

NOMINATION OF DEANNA T. OKUN

HEARING
BEFORE THE
COMMITTEE ON FINANCE
UNITED STATES SENATE
ONE HUNDRED SIXTH CONGRESS
FIRST SESSION
ON THE
NOMINATION OF
DEANNA T. OKUN, TO BE COMMISSIONER OF THE
U.S. INTERNATIONAL TRADE COMMISSION

NOVEMBER 16, 1999



Printed for the use of the Committee on Finance

U.S. GOVERNMENT PRINTING OFFICE

62-594—CC

WASHINGTON : 1999

For sale by the U.S. Government Printing Office
Superintendent of Documents, Congressional Sales Office, Washington, DC 20402
ISBN 0-16-060233-5

5361-9

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**NOMINATION OF DEANNA T. OKUN, TO BE
COMMISSIONER OF THE U.S. INTER-
NATIONAL TRADE COMMISSION**

TUESDAY, NOVEMBER 16, 1999

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

The hearing was convened, pursuant to notice, at 10:07 a.m., in room 215, Dirksen Building, Hon. William V. Roth, Jr. (chairman of the committee) presiding.

Also present: Senators Nickles, Moynihan, Baucus, and Graham.

**OPENING STATEMENT OF HON. WILLIAM V. ROTH, JR., A U.S.
SENATOR FROM DELAWARE, CHAIRMAN, COMMITTEE ON FI-
NANCE**

The CHAIRMAN. The meeting will please be in order.

I am very pleased and delighted to bring before this committee the nominee for the International Trade Commission, Deanna Okun.

Before we turn to the nomination, however, I would just like to quickly comment on the accession agreement reached with China. It has been described as substantially similar to the one negotiated on April 8th of this year in providing significant marketing opening and tariff lowering in China. I hope that is the case.

I would like to hold a hearing on the agreement before Congress adjourns so that the administration has the opportunity to present the accord to the Congress and the American people as soon as possible.

Returning now to the nomination before us, let me say that since I have been Chairman I have tried to move the ITC back to its original purpose in advising the Congress on trade, in addition to the Commission's responsibility in administering the trade laws. I think we have seen movement in that direction and I would like to see it continue.

I think the nominee we have before us is supremely qualified to achieve that goal at the ITC. Deanna Okun has worked in the trenches of international trade for 10 years, including 6 distinguished years of service with our colleague here on the committee, Senator Murkowski.

I might note that, unfortunately, the Senator was unable to return from Alaska on short notice, but I am sure he understands

why I felt this nomination was important to move as quickly as possible.

Ms. Okun has worked on litigation in the private sector on the countervailing duty laws and antidumping cases. In her time as Congressional staff, she worked on the major trade legislation that the Senate has considered this decade, including NAFTA, the Uruguay Round, and trade negotiating authority.

She has the support of a wide range of business and industries, as well as Senators. In short, Ms. Okun embodies what I consider to be the highest qualifications for Commissioner of the ITC, and I hope that my colleagues will agree.

As I mentioned, Senator Murkowski, unfortunately, could not be here. But I do have a statement which he has asked me to read into the record:

"Mr. Chairman, in the 19 years since the people of Alaska elected me to represent them in the Senate, there have been very few days that I would prefer to be in Washington than in my home State of Alaska. This is one of those unique days.

"I am deeply disappointed that I cannot have the honor of introducing Deanna Tanner Okun to the committee today. Several weeks ago, I scheduled several meetings in Alaska and I have been unable to switch my airline and meeting schedule to return to Washington today.

"However, I greatly appreciate what you and Senator Moynihan have done to expedite this confirmation hearing on such short notice. It has been barely 6 days since the White House nominated Deanna, and with the Congressional Senate session about to end, your willingness to hold this confirmation hearing so quickly, I hope, will ensure a quick Senate confirmation of Deanna.

"Mr. Chairman, I have been privileged to have worked with Deanna for more than 5 years. I cannot imagine anyone who is more qualified to become a Commissioner on the International Trade Commission. Not only is Deanna remarkably bright"—she has a very bright daughter, too. [Laughter.] Do not have her leave, that is fine.

Senator MOYNIHAN. She does not have to leave. The rules of this committee allow young ladies to speak. [Laughter.]

The CHAIRMAN. First.

"But not only is Deanna remarkably bright, she is one of the most thorough and conscientious individuals I have ever met. She is fully versed in all aspects of international trade matters and an expert on U.S. foreign policy issues.

"No one can doubt her intellectual and professional capacity to serve as a Commissioner, but I want to tell you a little about Deanna, the person. She is a remarkably affable and charming individual who, no matter what the pressure, whether negotiating in a mark-up of a trade bill or working under the time constraints of a hearing on spying at U.S. weapons laboratories, Deanna never loses her professionalism. She always gets the job done.

"In the years that she has worked on my staff, she has had to deal with some of the most difficult and tough staffers, leadership, and on many committees. I know that every single one of those staff people have universal respect and admiration for the work

Deanna does and the charm she brings to the job. That is a singular feat that few other Senate staffers can claim.

"Finally, Mr. Chairman, I would move that, 3 years ago, Deanna changed her work schedule from 5 days a week to 4 days a week. She did this because she wanted to spend more time raising her two beautiful daughters Kelsey and Rachel.

"I can unhesitatingly tell you that, in these 4 days at work, she produces what other staffers could only produce in 5 days. She is truly remarkable as a mother and as a professional staffer. She is a stellar person. I know that her husband Bob and her parents take great pride in this nomination.

"It is difficult to lose Deanna after all these years. I will miss her. But I know the world trade community will greatly benefit from her appointment to the Commission. I thank you, Mr. Chairman, Senator Moynihan, for expediting this hearing."

With those very kind and able remarks, it is my pleasure to call on Senator Moynihan.

Senator MOYNIHAN. I would have nothing to add to those. In any event, we have the Deputy Majority Leader with us; perhaps he would like to speak.

OPENING STATEMENT OF HON. DON NICKLES, A U.S. SENATOR FROM OKLAHOMA

Senator NICKLES. Mr. Chairman, Senator Moynihan, I want to thank both of you for having this hearing to quickly, and state that it is certainly my intention to try to help accommodate floor action as well before we adjourn.

I want to compliment the President for this selection. I think Deanna Okun will do an outstanding job on the International Trade Commission. I think it is a very positive move.

I have had the pleasure of knowing her, working with her, with Senator Murkowski, for the last several years on trade issues, other issues before the Energy Committee and before the Senate as a whole. I think she is extremely well-qualified and will make an outstanding asset to the Commission, and, frankly, for our country as well.

Mr. Chairman, while I am at it, I want to compliment the President and the negotiators in concluding the WTO arrangement with China. I have criticized the administration in times past for not moving quickly enough or not tying up the accord earlier this year.

I do not know all the details, so maybe I should reserve some judgment until I find out the facts. I am sure we will be having hearings on that. But I think, from what I have read, it looks very positive. Again, I want to compliment the administration. I think that can be a good move, both for China and for the United States.

But the purpose of the hearing is confirmation of Deanna Okun, and I strongly endorse her confirmation and hope that this committee and the Senate will move very quickly.

Senator MOYNIHAN. Mr. Chairman, could I ask, does the Senator from Oklahoma really want to stand by that proposition that he would like to withhold judgment until he learned the facts? [Laughter.]

Senator NICKLES. Maybe just a few more of the facts, not necessarily all the facts. Just a few more.

Senator MOYNIHAN. I see. Because we would not get much done around here.

Senator NICKLES. That is true.

The CHAIRMAN. An unusual request.

Senator MOYNIHAN. Yes.

The CHAIRMAN. The Senator from Florida, Senator Graham.

OPENING STATEMENT OF HON. BOB GRAHAM, A U.S. SENATOR FROM FLORIDA

Senator GRAHAM. Thank you, Mr. Chairman. I also wish to thank you and Senator Moynihan for expediting this hearing. I do not know Ms. Okun very well, but I have been impressed with the resume and with the comments that have been made.

I will raise a personal concern which I have raised over the past two or 3 years, and that is the fact that, in the last several years, there has been no one on the International Trade Commission with a background in agriculture or agricultural economics, or the other subject areas that would make them particularly expert in dealing with the rather substantial number of cases that come before the ITC that involve agriculture.

I am particularly concerned about this because my State happens to generate a lot of those, and I am not quite certain why the grapefruit and the orange are in front of the empty chair, but they help underscore and make the point.

So I am going to be asking a few questions about agriculture issues, both to elicit responses, but also as much to underscore the fact that, in your new position, you're going to be faced with a set of questions that are very important to that significant part of our American trade economy: agriculture.

Let me say, while we are also handing out compliments, I want to commend the members of the Senate and the House of Representatives who appear to be working diligently to try to get the trade bill, which the House has passed as an Africa-only bill, and the Senate passed as an Africa, Caribbean, GSP, and a reauthorization of the trade benefits to dislocated workers provisions completed before this session of the 106th Congress adjourns.

I would only urge them to continue their efforts, and hope that we can come to a successful resolution of this in the next few days.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Graham.

Let me, again, welcome you. I know you have some very distinguished members of your family here. I thought you might like to introduce them.

Ms. OKUN. Thank you, Mr. Chairman. I would like to introduce my husband, Bob Okun, who has joined me today.

The CHAIRMAN. It is a pleasure to have you here.

Ms. OKUN. And my daughter, Rachel, who is four years old, this one, and my other daughter Kelsey, who was here and should return, who is with our wonderful care giver, Lu Palisoke, who has been with us since our first child was born and we are greatly appreciative to have her here with us as well today.

The CHAIRMAN. Well, it is a pleasure to welcome your entire family. They are, indeed, a handsome group.

I will now ask you to rise so I can swear you in.

[Whereupon, Ms. Okun was duly sworn.]

The CHAIRMAN. Please be seated.

We would ask you to proceed with your opening statement. As you know, we would ask you to limit it to 5 minutes, with the full statement being included in the record.

STATEMENT OF DEANNA T. OKUN, NOMINATED FOR COMMISSIONER OF THE U.S. INTERNATIONAL TRADE COMMISSION

Ms. OKUN. Thank you, Mr. Chairman. I do have a statement for the record and I will summarize.

First, I want to thank you, Mr. Chairman, Senator Moynihan, for scheduling this hearing so quickly after my nomination. I know that setting up a hearing at short notice put great strain on your already exhausted staff and on you, as you continue the arduous negotiations on the tax extenders and BBA. I greatly appreciate the efforts of all of you and your staff.

Let me also thank my boss, and your Finance Committee colleague, Senator Murkowski. Although he tried mightily to return from Alaska, the airports and the airlines did not cooperate. But I appreciate his statement of support and, more importantly, I appreciate the opportunity and support he has given me over the last six and a half years.

I want to begin by saying what a great honor it is for me to have been nominated by the President, with your strong support, for this position. I come from a small rural town in Idaho, where Washington is viewed with some disdain. But I think my friends, my family, and my community have been very supportive of my decision to pursue public service.

If confirmed, I will take the values and lessons I learned from growing up with hard-working, honest farmers, ranchers, and small businessmen, along with a deep appreciation for the legislative process that I have learned in my 7 years here, to my new position, and I hope to positively affect the trade agenda.

I know how important the fair and impartial application of the trade laws are to each member of this committee because you know and I know that American manufacturers, farmers, workers, and service providers deserve fair treatment.

The ITC was created as an independent fact finding body to administer the laws as written and as Congress intended. I want to assure you that, if confirmed, I will administer the laws objectively, fairly, and vigorously and I will not substitute any policy bias in place of Congress intent.

I am also very mindful of the trade advisory role that the ITC is expected to play. This role is even more crucial now as this committee seeks to reconnect our trade policy to the American people as we enter the new millennium.

I leave on a hopeful note, with the Senate having passed overwhelmingly the Africa trade package, which could not have happened without your bipartisan leadership.

But much remains on the trade agenda: permanent normal trade relations with China, trade negotiating authority, a trade agreement with Vietnam, a free trade agreement with the Americas, to name a few. The ITC should play an active role in evaluating and analyzing these matters.

As an independent, nonpartisan agency, the ITC is in a unique position to reinforce the credibility of our trade laws, assist in the development of U.S. policy objectives, and aid the legislative process by providing independent and unbiased fact-finding studies and analyses.

This important role must not be dwarfed by the Commission's adjudicative role. Mr. Chairman, I believe that you have started an important and valuable dialogue with the Commissioners about improving and enhancing this unbiased advisory role.

If confirmed, I commit that I will be active and diligent in working with you and with the members of the committee on this issue. I also will take seriously a Commissioner's role as a manager.

The ITC is facing new challenges, with an increased work load of over 300 mandatory sunset review cases and a heavy load of new Title VII steel cases.

Senator MOYNIHAN. Could you help me? The 300 what cases?

Ms. OKUN. The sunset reviews.

Senator MOYNIHAN. Sunset reviews.

Ms. OKUN. Yes. Of the antidumping orders.

The Commission must evaluate how the agency is performing in these areas and other areas, and allocate resources accordingly.

Let me close by noting that it is bittersweet to contemplate leaving the Senate. I love the institution and the many members and staff I have had the pleasure to work with over the years.

I have learned about poultry farms in Delaware, the International Labor Organization, the Canadian Wheat Board, TMK smut, seasonal vegetables, and, of course, salmon fishing, just to name a few.

If I am confirmed, I will take with me the knowledge I have gained by sitting on that bench behind you and from negotiating in the executive room. Despite having practiced law before coming to the Hill, I feel like I have earned several degrees in how laws are made from my experience here.

I believe that my background, combined with my public and private sector experience, will serve me well as a Commissioner, if I am confirmed.

Thank you, Mr. Chairman, Senator Nickles, Senator Graham, for your statements, and Senator Moynihan. I would be pleased to answer any questions and respond to any written inquiries, if you have them.

Thank you.

[The prepared statement of Ms. Okun appears in the appendix.]

The CHAIRMAN. Ms. Okun, as you well know, we have three standard questions we ask all nominees who come before the Finance Committee.

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

Ms. OKUN. No.

The CHAIRMAN. Second, do you know of any reason, personal or otherwise, that would in any way prevent you from fully and honorably discharging the responsibilities of the office for which you have been nominated?

Ms. OKUN. No.

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

Ms. OKUN. Yes, Mr. Chairman.

The CHAIRMAN. Ms. Okun, what do you specifically plan to do to reinvigorate the ITC and help restore its role in advising Congress on trade matters?

Ms. OKUN. Mr. Chairman, let me start by saying that I think that your having brought this up with Commissioners has started a dialogue.

As I have talked to some of the Commissioners prior to appearing here, I think that they are very cognizant that they are expected to do more. I think that, if I am confirmed and go down there, I will sit down with my fellow Commissioners and talk about how we do things better.

Coming from this end, I think one of the things that strikes me is sometimes the material that they prepare is not user-friendly, I guess, to use a word, for Congress. I think the role of the Commissioners, in some ways, is to see the forest.

You have so many experts now at the ITC—over 300 who know very specific areas—and they do a very good job of preparing information about their specific issue which is very important in all of their cases, but I think the Commissioner's role is to look at how these trees fit into the forest, and even broader, in the context of the continent, or for the United States, and then present that to Congress.

The other idea that strikes me, is that sometimes one study in macroeconomics that might be important is to look at regions or communities that have adjusted to trade. For instance, places where, perhaps, a factory has closed down, but something else has taken its place in the community, and in an economy of four per cent employment, is doing great.

I think it would be helpful to have an independent analysis of why that happened; did trade adjustment assistance play a role? What are the tax incentives? I think that would help Congress as you formulate your policies, and the same would be true of those communities that have not made the adjustment to a more globalized economy.

Obviously, those communities exist where there is still high unemployment, factories have not moved in. We need to look at those factors. I think a lot of that is very anecdotal now as opposed to analytical, and I think the ITC, using its expertise, could play that role. So, those are a couple of places I would like to start.

The CHAIRMAN. Well, as you know, you have an impressive background as an international trade lawyer and, of course, as counsel to Senator Murkowski.

What can you tell me about your experience with the trade laws and the confidence you have in interpreting and enforcing those laws? As you know, there is a lot of criticism around here and among the public at large that U.S. interests are not adequately pursued, that we fail to aggressively promote American interests and other parties seem to get the better of us, even though you can point to the WTO and many of the cases decided in favor of the United States. I think we have brought more cases before it than

any other country, and won more, but there is still this strong feeling that we are not adequately represented. What can we do about that?

Ms. OKUN. Well, I think, Mr. Chairman, that is an important point. The American people must believe, in fact and in perception, that the rules are working for them. I think that is a combination of a couple of things.

One, you have to have full confidence in your Commissioners and your USTR, whoever is going to both negotiate our trade agreements and to enforce the trade laws.

My role, if confirmed as Commissioner, would be in the enforcement of the trade laws, along with the analysis. I would hope that you could place full faith and confidence in me that, having spent time on the Hill looking at how trade laws are implemented, looking at the Uruguay Round Agreements Act, at NAFTA, at the negotiations over trade negotiating authority, how the trade laws are implemented, that I have an appreciation of the Congress' sensitivity to that, and I would take that with me, along with my private sector experience which gave me an appreciation for how the trade laws work in practice, as well as how the ITC functions. So I think, from the ITC perspective, there must be full faith and confidence that they are implementing the laws as written.

Then the second role of it, which we have discussed, is, is there an analysis, is there another role that the ITC can play, along with Congress, as it was intended, to illustrate what our record is, perhaps, and our wins in international bodies where the rules are, and how we benefit.

It is hard to bring those points home because sometimes they are macroeconomic or they seem far away. I think that is vitally important and I will look for ways to do that.

The CHAIRMAN. How can we enhance the role of the ITC in advising Congress specifically in the context of bilateral and multilateral trade agreements?

Ms. OKUN. Well, certainly the ITC, by the statute, is authorized to do that. One thing that I think might be better, is if there were more advance preparation by the ITC.

For instance, it strikes me that someone at the ITC—the Commissioners—should have already directed the Commission to start looking at the Vietnam trade agreement because that should be coming up next year.

What I have heard anecdotally, and obviously I will go to the Commission and check this out, is that sometimes the ITC feels like it is under very tight deadlines when Congress finally gets around to requesting something. Sometimes the Congress doesn't want to request anything too early because then the issues start percolating.

So I think it is up to the Commission to look ahead and say, what is on the trade agenda and what can we be doing right now to start the process so that, when we are asked, we will have an analysis we are comfortable with as opposed to something that is rushed together or thrown together.

The CHAIRMAN. Senator Moynihan?

Senator MOYNIHAN. Thank you. And thank you for your comments.

I have just one thought which is beginning to preoccupy me, and it will be the last thought I have on trade, which is that the U.S. Harmonized Tariff Schedule is 1,534 pages long and has 10,308 entries, and, accordingly, whether you come from Africa, or the Caribbean, or Mexico, or Canada, there are different rates for the same thing.

This is a pretty modern mode of regulation. We used to have tariff rates. We have the Smoot-Hawley tariffs, is that not right?

Ms. OKUN. Yes.

Senator MOYNIHAN. That is the Smoot-Hawley tariff schedule. Well, it happened a long time ago. Should we not clean that up?

Ms. OKUN. Absolutely, Senator. I would say that, when I was a young associate we were working on some case where I had to find out what type of—

Senator MOYNIHAN. Here, read this.

Ms. OKUN. Well, what type of footwear was going to be on a retaliation list. So they said, you need to go to the HTS, which of course at this point was not even online.

So I was sent to these gigantic books which were just pages and pages, and it almost frightened me out of trade law. I mean, I think it is just amazingly difficult. It should not be that difficult for exporters, for Customs, for anyone else. I understand that the ITC is currently—

Senator MOYNIHAN. Cost of doing business.

Ms. OKUN. Yes, the cost of doing business. Absolutely. I understand the ITC is reviewing it now at the request of Ways and Means, with, I believe, a final report due out on July 13, 2000. So if I confirm to the Commission, obviously, I will want to look at what those recommendations are.

I know that they are getting comments from a wide number of agencies who implement it, as well as practitioners. I will take those comments into account in determining how you can streamline this thing.

Senator MOYNIHAN. Mr. Chairman, perhaps the Finance Committee would like to join in that request, as it were, or support.

The CHAIRMAN. I think it is an excellent suggestion, and we will do so.

Senator MOYNIHAN. So I thank you, and I welcome our colleagues. You must be pretty enthusiastic about the Chinese trade.

Senator BAUCUS. Indeed.

Senator MOYNIHAN. Well, for not the first time, you are at odds with the AFL-CIO.

Senator BAUCUS. They will be there, too.

Senator MOYNIHAN. Thank you.

Thank you, Mr. Chairman.

Ms. OKUN. Thank you, Senator Moynihan.

The CHAIRMAN. Senator Graham.

Senator GRAHAM. Ms. Okun, welcome.

Ms. OKUN. Thank you.

Senator GRAHAM. Again, I do not know who selected your seat mates.

Ms. OKUN. Not a like product.

Senator GRAHAM. But they made a very wise and nutritional suggestion.

I do not mean this to be a confrontational question, but the issue of, why is there not someone on the ITC who has a specific background in terms of their education and their life experience in agriculture, given the fact that the ITC has such a significant number of cases that emerge from an agricultural context, and they tend to have a peculiar set of economic factors.

How would you answer the question, why should we confirm yet another person to the ITC who does not have that kind of an agricultural background?

Ms. OKUN. Well, Senator Graham, I am very sensitive to what you are raising about agriculture, and I know that many members on this committee have the same sensitivity.

I guess I would begin by saying that I think, to say that there is no one at the ITC without substantial agricultural knowledge, would be misleading. I think Commissioners, I agree, you do not have someone with an agricultural economic background, but certainly I think they have beefed up their economics section.

My understanding is that the new chief of economics is a former agricultural economist from USDA who has 15 years of experience, and that he has with him 20 international trade people in the products division who hold advanced degrees, including agriculture, economics, horticulture, forestry, with 20 percent with Ph.Ds in agriculture economics or other economics, and that these analysts have an average of 14 years of experience per analyst.

So I think there are experts at the Commission, and that the Commissioners who go down there need to rely on these people. I do not know if some of the criticism is because these experts make recommendations that the Commissioners are ignoring, but certainly if I go down there, I will be sensitive to it.

I have the support of a number of agricultural groups, including the Farm Bureau, who wrote a letter on my behalf. I think that they are supportive of me because they believe, while I am not an agriculture economist and I have not spent my time on the Hill doing a lot of agriculture or on the Agriculture Committee, that I will be objective and that I will be fair.

Frankly, I do come from an agricultural background. My hometown is all about farming. I know a lot more about potatoes than I do tomatoes, coming from Idaho, but it is the same issue. I mean, in our community there was an Ore Ida food processing plant, and a sugar beet factory. That is where the community rises and falls, with agriculture. So I am going to be sensitive when I go down there. I want to work with the expertise they have there.

Again, if there is a disconnect between what the experts are saying and what the Commissioners are doing, I want to be sensitive to that and I would look forward to working with you and your staff on your particular issues, which are know are of a great concern to Florida. I mean, I have been on this committee and I know about the problems of seasonal vegetables, tomatoes, and some of your concerns.

So I hope that you would confirm me with the knowledge that I am going to be sensitive to that, that I will implement the laws, and that I will rely on the agricultural expertise. If we need more, we should beef up that section.

Senator GRAHAM. I appreciate that response, and I am pleased that the ITC has taken action in terms of its supporting staff to increase the range of competence in these agricultural economic issues.

A context in which the issues affecting agriculture frequently arises is in an antidumping allegation. I know that the ITC has a sunset review process relative to both antidumping and countervailing duty issues, and that recently that sunset review was given to some sugar-related issues and the existing order relative to Europe was upheld.

Do you, one, have any comment on the sunset review process in general and what value it brings to the valuation of countervailing duty and antidumping cases; and two, do you have any comment on the specific European sugar case?

Ms. OKUN. Well, I would not want to comment specifically on that case because I am not familiar with the facts of it. Obviously, these are very fact-specific cases, so I would withhold comment on that.

On the sunset reviews, generally, of course, they were mandated by the Uruguay Round Agreements Act and so they are something that the ITC will have to continue to deal with.

But I think that the way that the statute is written, and what I would look for if I were confirmed as Commissioner, is you have to determine whether there is a likelihood of reoccurrence of the injuries. So I do not think that there is a presumption that we ought to lift these orders.

In fact, I think that the statute is very clear that the ITC should go back in, look at the previous injury determination, determine if it is likely to happen again, look at the industry, has it been able to come back or is it going to go into the same straights it was before. So, I would look at all those things as part of this 5-year review.

Senator GRAHAM. Mr. Chairman, will there be a second round for questions?

The CHAIRMAN. Yes. Of course, there can also be written questions. Because of other demands, I do want to try to expedite it.

But let me, first, call on Senator Baucus.

Senator BAUCUS. Thank you, Mr. Chairman. Ms. Okun, I wish you well.

Ms. OKUN. Thank you.

Senator BAUCUS. I take my hat off to you. I mean, you are one of the people in this country who believe in service. You have worked for Senator Murkowski diligently and did a great job for him, and now going down to the ITC, I know will do a good job for America.

I want to just kind of urge you to, as much as possible, get out of town. Go visit farms, ranches, see the companies that are affected, see the people that are affected. I make it a point to ask all new appointees to promise me they are going to come to Montana at one time or another, and I am asking you sometime to come to Montana.

Ms. OKUN. Absolutely.

Senator BAUCUS. As have prior ITC Commissioners, in fact, recently. Commissioner Copeland, for example, Hillman, and Askey

all came to Montana a short while ago, and I know it helped them very much.

First of all, they had a great time just getting out of Washington. But, second, they learned a lot, visiting and spending some time during a good part of the day with various families involved in agriculture—in this case, it was the livestock industry—just to get to know them, know what they're talking about, feel it, taste it, smell it, and all that kind of thing.

So I want to underline the comments of my good friend from Florida. Sometimes academic papers are helpful, sometimes all the intellectual conversation in the world is helpful, but frankly, what it all comes down to is people.

The more you can just get out after looking at those papers and participating in some of those discussions, go on out and see people, talk to people. I just urge you to push hard down there to maybe expand the travel budget or something so you can get out and see what is going on around the country. I know if you do, the people in this country are going to be better served. I wish you well.

Ms. OKUN. Senator Baucus, thank you. I welcome the opportunity to do that. I would say that, when I was trying to decide whether I wanted to try for this spot, I talked to my uncle, who was the agriculture extension director out in Idaho for a long time, and in Nevada.

He was talking about the lamb industry. He used to be involved in a farm out there back in the 1980's, when the first round of lamb producers went out of business. That is what he said, you have got to come back to Idaho again and hear if things are as they were when you left.

We want you to come back here, and he will get together his farmers out there and producers and talk to them. I think that is very important, and I would welcome the opportunity to do that.

Senator BAUCUS. And I urge you to just lead expeditions of the ITC, off going somewhere, going this place, going that place. Go to the factory floor, go to the board rooms, to get out in the communities. That is where the real flesh and blood and people are.

Ms. OKUN. You are exactly right.

Senator BAUCUS. It is true that people criticize Washington for being a little bit too incestuous and inside base inside the Beltway.

There is a lot of truth in that, because Washington is a company town. Everybody here works for the government, against the government, around the government, or whatnot. It gets a little incestuous after a while and you have to really work hard to not let that get at you.

Ms. OKUN. I hope to do that and have that country background.

Senator BAUCUS. I would just urge you to go that extra mile to just see people. All right?

Ms. OKUN. All right. Absolutely.

Senator BAUCUS. You will do a great job.

Ms. OKUN. Thank you.

The CHAIRMAN. Thank you.

Senator Graham?

Senator GRAHAM. I just wanted to pursue that issue of the anti-dumping orders. There has been considerable criticism—and this is

not directed at the ITC, it is really directed at those of us with responsibility for writing the law—that the current antidumping procedures are too long for resolution.

This is a particular concern of the perishable fruit and vegetable industry, that they are too expensive to reach completion, typically costing hundreds of thousands, if not more, dollars in legal fees and others in order to effectively pursue a case, and that there is then suspect enforcement after you get the antidumping order.

In your role with the ITC as an advisor on trade law, and a monitor of trade law, and a recommender to the Congress of what we should do in order to make the law more effective, do you have any thoughts about what we should be doing with our antidumping statutes, particularly as they apply to agriculture, and even more specifically to perishable agriculture?

Ms. OKUN. Senator Graham, I heard this debate and I know that, in 1996, the Ways and Means had sought to look at ITC reforms. Some of them included issues such as, should the statutory deadlines be shortened, because obviously the ITC is under statutory deadlines, and those would have to be changed to meet some of your concerns. I think it is through an effort such as that, where you would seek consensus among members, that the ITC should contribute.

I think that sitting Commissioners, as well as past Commissioners, should be involved in that effort on what they see as, could there be a shorter deadline, how do you get at the perishable issue. I mean, there is in Section 201, of course, a speeded-up process for perishable products, but not in the Title VII.

So I do not know what the answer is, and I need to be more familiar with your growing seasons and how those fit into the deadlines, but I would look at that. I think the ITC should be open to that.

Of course, it has to be Congress who chooses to change the laws, and until the laws are changed, the Commissioners work with what is written as opposed to their own policy ideas. But, again, I think we need to be open and, if asked for comments on those, we should be prepared to do that.

Senator GRAHAM. Well, I will just conclude by saying that Senator Baucus was so generous in encouraging a visit to Montana. After you have gone to Montana, if you would like to see another part of America, I would extend an invitation to come to Florida.

Also, I recently had a conversation with our Chairman's wife, who is a very distinguished Federal appellate judge. She was commenting that frequently in dealing with a specific case, an appellate judge is required to evaluate a law that Congress has passed and, as surprising as this may be, from time to time even notices some gaps, or inconsistencies, or lack of total clarity in those Federal statutes, and are moved to write in their opinion some suggestions as to how the laws could be more lucid.

I would suggest that the ITC is in the same position relative to our Federal trade laws, and I would hope that, in carrying out your function of advice, that you would not be timid to recommend to us where you have found areas in which the law either can be faulted by some lack of adequate explicitness, or maybe as a matter

of policy, such as the effectiveness of our antidumping laws, deserves Congressional attention and reform.

So, I wish you well in your new assignment. I know that you have prepared yourself well to assume it and I wish you well.

Ms. OKUN. Thank you very much. I look forward to a visit to Florida.

The CHAIRMAN. Thank you, Senator Graham.

Senator MOYNIHAN. Mr. Chairman, I guess I have to find out, and I am sorry I had to step out, how did that grapefruit and that orange get there?

The CHAIRMAN. I did not put it there.

Ms. OKUN. My mystery guests. They must be from Florida.

The CHAIRMAN. But it seems to me he could have put one in front of each desk. [Laughter.]

Senator MOYNIHAN. Yes. Yes.

The CHAIRMAN. Always parsimonious.

Ms. OKUN. I could give it to my daughter.

Senator GRAHAM. Could we use the word "frugal?"

The CHAIRMAN. Frugal, yes.

I thank you for being here. Our expectations are very high for you and we expect to expedite the confirmation. Thank you.

Incidentally, Delaware's poultry farms are much closer than the orange groves of Florida, so please, please come to my State as well.

Ms. OKUN. Thank you.

The CHAIRMAN. Thank you very much. It is a pleasure to have you.

Ms. OKUN. All right. Thank you.

Senator MOYNIHAN. Thank you.

The CHAIRMAN. The committee is in recess.

[Whereupon, at 10:51 a.m., the hearing was concluded.]

APPENDIX

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

PREPARED STATEMENT OF DEANNA TANNER OKUN

Thank you very much, Mr. Chairman, and Senator Moynihan for scheduling this hearing so quickly after my nomination. I know that setting up a hearing on such short notice puts great strain on your already exhausted staff and on you as you continue to engage in the arduous negotiations on the BBA and tax-extender legislation.

I greatly appreciate your efforts.

Let me also thank my boss and your Finance Committee colleague, Senator Frank Murkowski. Although he tried mightily to return from Alaska to be here in person, the airlines and airplanes did not cooperate. But I appreciate his statement of support, and more importantly, I thank him for all the opportunities he has given me over the past 7 years.

Let me begin, Mr. Chairman, by saying what a great honor it is to have been nominated by the President, with your strong support, for this position. I come from a small rural town in southern Idaho where Washington, D.C. is usually viewed with some disdain. But my family, friends and community have always been supportive of my choice of public service.

If confirmed, I will take the values and lessons I learned from growing up with hard working, honest farmers, ranchers, and small businessmen, along with a deep appreciation for the legislative process from my 7 years working in the Senate, to my new position, and, I hope, positively affect the trade agenda.

I know how important the fair and impartial application of the trade laws are to each member of the Committee. Because you know, and I know, that American manufacturers, farmers, workers and service providers deserve fair treatment.

The ITC was created as an independent fact-finding body to administer the laws as written and as Congress intended. I want to assure you that, if confirmed, I will administer the laws objectively, fairly and vigorously, and that I will not substitute any policy bias in place of Congressional intent.

I am also very mindful of the trade advisory role the ITC is expected to play. This role is even more crucial now as this Committee seeks to reconnect our trade policy to the American people as we enter the new millennium.

I leave on a hopeful note with the Senate having passed overwhelmingly the Africa trade package, which could not have happened without your bipartisan leadership. But much remains on the trade agenda: trade negotiating authority, permanent normal trade relations with China, a trade agreement with Vietnam, a Free Trade Agreement with the Americas, to name a few. The ITC should play an active role in evaluating and analyzing all these issues.

As an independent, nonpartisan agency, the ITC is in a unique position to reinforce the credibility of our trade laws, assist in the development of U.S. policy objectives, and aid the legislative process by providing independent and unbiased fact-finding studies and analysis. This important role must not be dwarfed by the Commission's adjudicative role.

Mr. Chairman, I believe that you have started a useful and important dialogue with the Commission about improving and enhancing this advisory role. If confirmed, I commit that I will be active and diligent in working with the Committee on this issue.

I also will take seriously a Commissioner's role as a manager. The ITC is facing new challenges with the increased workload of over 300 mandatory sunset reviews in 3 years, combined with a heavy load of new Title VII steel cases. The Commission

must evaluate how the agency is performing in these areas and other areas and allocate resources accordingly.

Let me close by noting that it is bittersweet to contemplate leaving the Senate. I love this institution and the many members and staff who I have had the pleasure to work with over the years.

I have learned about poultry farms in Delaware, the International Labor Organization, the Canadian Wheat Board, TMK Smūt, and, of course, salmon fishing, just to name a few.

If I am confirmed, I will take with me the knowledge I have gained from sitting on that bench behind you and from negotiating in the Executive Room. Despite having practiced law before coming to the Hill, I feel like I have earned several other degrees in how laws are made from my experience here.

I believe that my background, combined with my public and private sector service, will serve me well as a Commissioner, if I am confirmed.

Thank you, Mr. Chairman. I would be pleased to answer your questions, and, of course, to answer any Senators' written inquiries.

A BIOGRAPHICAL INFORMATION

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

Deanna Tanner Okun
nee Deanna May Tanner

2. Position to which nominated:

Commissioner, U.S. International Trade Commission

3. Date of nomination:

November 10, 1999

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

Current Residence: 6612 Maugh Road
 McLean, VA 22101

Office Address: 322 Hart Senate Office Building
 Washington, D.C. 20510

Mailing Address: Same As Above

5. Date and place of birth:

February 8, 1963
 Jeffrey City, WY

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

Married to B. Robert ("Bob") Okun

7. Names and ages of children:

Rachel Rae Okun, Age 4 and Kelsi Okun, Age 19 months

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

Minidoka County ("Minico) High School, Rupert, ID
August 1978 to May 1981
Valedictorian, High School Diploma *with honors*

Utah State University, Logan, UT
August 1981 to June 1985
BA, political science, *Magna Cum Laude*

Duke University School of Law, Durham, NC
August 1987 to May 1990
J.D. *with honors*

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.)

5/93-present Counsel for International Affairs to Senator Frank H. Murkowski (R-AK), Washington, D.C.

10/90 to 5/93 Associate, Hogan & Hartson law firm, Washington, D.C.

7/89 to 9/89 Summer Associate, Gibson, Dunn & Crutcher law firm, Los Angeles, CA

5/89 to 7/89 Summer Associate, Hogan & Hartson law firm, Washington, D.C.

5/88 to 9/88 Summer Associate, Miller & Chevalier, PC, law firm, Washington, D.C.

7/85 to 5/87 Policy Analyst, Competitive Enterprise Institute, Washington, D.C.

6/85 to 7/85 Intern, National Association of Realtors, Washington, D.C.

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.)

D.C. Bar Association (1990-present)
D.C. International Trade Bar Association (1990-present)
New Dominion Women's Club (1998-present)
Trade Policy Forum (1995-present)
Chi Omega Alumni Association (1985-present)
Federalist Society (1987-1990), President, Duke University School of Law
Chapter
Alaska State Society (1995-present)

13. **Political affiliations and activities:**

I am a registered Republican in Fairfax County, Virginia.

- 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.

Unpaid volunteer work for Dole for President (96) (posting yard signs)
Unpaid volunteer work for Bush for President (92) (volunteered at event in Charlotte, North Carolina that was organized by my spouse)

- 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.

My spouse is the lobbyist for NBC (National Broadcasting Corporation). In that capacity, he makes contributions on behalf of the company to PACs and candidates. Those contributions are listed below along with the individual contributions he made to candidates during the ten-year period which might have been drawn on our joint checking account. An means that this was an individual contribution, as opposed to a NBC contribution.

- 1995-96 *Cong. Chip Pickering (R-MI) \$500
 National Republican Congressional Committee \$500
 National Association of Broadcasters PAC \$1500
- 1997-98 Senator Rick Santorum (R-PA) \$2000
 Cong. Greg Walden (R-OR) \$500
 The Freedom Project \$544
 National Association of Broadcasters PAC \$500
 National Republican Congressional Committee \$1000
- 1999 *Senator John Kerry (D-MA) \$500
 National Republican Congressional Committee \$300

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.)

- Commencement Speaker, Minidoka County High School, 1998 and presentation for outstanding alumnus
- Juris Doctorate degree awarded *with Honors*
- *Alaska Law Review*, Executive Editor
- Moot Court Board
- Hunton & Williams Scholarship
- Bachelor of Arts degree awarded *Magna Cum Laude*
- Bullen Scholarship for Outstanding Pre-Law Student
- Phi Beta Kappa member

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

None

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.)

Almost all of my speaking appearances have been informal presentations without any written material. I am providing the Committee with copies of two speeches related to trade and foreign policy where the organizers asked me to provide written copies of my speech.

- April 10, 1997 speech to the U.S.-ASEAN BUSINESS COUNCIL on "Energy Trade & Investment in Asia."
- April 22, 1997 speech to the Nuclear Energy Institute on "The U.S.-China Situation: Political Climate."

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

I believe that my broad exposure to and experience working in the international trade field over the last 15 years make me well qualified to serve as a Commissioner on the United States International Trade Commission (ITC).

As a staff assistant to a member of the Committee with jurisdiction over the ITC, I have gathered significant insight into Congressional expectations of the ITC as an impartial, fact finding agency administering the laws that Congress has passed as well as an adviser to Congress on trade policy matters. This experience has included working extensively on trade negotiating authority legislation, the Uruguay Round Agreements Act and the North American Free Trade implementing legislation. In addition, I have actively followed the discussion and debate surrounding the implementation and interpretation of our trade laws as they affect companies, workers, importers and exporters. Moreover, as the Senator's foreign policy adviser, I am quite familiar with issues such as the Asian financial crisis, sanctions and overseas corruption which have an impact on the American business climate.

As a lawyer in the international trade practice of a law firm active in representing clients, both domestic and foreign, in Title VII, Section 337 and Section 201 cases before the ITC and the Department of Commerce, I gained substantial technical knowledge of the relevant laws as well as practical experience regarding the ITC's responsibilities. I also gained experience in a number of trade policy matters that are relevant to the work of the ITC, including foreign trade barriers, export controls, and China and Vietnam's trade status.

On a personal note, I grew up in rural southern Idaho and I have direct personal experience with the issues facing our farming communities, which are the backbone of our trade exporting community. I think this is an important perspective to bring to the ITC.

If confirmed, I believe that my public and private sector experience along with my personal background will provide valuable perspectives that will serve me well as a Commissioner.

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.

My spouse is employed by NBC, which is a subsidiary of General Electric Company. He participates in a GE defined benefit pension plan and holds stock options in the General Electric Company. The Agency Ethics Official at the International Trade Commission(ITC) has determined that my spouse's financial interest in any particular matter affecting the financial interests of GE or its subsidiaries are imputed to me under 18 U.S.C. § 208. Therefore, I have agreed to recuse myself from any particular matter that will directly and predictably affect these financial interests in GE and its subsidiaries or seek a waiver pursuant to 18 U.S.C. § 208(b)(1).

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.

Hogan & Hartson was retained by May Department Stores on trade matters including the Stores' interest in preserving Most-Favored-Nation (now Normal Trade Relations) with the People's Republic of China. During my time at Hogan (1990-93), I was involved in various activities related to congressional consideration of the annual Presidential waiver necessary for China to retain MFN status. This included participation in the Business Coalition for U.S.-China Trade, drafting letters and talking points, and speaking with staff and Members of 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.)

As I indicated in response to question 1, I will either recuse myself or seek a waiver depending on the circumstances if any matter involving GE or one of its subsidiaries comes before the International Trade Commission.

If there is any other potential conflict, of which I am unaware, I will seek and follow the advice of the Agency Ethics Official at the International Trade Commission regarding the appropriate action to resolve the conflict.

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.

It is my understanding that opinions have been provided to the Committee from the International Trade Commission and the Office of Government Ethics regarding my spouse's financial interest in the General Electric Company and its subsidiaries, and my agreement to recuse myself from any particular matter that will directly and predictably affect these financial interests in GE and its subsidiaries or seek a waiver pursuant to 18 U.S.C. § 208(b)(1).

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: (Not Applicable)

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

