association; Virginia Bar Association; Washington International Trade Association; South River Sailing Association; Chesapeake Bay Yacht Racing Association; U.S. Yacht Racing Union.

10. Political affiliations and activities:

REPUBLICAN PARTY OF VIRGINIA, Member

GEORGE BUSH FOR PRESIDENT & BUSH-QUAYLE '88

International Trade Issues Advisor and Co-Chairman, International Economics Issues Group, Research Directorate; Surrogate speaker on international trade and economic issues; Draft and review platform proposals; Voter turn-out efforts Republican primaries. (1987 - 1988)

REAGAN-BUSH '84

Assistant, Political Division; Deputy Director of Inter-governmental Relations, Inaugural Committee. (1984 - 1985)

11. Honors and Awards:

Eagle Scout; President Science Honor Society, Vice President National Honor Society; Vice President Math Honor Society; ROTC academic scholarship to college; Vice President John Basset Moore Society of International Law; Managing Board Editor of Virginia Journal of International Law; American Society of International Law Fellowship to study international law at the Academie de Droit Internationale in the International Court of Justice, Den Hague, The Netherlands; Outstanding Young Men in America; Who's Who of U.S. Attorneys.

12. Publications:

International Terrorism: Targets, Responses and the Role of Law, John Bassett Moore Society, 1980.

Due Process Under Grand Bahama Petroleum Co., Ltd. v. Canadian Transportation Agencies, Ltd., 18 V.J. Int'l L. 829, 1978.

PREPARED STATEMENT OF SENATOR ORRIN G. HATCH

Mr. Chairman, I wish to express to the members of the Committee how please I am with the nomination of Peter Watson. All of the members of the Committee are aware of Mr. Watson's credentials, and I will not take the committee's time by restating facts about his background and experience, which include a number of years at both the Overseas Private Investment Corporation and the National Security Council. Rather, I would like to comment briefly regarding my personal association with Peter Watson.

I had the opportunity to work closely with Mr. Watson while he was employed at the National Security Council, and I am very impressed with his professional and personal integrity. Mr. Watson has the ability to get things done effectively and efficiently without political persuasion, and I am completely confident in his capacity to utilize his experience in international law and business to execute his responsibilities at the International Trade Commission. Mr. Watson is a very fine individual with the utmost of ability and intelligence, and I have absolutely no reservations about strongly recommending him as a member of the International Trade Commission. Than you, Mr. Chairman.

PREPARED STATEMENT OF ARNOLD R. TOMPKINS

Mr. Chairman and members of the committee, it is indeed an honor to appear before you this afternoon as President Bush's nominee for the position of Assistant Secretary for Management and Budget in the U.S. Department of Health and Human Services. I have had the privilege of serving Secretary Louis Sullivan, a man for whom I have the highest regard, for the past 2 years. Secretary Sullivan is a person of integrity, devoted to improving the lives of all Americans, and it is both exciting and gratifying to be a member of his team. I would consider it a special honor to continue to serve him as an assistant secretary.

Mr. Chairman, I have a short statement, but before I make it, I would like to express my appreciation to my mother, my wife, my sister and my friends, who are with me today. Without their support, encouragement, humor and love, it is highly unlikely that I would be appearing before you today as a nominee.

Mr. Chairman, I arrived at the Department 6 years ago, serving as a Deputy Assistant Secretary for Social Services Policy. Four years later, I became the acting Assistant Secretary for Planning and Evaluation, and a year later, took the position as Counselor to the Deputy Secretary. It has been my very good fortune to have held these various positions over the past 6 years, because they have afforded me the unique opportunity of learning about the many facets of Health and Human Services. Essentially since arriving at the Department, I have been continuously and increasingly involved in the budget, financing, management and policy processes in administering the fourth largest budget in the world.

Mr. Chairman, it is the job of the assistant secretary of management and budget to provide the highest quality advice and guidance regarding administrative and financial management to the Secretary and all HHS components. The assistant secretary wields significant influence and power by leveraging Department resources to support and promote the Secretary's goals and initiatives. Essential to supporting the Secretary's priorities is an ability to successfully bring together policy, management and service functions. The assistant secretary accomplishes these functions by performing three interrelated management roles:

First, as the department manager, with policy, administrative and management authority across Health and Human Services;

Second, as the operating division manager for the Office of the Secretary, responsible for applying department policy and procedure; and

Third, as the ASMB manager, responsible for the day-to-day direction of the ASMB employees.

Mr. Chairman, serving as the Assistant Secretary for Management and Budget is a job I would embrace with enthusiasm and vigor. I want to express my sincere thanks to you and to the other members of the committee as well as to the staff, for the courtesy you have shown by considering my nomination at this time, given the committee's pressing schedule. I will end my remarks at this time, and would be happy to answer any questions that you or other committee members may have concerning my candidacy.

ARNOLD R. TOMPKINS
 5503 SAN JUAN DRIVE
 CLINTON, MARYLAND 20735
 (301) 856-1192
 (202) 245-6347

PROFESSIONAL EXPERIENCE

**Counselor to the Deputy Secretary
 U.S. Department of Health and Human Services
 Washington, D.C.
 June 1989 to Present**

Responsible for providing formal and informal advice and opinions to the Deputy Secretary for the Department of Health and Human Services relating to major new policy directions, and innovative programs not clearly delineated by statutory authority; representing the Deputy Secretary in discussions involving Department programs, operations and initiatives with staff members in the Executive Office of the President, White House staff, Domestic Policy Staff, the Office of Management and Budget, and Members of Congress.

Executive Director of the Secretary's Task Force on Health Care Reform. Responsible for directing the development of basic principles and proposals for short-term action and long-term reforms that can become the framework for the Bush Administration's health care policy agenda. Also, responsible for directing the preparation of the Department's responses to proposals developed by various health related organizations.

Executive Director of the Department Policy Council. The Policy Council is headed by the Deputy Secretary, and Senior Departmental Staff serve as members. The Council reviews the policy environment concerning Departmental programs and policies, and formulates recommendations for strategic goals and policies to be pursued and further major issues and/or initiatives to be addressed. Policies reviewed range from welfare reform to Medicaid/Medicare issues to Social Security issues.

**Acting Assistant Secretary for Planning and Evaluation (ASPE)
 U.S. Department of Health and Human Services
 Washington, D.C.
 April 1989 to February 1990**

Served as the principal advisor to the Secretary on policy development, program analysis, and economic policy. Responsible for the major decisions and support activities that encompassed legislative development, planning, policy analysis and research and evaluation oversight. Responsible for a \$10 million research and evaluation budget, and eighty-five policy analyst and support staff.

- Directed a task force on medical malpractice reform. Submitted reform options to the Secretary for his review and submission to the White House Domestic Policy Council.
- Played a key role in developing the agenda issues for the Department's Policy Council.
- Coordinated the process in developing the Secretary's priorities and initiatives.

- Co-directed a committee to provide oversight of the operation of Organ Procurement Transplantation Network. The Department has oversight responsibilities for this network, but had not used its responsibility adequately in the past. The committee provided the needed oversight.

Deputy Assistant Secretary for Social Services Policy
U.S. Department of Health and Human Services
 Washington, D.C.
 April 1985 to April 1989

Directed an office of 15 policy analysts with a research and evaluation budget of \$1.6 million. Responsible for directing policy development -- including policy planning, policy and budget analysis, review of regulations and formulation of legislation -- and for the conduct and coordination of research and evaluation on issues relating to social services, child welfare, developmentally disabled, aging, Native American and human development programs; deinstitutionalization and long-term care; and volunteerism and private sector initiatives.

- Directed the Working Group on Improving Public Policies and Programs affecting Persons with Mental Retardation and Other Developmental Disabilities. The Working Group presented the Secretary with a report and recommendations.
- Received an award for assistance provided to the Secretary's Catastrophic Illness Task Force. My office was principally responsible for the long-term care chapter in the Secretary's report.
- Directed staff in the production of several conferences on various issues.
 - National Invitational Conference on Home Care Quality: Issues & Accountability
 - National Invitational Conference on Long Term Care Data Bases
 - National Conference on Male Responsibility and Welfare Reform
- Provided assistance to the President's Low-Income Policy Task Force that created the President's Welfare Reform proposal.
- Presented findings from a research project, entitled "Long-Term Care Provided within the Framework of Health Care Schemes," at the International Social Security Association Conference held in Brussels, Belgium.
- Received an award for participation on the Secretary's Work Group on Pediatric HIV Infection and Disease.

Special Assistant
Department of the Interior, Bureau of Reclamation
 Washington, D.C.
 November 1984 to April 1985

Assisted the Director of the Bureau of Reclamation in seeking legislative changes to streamline the decision-making process for dams and waterway projects, and to cut administrative and program costs.

Senior Policy Analyst
Reagan-Bush '84' Committee, Issues & Research Division
 Washington, D.C.
 January 1984 to November 1984

Established the opposition research operation for the presidential campaign, and assisted in the development of campaign themes for domestic, economic, defense, and foreign policy issues.

Associate
Mark A. Siegal & Associates
 Washington, D.C.
 January 1981 to January 1984

Attention directed to establishing personal and professional relationships with key legislative, governmental and business leaders in Washington, D.C., and around the nation on behalf of corporate clients. Served as liaison with legislators and decision-makers of the Federal government, tracked legislation of particular interest to clients, and monitored implementation by government regulation and action.

- Assisted in negotiating a settlement between the Department of Housing and Urban Development and the City of New Britain, Connecticut.
- Drafted an analysis of the Tax Equity and Fiscal Reform Act for the Business Week Council of 100.
- Coordinated lobbying efforts on behalf of a gasoline blending company, and represented company before the Environmental Protection Agency.
- Served as liaison between a Minnesota barge company and other lobbying organizations in the successful bid to halt user fee proposals.

Self-Employed
 Washington, D.C.
 September 1980 to January 1981

Assisted minority and other businesses in obtaining funding for expansion, and in obtaining government and private sector contracts. Completed opposition research projects for the National Republican Senatorial Committee for Republican candidates and incumbents up for reelection. Conducted research projects on local issues for various interest groups.

Director of Political Research
John Connally for President Committee and Senator John Tower's
Reelection Campaign
 Washington, D.C.
 Austin, Texas
 November of 1977 to January 1980

Advised candidates on issues and the effect of their positions on various organizations and regions of the country. Additional responsibilities included opposition research on other presidential contenders, analysis of poll data, national and state issue research, liaison with minority communities, special interest group research and ethnic group research. Directed a staff of research assistants.

- Established issues clusters consisting of renowned experts in the various issue clusters. Each cluster presented white papers to the Presidential candidate.
- Established a research operation for special interest and ethnic groups.

Director of Research
 Republican National Committee
 Washington, D.C.
 December 1975 to November 1977

Developed research materials on opponent for the White House and the presidential campaign committees. Responsible for support research on opponents and issues for Congressional and Senatorial campaigns, and developed briefing materials for the Vice-Presidential debate.

EDUCATION

Howard University Law School
 Washington, D.C.
 Juris Doctor degree/1975

Bowdoin College
 Brunswick, Maine
 Graduated with Honors/1972

PREPARED STATEMENT OF SENATOR JOHN WARNER

Mr. Chairman and members of the Committee, I am pleased to introduce Alan M. Dunn, who has been nominated to the position of Assistant Secretary for Import Administration in the International Trade Administration.

Mr. Dunn's background is both varied and extensive. He not only has an impressive academic background, but has law firm experience and has been very active in Republican party activities. Moreover, he has written numerous articles and publications on trade issues.

Mr. Dunn is no stranger to trade law, nor to the Department of Commerce. He was appointed Deputy Assistant Secretary of Commerce in 1989, where he dealt in the area of basic industries. After serving in that capacity for over a year, he was transferred to the Science and Electronics Sector in 1990. That sector has broad responsibility for assessing and maintaining the competitiveness of high technology U.S. industries such as computer hardware and software, scientific instrumentation and telecommunications. His organization assists such industries to remain competitive and expand their markets by trade promotion and lowering foreign barriers to trade.

Mr. Dunn's intense interest in trade policy and his strong belief that America's trade policies are a cornerstone to our Country's economic and political security make him a wise choice for the position of Assistant Secretary for Import Administration in the ITA. Thank you, Mr. Chairman, and members of the Committee, for the opportunity to introduce Mr. Dunn to you.

Senate Finance Committee Questionnaire

A. BIOGRAPHICAL:

1. **Name:**
Peter S. Watson
2. **Address:**
4722 Tilden St., N.W., Washington, D.C. 20016
3. **Date and place of birth**
2/28/53; Auckland, New Zealand
4. **Marital Status:**
Married. Wife's maiden name: Diane Frings
5. **Names and ages of children:**
Melanie, aged 5; Timothy, aged 3.
6. **Education:**
Auckland University, 2/71-11/75. Received LL.B. 5/7/76
McGill University, Institute of Comparative Law, 10/76-11/77. Received LL.M. 6/6/85
West Coast University, 8/85-8/87. Received MIBA. (Masters in International Business Administration), 1/30/88*
7. **Employment record:**
 - (a) Special Advisor, Office of the President, Overseas Private Investment Corporation, Washington, D.C., 9/91-present
 - (b) Director of Asian Affairs, National Security Council, Washington, D.C. 9/89-9/91
 - (c) Special Advisor, Office of the President, Overseas Private Investment Corporation, Washington, D.C., 1/89-9/89
 - (d) Counsel in the Office of the Transition Counsel & Administrative Officer, Office of the President-Elect, Washington, D.C. 11/88-1/89
 - (e) Special Counsel, Coudert Brothers, Los Angeles & Washington, D.C., 11/86-11/88
 - (f) Associate Professor (Adjunct Faculty), West Coast University, College of Business & Management, (In International Business Law), Los Angeles, Ca., 9/86-5/87*
 - (g) Partner & Associate, Lawler Felix & Hall, Los Angeles, Ca., 1/82-11/86
 - (h) Associate Professor (Adjunct Faculty), Southwestern School of Law (In International Trade & Investment), 9/83-5/84*
 - (i) Associate, Hahn Cazier Hoegh & Leff, Los Angeles, Ca., 11/77-12/81
 - (j) Intern, McDonnell Douglas Finance Corporation, Long Beach, Ca., 1/76-10/76
8. **Government experience:**
Positions involving working with government are set out in paras. 7 (a), (b), (c) & (d) above.
9. **Memberships:**
State Bar of California, member, 1979-present; Founder & Chairman, Committee on International Practice, 1986-87. (Principal Founder, Section on International Law, 1987)
Los Angeles County Bar Assn., member, 1979-87; Chairman, Section on International Law, 1985-86
American Bar Assn., member, Section on International Law & Practice, 1982-present; Chairman, Ad Hoc Committee on S. Pacific Law, 1984-5

American Arbitration Assn., member, International Arbitrator Panel, 1985-91

The Center for International Commercial Arbitration (Los Angeles), co-founder & Member, Board of Trustees, 1986-9

U.C.L.A. Pacific Basin Law Journal, member, Board of Advisors, 1983-present

U.S./N.Z. Council, member, Board of Directors, 1986-88

Foundation for the Peoples of the S. Pacific, member, Board of Directors, 1984-7

N.Z./American Connection (Chamber of Commerce), member, 1979-87; Chairman, 1984-6

Jonathon Club, member, 1982-

Pacific Islands Assn., Co-Chair, 1982-86

American Society of International Law, member, 1989, 1991-

National Trust for Historic Preservation, 1991-

10. Political affiliations and activities:

Pete Wilson for Senate, 1982, surrogate speaker; Ed Zschau for Senate, contrib.- \$500, 10/16/86; The Fund for America's Future, Inc., contrib.- \$5000, 2/10/86; George Bush for Pres. Inc., contrib.- \$750, 7/11/86; Fund For America's Future, Inc. contrib.- \$5000, 9/29/87; R.N.C., contrib.- \$500, 10/26/88; Committee to Re-elect Cong. Lagomarsino, contrib. - \$750, 6/30/88; George Bush for President., Inc. Compliance, contrib. - \$1000, 3/15/88; R.N.C., contrib.- \$1000, 6/30/88; member, Calif. Republ. Party, 1980 - (w/ small annual contribs. - no more than \$250 per annum; member, National Party (N.Z.) '86-87; George Bush for Pres. member, Natl. Finance Comm.; member, Pacific Basin Advisory Comm.

11. Honors and Awards:

Awarded Spencer Mason Memorial Prize in International Law, 12/18/75, by Auckland University

Awarded Graduate Faculty Research Fellowship, 5/02/77, by McGill University School of Law

Award from the State Bar of California, Business Law Section, 9/21/87

Certificate of Appreciation from the U.S. Small Business Administration, 1/21/89

Awarded Special Act Award, 12/10/91, by O.P.I.C.

Awarded Doctorate in Humane Letters (Honoris Causa), 4/1/91 by Board of Governors, West Coast University

Award from the Families of Vietnamese Political Prisoners Assn., 7/27/91

12. Published professional writings:

International Lawyer, Review, "International Trade, Law and Practice," Vol. 18, No. 2, 492 (1984)

"International Business Law", Los Angeles Daily Journal, Column; 9/84-12/88.

California Export Scene, "Hague Convention on the International Sale of Goods," Vol III, No. 1, 3 (1985); "U.S. Reacts Against Foreign Trade Restrictions," Vol. III, Nov. 4 (1985).