S. HRG. 109–931

NOMINATIONS OF: FREDERIC S. MISHKIN, LINDA MYSLIWY CONLIN, J. JOSEPH GRANDMAISON, EDMUND C. MOY, AND GEOFFREY S. BACINO

HEARING

BEFORE THE

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS UNITED STATES SENATE

ONE HUNDRED NINTH CONGRESS

SECOND SESSION

ON

NOMINATIONS OF:

FREDERIC S. MISHKIN, OF NEW YORK, TO BE A MEMBER, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

LINDA MYSLIWY CONLIN, OF NEW JERSEY, TO BE FIRST VICE PRESIDENT, EXPORT-IMPORT BANK OF THE UNITED STATES

J. JOSEPH GRANDMAISON, OF NEW HAMPSHIRE, TO BE A MEMBER OF THE BOARD OF DIRECTORS, EXPORT-IMPORT BANK OF THE UNITED STATES

EDMUND C. MOY, OF WISCONSIN, TO BE DIRECTOR, U.S. MINT, U.S. DEPARTMENT OF THE TREASURY

GEOFFREY S. BACINO, OF ILLINOIS, TO BE DIRECTOR, FEDERAL HOUSING FINANCE BOARD

JULY 12, 2006

Printed for the use of the Committee on Banking, Housing, and Urban Affairs

Available at: http://www.access.gpo.gov/congress/senate/senate05sh.html

U.S. GOVERNMENT PRINTING OFFICE

36–235 PDF WASHINGTON : 2007

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512–1800; DC area (202) 512–1800
Fax: (202) 512–2250 Mail: Stop SSOP, Washington, DC 20402–0001

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

RICHARD C. SHELBY, Alabama, *Chairman*

ROBERT F. BENNETT, Utah
WAYNE ALLARD, Colorado
MICHAEL B. ENZI, Wyoming
CHUCK HAGEL, Nebraska
RICK SANTORUM, Pennsylvania
JIM BUNNING, Kentucky
MIKE CRAPO, Idaho
JOHN E. SUNUNU, New Hampshire
ELIZABETH DOLE, North Carolina
MEL MARTINEZ, Florida

PAUL S. SARBANES, Maryland
CHRISTOPHER J. DODD, Connecticut
TIM JOHNSON, South Dakota
JACK REED, Rhode Island
CHARLES E. SCHUMER, New York
EVAN BAYH, Indiana
THOMAS R. CARPER, Delaware
DEBBIE STABENOW, Michigan
ROBERT MENENDEZ, New Jersey

KATHLEEN L. CASEY, *Staff Director and Counsel*
STEVEN B. HARRIS, *Democratic Staff Director and Chief Counsel*
PEGGY R. KUHN, *Senior Financial Economist*
MARK A. CALABRIA, *Senior Professional Staff Member*
ANDREW OLMEM, *Counsel*
JOHN EAST, *Legislative Assistant*
STEPHEN R. KROLL, *Democratic Special Counsel*
SARAH KLINE, *Democratic Counsel*
LEE PRICE, *Democratic Chief Economist*
JOSEPH R. KOLINSKI, *Chief Clerk and Computer Systems Administrator*
GEORGE E. WHITTLE, *Editor*

C O N T E N T S

WEDNESDAY, JULY 12, 2006

	Page
Opening statement of Chairman Shelby	1
Opening statements, comments, or prepared statements of:	
Senator Sarbanes	3
Senator Allard	5
Senator Dodd	6
Senator Sununu	7
Senator Menendez	8

NOMINEES

Frederic S. Mishkin, of New York, to be a Member of the Federal Reserve System	9
Biograpical sketch of nominee	27
Response to written questions of Senator Bunning	87
Linda Mysliwy Conlin, of New Jersey, to be First Vice President, the Export-Import Bank of the United States	10
Prepared statement	51
Biograpical sketch of nominee	52
J. Joseph Grandmaison, of New Hampshire, to be a Member of the Board of Directors of the Export-Import Bank of the United States	11
Biograpical sketch of nominee	60
Edmund C. Moy, of Wisconsin, to be Director, the U.S. Mint, U.S. Department of the Treasury	12
Prepared statement	59
Biograpical sketch of nominee	71
Geoffrey S. Bacino, of Illinois, to be a Director of the Federal Housing Finance Board	13
Biograpical sketch of nominee	79

NOMINATIONS OF:

FREDERIC S. MISHKIN, OF NEW YORK, TO BE A MEMBER OF THE FEDERAL RESERVE SYSTEM

LINDA MYSLIWY CONLIN, OF NEW JERSEY, TO BE FIRST VICE PRESIDENT

J. JOSEPH GRANDMAISON, OF NEW HAMPSHIRE, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE EXPORT-IMPORT BANK OF THE UNITED STATES

EDMUND C. MOY, OF WISCONSIN, TO BE DIRECTOR, THE U.S. MINT U.S. DEPARTMENT OF THE TREASURY AND

GEOFFREY S. BACINO, OF ILLINOIS, TO BE A DIRECTOR OF THE FEDERAL HOUSING FINANCE BOARD

WEDNESDAY, JULY 12, 2006

U.S. SENATE,
COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,
Washington, DC.

The Committee met at 10:40 a.m., in room SD–538, Dirksen Senate Office Building, Senator Richard Shelby (Chairman of the Committee) presiding.

OPENING STATEMENT OF CHAIRMAN RICHARD C. SHELBY

Chairman SHELBY. The hearing will come to order.

This morning, we will consider several nominations. I appreciate the willingness of the nominees to appear before the Committee this morning.

This panel of nominees, if confirmed, will have important responsibilities for overseeing our Nation's financial institutions, payments systems, housing and community development finance, and export trade financing.

Our first nominee is Frederic Mishkin, of New York, who was nominated to serve as a Member of the Board of Governors of the Federal Reserve System. If confirmed by the Senate, Mr. Mishkin would fill the seat vacated by Roger Ferguson in April and serve the remainder of the 14-year term expiring in January 2014. Dr. Mishkin has served the Federal Reserve System in several capacities. From 1994 to 1997, he headed the Research Department of

the Federal Reserve Bank of New York and has served as a consultant. He was also an economist with the Board of Governors early in his career. Currently, Dr. Mishkin is the Alfred Lerner Professor of Banking and Financial Institutions at the Graduate School of Business, Columbia University, as well as a Research Associate at the National Bureau of Economic Research; a Senior Fellow at the FDIC Center for Banking Research, too.

Dr. Mishkin has extensive experience with central banks around the globe, having held positions with the Ministry of Finance in Japan, the Reserve Bank of Australia, the Financial Supervisory Service of South Korea, the Bank of England, the International Monetary Fund, and the World Bank.

Since receiving his Ph.D. from the Massachusetts Institute of Technology in 1976, Dr. Mishkin has taught at the University of Chicago, Northwestern University, Princeton University, and Columbia University, with which he has been affiliated since 1983. Dr. Mishkin's research focuses on the effects of monetary policy on financial markets and the economy, a particularly useful area of expertise for a Governor at the Federal Reserve.

A few years ago, Dr. Mishkin wrote "Inflation Targeting: Lessons from the International Experience" with Chairman Bernanke, who now serves as the Chairman of the Fed, as we know.

We also have two nominees with us this morning who have been nominated to very important positions outside the Fed, the U.S. Export-Import Bank: Ms. Linda Mysliwy Conlin, of New Jersey, who has been nominated to serve as First Vice President of the Bank; and Joseph Grandmaison, of New Hampshire, who has been nominated to the Bank's Board of Directors.

Ms. Conlin presently serves as a Member of the Board of Directors of the Export-Import Bank, a position she has held since 2004. Prior to joining the Bank, Ms. Conlin was Assistant Secretary for Trade Development at the U.S. Department of Commerce from 2001 to 2004. She has also served as Director for Travel and Tourism at the New Jersey Commerce and Economic Growth Commission from 1994 to 1999, as Assistant Secretary for Tourism and Marketing at the U.S. Department of Commerce from 1989 to 1993, and as an Associate Director at the U.S. Information Agency from 1986 to 1989. Ms. Conlin holds an undergraduate degrees from the University of Massachusetts and completed graduate studies at Indiana University.

Mr. Joseph Grandmaison, nominated to the Board of Directors of the Export-Import Bank, previously served as Director of the Ex-Im Bank from 2001 to 2005. He served as Director of the U.S. Trade and Development Agency from 1993 to 2001 and as an adjunct professor at the College of Communications at Boston University. He is a graduate of the Kennedy School of Government at Harvard University and Burdett College.

Our fourth nominee, Geoffrey Bacino, of Illinois, is President Bush's nominee to the Federal Housing Finance Board. If confirmed, he will fill the vacant Board seat held by Franz Leichter. Mr. Bacino is currently Senior Vice President of Legislative and Regulatory Affairs at Centrix Financial, a firm specializing in the subprime auto loan market and serving more than 180 credit unions nationally. Previously, he was president of his own firm, a

law firm headquartered in Washington, DC. President Clinton nominated him to the Board of the National Credit Union Administration where he served from 2000 to 2001. He was co-founder of the National Association of State Chartered Credit Unions and served as Executive Director of the National Association of Share Insurance Corporations. He received his undergraduate degree in political science from Indiana University.

Our final nominee today is Mr. Edmund C. Moy, of Wisconsin, who has been nominated to serve as Director of the U.S. Mint, one of our oldest and most venerable institutions. Mr. Moy currently serves as Special Assistant to the President for Presidential Personnel at the White House. Previously, he worked with venture capitalist firms and entrepreneurs and served on the boards of several companies and nonprofit organizations. He served in the Administration of President George H.W. Bush at the Federal Health Care Financing Administration. If confirmed, Mr. Moy will replace Henrietta Holsman Fore, whom President Bush nominated to be Under Secretary of State for Management. Mr. Moy graduated from the University of Wisconsin with a triple major in economics, international relations, and political science.

I welcome all of you here this morning.

Senator Sarbanes.

STATEMENT OF SENATOR PAUL S. SARBANES

Senator SARBANES. Thank you very much, Mr. Chairman, and I am pleased to join with you in trying to move the President's nominees forward through the nomination process. I think just as a basic requisite, we need an efficient appointment and confirmation process so that able appointees can assume the varied responsibilities for which they have been selected, and I think this Committee over the years has had a very good record in that regard. Occasionally, we have someone we feel maybe is not up to standard, and that obviously calls for a different kind of hearing. But I am pleased to say that, looking over these papers here this morning, I am looking forward to moving these nominees ahead as promptly as we can.

I hold public service in high esteem, and I congratulate all of our nominees. We appreciate their willingness to serve the country.

I will be very quick because I know you want to get to them, but I just want to mention a couple of points.

First of all, I want to welcome Professor Mishkin. He has had a distinguished academic career, including serving as the Research Director of the Federal Reserve Bank of New York and as a leading authority on U.S. and foreign monetary policy. He has been a consultant overseas to a number of central banks and other countries.

I just want to underscore—and I may get to it in the question period if time permits—that the Fed has a dual mandate: Maximum employment and stable prices. For the last 3 months, jobs have grown at a sluggish pace, 108,000 this last month. This is in a period where we have had slower job growth than has been typical of past expansions, combined with falling real wages.

The issue of inflation targeting has been raised. I do not quite know why at this particular juncture this issue has been introduced into the discussion, and Professor Mishkin has—one of the

problems with being a distinguished professor like Fred Mishkin is you have a lot of writings that people can make reference to.

Chairman SHELBY. A lot of good questions.

[Laughter.]

Senator SARBANES. My concern, as I expressed it when we had the Bernanke hearing, is that inflation targeting carries with it, I think, the serious risk of slighting one side of the Fed's dual mandate. I do want to observe that the mandate of the Fed is established by the Congress by statute, not by the Fed. The Fed does not have a wide-open blank check to write its own mandate. And the statute has the dual mandate in it, and I for one will keep an eye on maintaining that dual mandate.

The other is that we need to discuss the Basel II capital requirements, and I think that is a major issue.

Chairman SHELBY. Absolutely. I brought it up yesterday.

Senator SARBANES. Actually, Basel II had the initial goal of improving incentives for banks engaging in complex financial transactions to control risk without markedly lowering capital requirements. They moved ahead on an international agreement for Basel II before a careful quantitative impact study of what implementation would mean for the required level of buying capital had been undertaken. When that study came along, called QIS–IV, it found that the Basel rules would lower the required bank capital for half of the participating U.S. institutions by at least 25 percent. One institution had a capital reduction of just shy of 50 percent. And aggregate capital declined over 15 percent.

Actually, Professor Mishkin's own research has shown the importance of capital requirements when economic hard times come along, both here and abroad, and we need to proceed in a prudent way on this Basel II. And, actually this Committee has been raising that issue time and time again.

Chairman SHELBY. Absolutely.

Senator SARBANES. And I think it is an important matter.

I want to welcome the two nominees for the Export-Import Bank. The Bank finances U.S. exports in cases in which commercial financing might not be available or where sales might not otherwise occur in order to create U.S. jobs. That is the charge for the Bank, and I want to underscore that.

Ms. Conlin is now serving as a Board Member. She has been nominated now to become Vice Chairman of the Board. She is former Assistant Secretary of the Department of Commerce for Trade Development. She has been on the Board of the Bank now for, I guess, a couple of years, if I am not mistaken. We look forward to her becoming the Vice Chair.

And, of course, Joe Grandmaison is a veteran of the trade area of our policy, Director of the U.S. Trade and Development Agency, and he has been on the Board, well, from 2001 to 2005 and has now been renominated for another term. We look forward to his continued service.

I hope, Mr. Chairman, we can move Mr. Grandmaison, Ms. Conlin, and Jim Lambright through pretty quickly so the Board gets—I would note there is still one vacancy on the Board, and I urge the Administration to send another nominee so we can get the Board up to full strength, particularly as we consider its reauthor-

ization, which is an issue that we have to deal with in the next few months.

Mr. Moy, you have a big assignment to be the Director of the Mint. It is the largest coin manufacturer in the world, and it is a big administrative job, and so it is a real challenge, although you have done important administrative work in the past, and I know you have now been working closely with President Bush in Presidential Personnel.

I do not see your nomination here to be the Director of the Mint as analogous to Dick Cheney becoming the Vice Presidential candidate.

[Laughter.]

He was in charge of finding the candidates, and it ended up he was the candidate. And Mr. Moy has been in charge in Presidential Personnel, and here he is nominated.

Chairman SHELBY. Maybe Mr. Moy found a good candidate here.

[Laughter.]

He found the best candidate. We hope so.

Mr. MOY. Purely coincidental.

Chairman SHELBY. We hope you are the best candidate. We believe you are well-qualified.

Senator SARBANES. Mr. Bacino, we welcome you before the Committee. You have serious corporate governance and risk management problems at several of the Federal Home Loan Banks. We may ask you a bit about that, if time permits, and, you know, the Federal Home Loan Banks have assets totaling almost $1 trillion. They are one of the world's largest issuers of debt. We are concerned about some of the practices at some of the Federal Home Loan Banks, and, of course, once you go on the Board, you will have a major responsibility for that.

Thank you very much, Mr. Chairman.

Chairman SHELBY. Senator Allard.

STATEMENT OF SENATOR WAYNE ALLARD

Senator ALLARD. First of all, Mr. Chairman, I want to thank you for holding this hearing today. We have some very important nominations for consideration before us. I look forward to hearing their testimony and having the opportunity to discuss issues related to their agencies.

First, I would like to welcome all of you to the Banking Committee. Dr. Mishkin, monetary policy is an important issue to this Committee, to the Senate, and to the country. You have a big job ahead of you upon confirmation, but I am sure you are aware of this already. And there are many important issues facing our economy, and I am eager to discuss a few items with you.

Ms. Conlin and Mr. Grandmaison, your previous experience at the Export-Import Bank obviously makes you well-qualified to continue serving. I look forward to hearing your thoughts on the Bank's reauthorization.

I would like to take this opportunity to express my disappointment that the Bank still does not have an Inspector General. I was frustrated that although an Inspector General was authorized in 2002, Congress failed to appropriate the necessary money until last year. However, I would note that the Senate included funding in

each of those years. The appropriations bill containing the Inspector General funding was signed into law last November, 8 months ago, yet the White House has still failed to come forward with a nominee. It will become increasingly difficult to support nominees for the Export-Import Bank while the White House leaves what I consider to be an equally important position, the Inspector General, vacant. Ms. Conlin and Mr. Grandmaison, I would hope that you would use your positions to help pressure the Administration to move quickly on this critical vacancy.

Mr. Bacino, we appreciate your willingness to serve on the Federal Housing Finance Board, particularly when there are a number of us that are looking forward to the day when we would actually eliminate the Board. Your point of view will be helpful to the Committee as we continue our attempts to create a new regulator for the housing GSE's.

Mr. Moy, it is nice to see you in front of the Committee as well. As you already know, Denver is proud to be the home of a Mint facility. The Denver Mint is one of only two Mints in the United States that produce coinage for circulation. I am sure that if you are confirmed, we will be working together in the future.

Again, thank you, Mr. Chairman, for holding this hearing today, and I look forward to hearing from our witnesses.

Chairman SHELBY. Thank you, Senator Allard.

Senator Dodd.

STATEMENT OF SENATOR CHRISTOPHER J. DODD

Senator DODD. Mr. Chairman, I will be very brief. You, Senator Sarbanes, and Senator Allard covered the ground pretty well here. Let me congratulate all of you on being nominated and for your willingness to serve in these important positions and roles.

I am particularly interested, as you know, Mr. Chairman, in the Export-Import Bank and the fact that we have had an incomplete board for too long a time, and that is putting that institution in a very precarious situation.

Chairman SHELBY. You know a lot about that Board.

Senator DODD. I know a lot about that Board. Truth in advertising here, my wife is a former Vice Chairman of the Board, and so I have a great familiarity with it and a great respect for it. The point that Senator Sarbanes made—

Senator SARBANES. You have huge shoes to fill.

[Laughter.]

Senator DODD. I did not say that, Ms. Conlin. Senator Sarbanes said that.

Ms. CONLIN. I understand.

Senator DODD. But the role of the Bank, since its charter in 1934, in fact, it almost should be called, "the Export Bank." The import side of it, I do not know why that name is even in the title. I guess originally they thought more about the import aspects of all of this. But the job creation in this country as a result, particularly with smaller businesses, I must say, going back to people like Ken Brody and others in the past who really expanded that role. Historically, in fact, there were major corporations that took advantage of it, and under new leadership over the last several years, we have watched the Bank expand its operations to really reach out

to smaller enterprises in the country that have really increased job opportunities here at home and created opportunities for the United States in these businesses overseas. And I just want to commend him. Joe has done a great job here, and I am delighted you are willing to do this again, Joe.

As Paul pointed out correctly, you bring a wealth of experience to this job. You have been there a long time. You know it well. Ms. Conlin, you now have several years there as well. We are still missing one member, as Senator Sarbanes points out, and I hope the Administration would send up a nominee and, Mr. Chairman, we could move quickly on it so we would have the full five-member complement of the Board there to function and operate.

But this is great news to have a quorum now that can be achieved and really give great legal authority to the decisions the Board makes and not raise questions about whether or not they are adequate.

So, I commend you both, and particularly my relationship with Joe goes back a long time. I am grateful to you, Joe, for doing this again.

To the other members, I am interested in your testimony and some questions will be raised appropriately, with congratulations on your willingness to serve.

Thank you, Mr. Chairman.

Chairman SHELBY. Senator Sununu.

STATEMENT OF SENATOR JOHN E. SUNUNU

Senator SUNUNU. Thank you, Mr. Chairman. I welcome all the nominees, and I do want to offer a special welcome to a good friend, Joe Grandmaison, or as his friends on the west side of Manchester would say, "Joe Grand-may-sohn." We have a long friendship, although Senator Dodd is much, much older than I am.

[Laughter.]

Your friendship may actually go back even a little bit further.

Senator DODD. He is going to learn eventually how this works.

[Laughter.]

Senator SUNUNU. Actually, Mr. Moy, Senator Dodd gave me what may be the best advice I have received in the Banking Committee so far, and that is, do one coin bill and do only one coin bill.

[Laughter.]

And I look forward to working with you on that, on the implementation of the dollar coin bill, which is now the law of the land.

But Joe really is, in addition to an experienced individual along the lines described by the Chairman and Senator Sarbanes, a great public servant, and I think that needs to be emphasized, because that is the kind of individual and experience we look for in any of these Presidential appointees, going back to his National Guard service as a young man and working as a one-time alderman in the city of Nashua, and New Hampshire local politics is by far the toughest job there is. He has been a delegate to the New Hampshire Constitutional Convention, which is taken very seriously in a State like New Hampshire, and, of course, as was mentioned, his work at U.S. Trade and Development and his previous work as a Board member at the Bank all has made the people of New Hampshire very proud of the work that he has done here.

He also has private sector experience, and, in particular, I think that is why he has been such a great advocate for the small and medium-sized businesses that Senator Dodd mentioned. He has been a great voice for them at the Bank.

I will close by noting that my staff has indicated that 6 weeks ago Joe called at about 8 o'clock in the morning and spent an hour and a half just chatting about things the Bank and its work and his thoughts about the economy and business and how Ex-Im might continue to make a bit of a difference in that area. And that is an indication of one of two things: Either he loves my staff, or he loves the Ex-Im Bank. And my sense it is a little bit of both because my staff has really enjoyed working with him as well and with this nomination and his confirmation, and I look forward to many more years.

Thank you, Mr. Chairman.

Senator SARBANES. What are we to make of the fact that he called at 8 a.m. in the morning in order to have that chat?

Chairman SHELBY. He is up early working for jobs.

Senator SUNUNU. Well, a good sign there is that he knew my staff would be in, so that is a credit to both parties.

Chairman SHELBY. Senator Menendez.

STATEMENT OF SENATOR ROBERT MENENDEZ

Senator MENENDEZ. Thank you, Mr. Chairman. I want to congratulate all the nominees on their nomination by the President.

Mr. Bacino, I actually hope that you will have a long-term engagement. I think there is still a role for the Federal Home Loan Bank, and as I talk to bankers not only in my State but also across the country, they tell me that there is still a need for them and a real opportunity to create homeownership as part of the reality that we want for as many Americans as possible. So, I hope you have a long-term engagement.

I appreciate the assignments that all of the nominees will have. I particularly want to share Senator Dodd's comments about the Export-Import Bank, and I know we have two excellent nominees there. I hope to work with both of you, particularly from a State that is still looking to enhance the opportunity from New Jersey, to enhance the opportunity to get many more small and mid-sized businesses into this global marketplace and to enhance those who are in it already.

Part of our challenge in trade as we take trade votes is to have the connection to people in their everyday lives become more and more real, and that means being able to have more and more people benefit, whether by employment or by expansion of businesses in that regard. And it makes these trade issues a lot more easy. And so we hope that as we look at a variety of new initiatives in New Jersey, creating something we call the "Liberty Corridor," a place to go from idea to marketplace and do everything in between, that we will be able to work with both of you in promotion of those opportunities.

We appreciate Mr. Grandmaison. When I was in the House, we often had the opportunity before the International Relations Committee, looking at some of those issues, and we appreciate your great expertise, and we are honored that a New Jerseyan has been

designated to be the First Vice President of the Bank. And, Ms. Conlin, with your background, I know it is going to further enhance the Bank's capabilities, and we look forward to having your specific insights, as it relates to your history in New Jersey as well, be an asset.

So, with that, Mr. Chairman, I look forward to being supportive, and thank you for the opportunity.

Chairman SHELBY. Would all of you stand and be sworn? Hold up your right hand. Do you swear or affirm that the testimony that you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. MISHKIN. I do.

Ms. CONLIN. I do.

Mr. GRANDMAISON. I do.

Mr. MOY. I do.

Mr. BACINO. I do.

Chairman SHELBY. Do you agree to appear and testify before any duly-constituted committee of the U.S. Senate?

Mr. MISHKIN. I do.

Ms. CONLIN. I do.

Mr. GRANDMAISON. I do.

Mr. MOY. I do.

Mr. BACINO. I do.

Chairman SHELBY. Thank you.

All of your written testimony will be made part of the hearing record in its entirety, and, Dr. Mishkin, we will start with you, if you will just sum up briefly, because we have got a big panel.

STATEMENT OF FREDERIC S. MISHKIN, OF NEW YORK, TO BE A MEMBER, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

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

After receiving my Bachelor of Science in Economics from MIT in 1973, I went on to earn my Ph.D. in economics from the same institution in 1976. I have been a Professor at the University of Chicago, Northwestern University, Princeton University, and, since 1983, have been a Professor at the Graduate School of Business, Columbia University. My research has focused on monetary policy and the financial system, and I am the author of more than 100 professional articles and more than 10 books on these topics. I currently as a research associate of the National Bureau of Economic Research, serve on six editorial boards of academic journals, and have been a past President of the Eastern Economic Association.

In addition to my academic background, I also have substantial policy experience. From 1994 to 1997, I was an Executive Vice President and Director of Research at the Federal Reserve Bank of New York and, in that capacity, attended Federal Open Market Committee meetings on a regular basis. I continue to be a consultant to the Federal Reserve Bank of New York and currently am a member of its Economic Advisory Panel. I also have consulted for

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

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

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

Chairman SHELBY. Ms. Conlin.

STATEMENT OF LINDA MYSLIWY CONLIN, OF NEW JERSEY, TO BE FIRST VICE PRESIDENT, EXPORT-IMPORT BANK OF THE UNITED STATES

Ms. CONLIN. Mr. Chairman, Senator Sarbanes, distinguished Members of the Committee, I am pleased to come before you today as the President's nominee to become First Vice President of the Export-Import Bank of the United States. I appreciate the confidence that the President has placed in me, and I am grateful for another opportunity to contribute to an institution where I have had the privilege to serve these past 2 years.

If confirmed, I look forward to working with the members and staff of the Committee to help sustain and increase the number of high-paying U.S. jobs by financing export transactions that otherwise would not go forward.

I would like to recognize my husband, Joe, and my dear friend, Louise Wheeler, who are both with me here today, and the fine team from Ex-Im Bank.

Chairman SHELBY. Do you want them to stand up?

Ms. CONLIN. Stand up, please. Or a slight wave. He is so tall, a slight wave would do.

[Laughter.]

It was not that long ago on February 26, 2004, that I came before the Committee as the President's nominee to be a Director of the Export-Import Bank. Since that time, I have endeavored to honor the confidence that you have placed in me and the commitment I made to you: Simply stated, to ensure that U.S. exporters have the financing tools they need to succeed in today's highly competitive global economy.

As a Board member, I have been given the responsibility of overseeing a key Congressional mandate: Increasing the Bank's financing of environmentally beneficial goods and services, including renewable energy. We continue to make a difference in that area. Ex-Im Bank has supported more than $1.1 billion of U.S. exports of environmentally beneficial goods and services over the past 4 years. And in this regard, it has been personally gratifying for me to work with the Bank's Environmental Exports Team, a group of

enthusiastic and dedicated professionals from various departments who have helped implement this program.

As a former small business owner, I am also pleased to be working with the many small and medium-sized companies that make up the lion's share of the U.S. environmental sector. These entrepreneurs serve as the backbone of the American economy, and their risk-taking fuels our free market system. I want to do everything to help them to grow. A key to that growth is Ex-Im financing that can help shoulder the risk of opening up new markets overseas.

I have personally witnessed the positive results of the Bank's expanded small business program over the past year. Assuming that the Bank is provided sufficient administrative resources going forward, I firmly believe that the Bank's efforts focused on small businesses will continue to grow. I, therefore, welcome the opportunity to assist Acting Chairman Jim Lambright in helping these companies succeed in the global marketplace.

It has also been my pleasure to work with Ex-Im's Sub-Saharan Africa Advisory Committee and the business development team to increase financing in that region, building upon the hard work and success of my former colleague and Ex-Im Board Member-Designate, Joe Grandmaison. I am pleased to say that we are now implementing many of the Advisory Committee's recommendations.

If confirmed as First Vice President, I will use my experience both at Ex-Im Bank and in trade development at the U.S. Department of Commerce to leverage the resources of Federal agencies and industry organizations to accomplish our shared goals.

I welcome the opportunity to work with Ex-Im Bank's Chairman and executive leadership and the talented professional staff at the Bank to ensure that Ex-Im Bank's programs and policies remain competitive.

Mr. Chairman, Senator Sarbanes, Members of the Committee, I respectfully ask for your favorable consideration of my nomination, and I will be pleased to respond to your questions.

Chairman SHELBY. Mr. Grandmaison.

STATEMENT OF J. JOSEPH GRANDMAISON,
OF NEW HAMPSHIRE,
TO BE A MEMBER OF THE BOARD OF DIRECTORS,
EXPORT-IMPORT BANK OF THE UNITED STATES

Mr. GRANDMAISON. Mr. Chairman, Members of the Committee, I am honored to once again appear before you today as the President's nominee to be reappointed as a member of the Board of Directors at the Export-Import Bank.

I am deeply appreciative to President Bush for giving me the opportunity to continue in public service. I am also most appreciative to Majority Leader Reid, Senator Sarbanes, and Senator Dodd for their support of my renomination.

I would also like to thank Senator Sununu for saying generous words about me. I was a little worried given that he mentioned he had reviewed my contributor list.

[Laughter.]

But as a New Hampshire Democrat, as you would expect, there happen to be a lot of Democrats that I supported. A few of them have been successful.

You can be assured that, if confirmed, I will continue to serve with the same dedication, zeal, and purposefulness as I have in my previous Government service at the Bank and at the U.S. Trade and Development Agency.

As we all know, what with reauthorization, this is an especially important year for the Bank. While my term ended prior to discussions having begun relative to reauthorization, be assured that I have followed the debate as well as having attended three of the Congressional hearings. I am aware of the concerns expressed by several Senators and Members of the House and, if confirmed, will reflect those concerns in my voice and in my vote.

Ex-Im Bank is all about creating U.S. jobs in this ever-changing world marketplace. I welcome the opportunity to continue to work with you toward that end and ask for your support and would obviously welcome any questions you might have.

Thank you.

Chairman SHELBY. Mr. Moy.

STATEMENT OF EDMUND C. MOY, OF WISCONSIN, TO BE DIRECTOR, U.S. MINT U.S. DEPARTMENT OF THE TREASURY

Mr. MOY. Chairman Shelby, Senator Sarbanes, Members of the Committee, thank you for the opportunity to appear before you today to discuss my nomination to become the 38th Director of the U.S. Mint.

Joining me today is my wife, Karen, and without her support and love and partnership, I would not be here today. So thank you.

I am pleased and honored by the trust that President Bush has placed in me by asking me to serve in this important position, and I recognize that, if confirmed, I will join the ranks of those privileged to be Directors since President Washington asked David Rittenhouse to become the first Mint Director in 1792.

The background that I bring I think will be extremely helpful to the Mint at this point of its history. I have 10 years as a sales and marketing and branding executive with a major corporation, 8 years working with venture capital firms, creating value. I have had Federal Government experience managing a fairly sizable staff at the Department of Health and Human Services, overseeing $7 billion of annual Federal expenditures, and being in Presidential Personnel, I certainly understand the human resources component of what I am about to do.

If confirmed, there are a couple immediate priorities that I see myself focusing on. Most important is implementing the Presidential $1 Coin Act, which this Committee has approved. The second is providing information to Congress on dealing with the rising costs of producing coins, as you have read with the penny and the nickel. And, finally, reviewing and, if necessary, refining all the various business plans and operational plans that the Mint has, because some of the environment has changed since those original plans were developed.

Thank you for the honor and privilege of appearing before you today.

Chairman SHELBY. Thank you, sir.

Mr. Bacino.

STATEMENT OF GEOFFREY S. BACINO, OF ILLINOIS, TO BE DIRECTOR, FEDERAL HOUSING FINANCE BOARD

Mr. BACINO. Thank you. Senator Shelby, Ranking Member Sarbanes, and Members of the Committee, I, too, want to thank you for the opportunity to appear before you today and for the expeditious scheduling of this hearing. I would also like to express my thanks to President Bush for nominating me and to Minority Leader Reid for recommending me for the position of Board member at the Federal Housing Finance Board. If confirmed, I will work to the utmost of my abilities to fulfill the responsibilities of this office.

With me today, I would also like to thank my wife, Nathalie, and my oldest daughter, Evan.

A major component of the American Dream has been and should continue to be homeownership. With the involvement of the Federal Home Loan Banks and the mortgage lending process, the Housing Board and its oversight of this important purchase remain an integral part of the process.

Having previously served as a Federal regulator for credit unions as a Board member at the National Credit Union Administration, I understand the need for a reasonable and rational regulator. During my time at NCUA, the Board advanced a regulatory framework where "one size fits all" gave way to a more progressive approach that took into account the capabilities of each institution.

I often equate being a good regulator with the same qualities as being a good umpire. It is not the umpire's job to tell the manager who to start, when to change pitchers, or whether to hit and run. It is, however, the umpire's job to decide if a ball is a ball or a strike, decide if it is fair or foul, and if a runner is out or safe. Although the umpire is not playing the game, his role is essential to ensuring the integrity of the game.

And so it is with a regulator. As the Federal Home Loan Banks continue on a daily basis to uphold their mission and commitment to help meet community housing and lending needs, the integrity in that process is essential. Integrity in the safety and soundness of the Federal Home Loan Bank system, integrity in their role in the capital markets. An effective regulator helps create an environment in which that integrity is ensured.

Let me conclude by saying I look forward to working with this Committee and its counterpart on the House side as we address important housing and finance issues in the years to come through the Federal Home Loan Bank system.

Thank you very much.

Chairman SHELBY. Thank you.

I will start with you, Dr. Mishkin. Your research and writing suggests that you are a proponent of inflation targeting. What are your views on whether the FOMC should adopt an explicit inflation-targeting regime? Would you say, for example, that the Federal Reserve under Alan Greenspan implicitly practiced inflation targeting?

Mr. MISHKIN. First of all, the law of the land is that the Federal Reserve has a dual mandate: Not only is it supposed to preserve price stability, but it is also supposed to get maximum employment.

This is clearly what the Federal Reserve was doing under Chairman Greenspan. I think it is definitely what the Federal Reserve should be doing in the future.

The benefits of inflation targeting have actually been very similar to the benefits that were pursued under the Greenspan Fed and now under Chairman Bernanke's Federal Reserve in that the view that price stability is very critical to the economy—that you anchor inflation expectations—is, in fact, a good way to not only control inflation but also to produce maximum sustainable employment.

Any decisions about what will happen in the future—that I will be participating in, that what is appropriate in terms of the form of the Federal Reserve policymaking—is something that has to be deliberated on. Moving from an academic to a policymaker means that I have to keep an open mind. And I intend to bring my expertise to help in that process.

Chairman SHELBY. Doctor, given the importance of price stability, do you see any downside to the pursuit of an inflation-targeting regime?

Mr. MISHKIN. There are many forms of an inflation-targeting, and, in fact, there are forms of an inflation-targeting regime that could be problematic. I have thought about this issue and discussed it in some of my research.

What is very important is that if you move in a direction along these lines, you need to make sure that you do not increase output and employment fluctuations.

Chairman SHELBY. During the past 10 years or so, the monetary policy process has certainly become more transparent as an increasing amount of information is now being released than in years past. Would you favor any additional specific actions to make the Fed more transparent to the public, aside from inflation targeting, which we have already discussed? And do you believe there would be a point at which transparency would be counterproductive to effective implementation of monetary policy? In other words, it seems like maybe we do not need to know everything or every move you make, at least when you make it—or before you make it.

Mr. MISHKIN. Right. I share your concerns about this issue of transparency. I think there are potential improvements in transparency that the Federal Reserve System can pursue. This is actually under study at the Federal Reserve currently, and I will actively participate in that discussion, if confirmed.

I am concerned that you can go too far in transparency. I have a paper that says, "Can central bank transparency go too far?" And the answer is sometimes yes. So there is a critical balance here. The key to transparency is that it actually helps make the Federal Reserve more accountable to the political process and to the public, but too much information can confuse. So it is an appropriate balance which is what I would seek.

Chairman SHELBY. I know a lot of people will be talking to you, as we do all the Fed members, why are you raising the cost of money, interest rates, so to speak. But price stability is very important to this economy, too. It is not just low interest rates. Do you want to touch on that just a minute?

Mr. MISHKIN. Yes, Senator.

Chairman SHELBY. What do you mean by that?

Mr. MISHKIN. Your point is very well——

Chairman SHELBY. I know what you mean, but——

Mr. MISHKIN. Your point is very well taken. If you do not get price stability, that is when you actually get very high interest rates. And, unfortunately, we have had periods in the past where interest rates in the early 1980's went up close to 20 percent. We do not want to return to that again, and, in fact, price stability, which has been the hallmark of Federal Reserve policymaking in recent years, has helped produce low interest rates. So a key issue here is that low interest rates are a good thing.

Chairman SHELBY. Keeping inflation under control, right?

Mr. MISHKIN. Keeping inflation under control is an important and critical way of producing that.

Chairman SHELBY. Ms. Conlin and Mr. Grandmaison, like Senator Sarbanes. I will ask you both this: The Export-Import Bank's impact procedures have been criticized for taking too long to complete and injecting an uncertainty about what transactions the Bank can support. What can be done to streamline the Bank's economic impact procedures while at the same time making sure they protect U.S. businesses? Senator Sarbanes and Senator Dodd were talking about this. We are interested in jobs, creating jobs for our people, and you can play a role there.

Also, do you think that the Bank's economic impact procedures could be made more transparent so that it is easier for effective U.S. companies to have a better opportunity to comment on transactions?

We will start with you, Ms. Conlin.

Ms. CONLIN. Yes, Mr. Chairman, if confirmed, I certainly would welcome the opportunity to work with the Members of the Committee to increase transparency and predictability where economic impact procedures are concerned. As Ranking Member Sarbanes pointed out, our mission is to help create and sustain jobs in the United States. And we should not be providing financing or extending credit if this indeed adversely affects the U.S. economy, employment, or production.

Having said that, the transactions that have come before the Board and that have involved economic impact considerations have been among the most challenging and difficult because typically they pit one set of U.S. workers against another set of U.S. workers.

So, I firmly believe that we should continue our current practice of vetting these transactions, of making sure that all interested parties have a voice and are included; and at the same time, we should make sure that we consider exporters and make sure that the process is timely, is predictable, that our exporters in the process have some certainty so that their commercial relationships are not jeopardized, and so that we can make sure that our exporters and not their foreign competitors are getting those sales and supporting those jobs.

Chairman SHELBY. Do you have anything to add, sir?

Mr. GRANDMAISON. The only thing I would add, Senator, is that the criticism is justified, and hopefully during the past several months, given that several Senators have raised the issue that it can be handled internally at the Bank, I do agree with you that

transparency is a key to it, but also responsiveness. The fact is that we have to be more open to both sides of any particular issue and to be able to explain clearly why the Board or management of the Bank may indeed feel one way or the other.

Chairman SHELBY. Thank you.

Mr. Moy, I have a question for you, sir.

Mr. MOY. Yes, sir.

Chairman SHELBY. You mentioned that base metal prices have been rising in recent years, and this has begun to cause industry concern. As Director of the Mint, you will be the largest maker of coinage, I guess, in the world. Is that correct?

Mr. MOY. That is correct.

Chairman SHELBY. What impact will the rising prices of metal have on production and unit costs? And how will the Mint work to keep the cost of coinage in America efficient and cost-effective? I know Senator Allard has a Mint in Denver that he is very interested in, too. We all are because of the—go ahead, sir.

Mr. MOY. Senator, that is exactly right, and the primary driver behind the increased costs of both the penny and the nickel has been the metal composition. So it is the rising cost of metals that is the primary contributor to these rising costs.

What I have discovered in what little time I have had to study the Mint, they have done an outstanding job keeping all the other production costs down. That has actually had a flat trend over time. This is an area that, as I mentioned in my opening statement, I am going to spend a considerable amount of time studying and bringing options before the Congress, because I recognize Congress' responsibility to determine not only the denominations we make, but also the metal composition of those coins.

Chairman SHELBY. Senator Sarbanes.

Senator SARBANES. Thank you very much, Mr. Chairman.

Mr. Bacino, why don't we start with you? The Chairman got as far as you, and then his time ran out. In recent years, the Finance Board has made several significant decisions that I think have widespread implications for the Federal Home Loan Bank System without any prior notice or the opportunity for public comment.

For example, the Mortgage Partnership Finance Program and the Shared Funding Program, operated by the Chicago Bank, both of which were major departures from the banks' traditional business of making advances, were initially simply authorized by the Board and only subsequently addressed through a formal rulemaking process.

Furthermore, recently the Board allowed the Chicago Bank to issue subordinated debt, to include that debt in calculating the bank's minimum capital ratio. Let me repeat that. It issued subordinated debt and then allowed them to include that subordinated debt in calculating the bank's minimum capital ratio. That is unprecedented in the Federal Home Loan Bank System. This decision was also made with no notice or opportunity for public comment.

So, I would just put this very basic question to you: How important is it for a regulator to seek public input, proceed in a transparent manner, when making substantive decisions of this sort that have broad implications and that represent a very sharp departure from past practice?

Mr. BACINO. Senator, I would agree that I think it is very important that anytime a regulatory agency chooses to go on any path, regardless of whether it is an extreme diversion from what they have done before or whether it is a standard regulation, I think you need input from the stakeholders. I think you need input from the members of the Bank System. And one of the things that I would work for there would be some of the stuff similar to what we did at the National Credit Union Administration, is to make sure that things went out for public comment, to make sure that there was adequate notice and that things were not done in the dead of night.

I think anytime you do something like that, it raises questions, regardless of whether or not the program itself would work or not. I think you need to be able to listen to the people that have a stake in the agency.

Senator SARBANES. I think that is absolutely right. I mean, the substance of the decision is complex, and people may differ on it. I happen to think that these are very risky undertakings. But at a minimum, the process should be a transparent one, and there is a whole procedure for prior notice and for public comment and so forth that was not followed in these instances.

Let me ask you one other question. For the past 2 years, the Finance Board has failed to appoint any Directors to the Boards of the Federal Home Loan Banks, the so-called "public directors" despite the requirement in Section 7 of the Federal Home Loan Bank Act that the board make such appointments. If appointments are not made by the end of this year, the Banks will be missing more than 40 percent of their directors.

It seems to me this is a very serious issue that the Finance Board should be addressing. Do you agree with that?

Mr. BACINO. Yes, sir. I think this is probably going to be one of the top three or four issues, if I am fortunate enough to be confirmed, to be sitting on my desk. And I think we do need to make sure that we live up to our statutory requirements. And if we are required to make those nominations, I feel that is something that we should definitely be looking at. But if I am fortunate enough to be there, it would obviously be one of the things I would look at right away.

Senator SARBANES. All right. Thank you.

Mr. Moy, you have a sales and marketing background. We tried a $1 coin before just a few years ago. It did not seem to work very well. In fact, the only place you see it in is in the homes of consumers who have kept them around. Now we are going to try it again.

Do you have any ideas about what went wrong before and what steps might be taken now to make it a more popular coinage?

Mr. MOY. When I first considered this position of the Mint, I tried to go out to my local banking institution to get a $1 coin and found out how difficult it is for the Director nominee to even access a $1 coin.

Given my background, and knowing what the Mint does, first of all, I am confident that the Mint will be able to produce a beautiful coin. It will be done on time. It will be done as efficiently as possible. And so the key here will be making Americans more aware

of the benefits of using that dollar coin, as well as to make that coin more accessible.

Senator SARBANES. I have a question for the two nominees to the Ex-Im Bank. I understand the appropriators have tentatively cut $6 million from the administrative budget of the Export-Import Bank. This does not sound like a lot of money, particularly in the terms in which we deal here with the Department of Defense, the Department of Homeland Security, and so forth. But for these smaller agencies, money of this amount can really have an impact.

I am told that it will lead to a cut of 10 to 15 percent in the employees at the Export-Import Bank. Is that correct? And can the Bank take that kind of cut and continue its activities? There is some concern that not enough has been done on small business, that the time framework is not tight enough, businesses want quicker answers and so forth and so on.

Ms. Conlin, do you want to take that on first? You are still there.

Ms. CONLIN. Senator Sarbanes, frankly I share your concern. I am deeply troubled and I am concerned about the ramifications to the operations of the Bank that this proposed reduction in our administrative budget would mean. And you have hit the nail right on the head.

What this would really jeopardize is our small business effort, our small business program that Acting Chairman Lambright has dedicated so much time and effort to. We are starting to see solid results from this program. This reduction not only will it affect our ability to reach these small business exporters—and as a former small business person, you know that is near and dear to my heart—but it also will affect our ability to service these applications and requests.

So, I share your concern, and I would hope that there would be consideration given to the importance of the outreach programs and small business programs at the Bank.

Senator SARBANES. Well, maybe you and Mr. Lambright could visit with the appropriators, if you have not yet done so.

Thank you, Mr. Chairman.

Chairman SHELBY. I think Senator Sarbanes is directing some of that in a friendly way to the two of us. Senator Allard and I both are appropriators.

[Laughter.]

Chairman SHELBY. He is a smart man.

Senator Allard, any questions?

Senator ALLARD. Thank you, Mr. Chairman.

I want to start my first question with Mr. Moy, and I think you are aware of the problems that we are having with some of the female employees at the Mint, and, in fact, they have filed a class complaint. And the basis for this complaint seems to be that there is a hostile environment based on gender, and there is engagement in a pattern and practice of gender discrimination and then retaliation against any woman who reports harassment claims.

Specifically, one case went to the U.S. District Court in Colorado with a former female employee alleging a hostile work environment. She claims that this began with an assault and culminated in her dismissal based on gender, race, and reprisal.

I would like to know what your response would be to this particular—I do not know that you can comment on the specific case if it is before a court, but what do you intend to do about the situation in Denver; and then, finally, measures that you think could be taken to prevent sexual harassment, which that seems to be a problem.

Mr. MOY. Yes, Senator. First, I share your concerns with what has been going on at the Denver facility. As you mentioned, this is an ongoing case. It would be inappropriate for me to comment on the specifics of this case. But I do have some pretty strong opinions on the subject.

Quite frankly, any type of sexual harassment is a repellent behavior to me. Growing up Asian American, I have been subject from time to time to racial discrimination, so I have a certain sensitivity to discrimination issues. And if confirmed as Director of the U.S. Mint, you have my commitment to do everything in my ability to make sure that discrimination does not happen at that facility, or any of our facilities.

I do know that since that case, the Mint has started a program to put all the employees through a mandatory education on discrimination issues. I am fully supportive of that. I am also fully supportive of the zero tolerance policy. But, in addition, I would like you to know, sir, that if there are any accusations of discrimination, I am committed to fully investigating them, and depending on the results of that investigation, making sure appropriate action is taken.

And, finally, in addition to those existing programs, I like to lead by example, and I take pride in the various management jobs that I have had in the past having no EEOC complaints, having no accusations of discrimination. And I hope to instill that *esprit de corps* among all the managers and employees.

Senator ALLARD. I appreciate your response, and if I may be so bold as to make one suggestion, it is that you make sexual harassment awareness training regular, because you have some turnover on your employees. And I think it is a judgment call as to how often, depending on the degree of turnover that you have with your employees. But so many times in talking to people who have gone through an educational process where they become aware of what the law says and what is considered sexual harassment, they are not aware that some of the actions that may have been acceptable in past years are not acceptable in today's environs.

Mr. MOY. Sure.

Senator ALLARD. And so I think a regular schedule based on what your employee turnover might be I think would be helpful, or at least look to your new employees coming in, particularly if they start moving up where people that are in charge of somebody underneath them, I think that becomes important.

Mr. MOY. Senator, that is a great suggestion, and often reminders are extremely helpful in institutionalizing that behavior.

Senator ALLARD. The laws have changed in that regard, and I think a lot of employers are having to deal with that particular issue and rethink their policy.

I would like to now go to the Export-Import Bank, Ms. Conlin and Mr. Grandmaison. How do you view the relationship between

the Bank and the Inspector General? And how can the Inspector General help the Bank improve its performance? I would like to just hear your comments in that regard. You obviously were paying attention when I made my opening comments, and I would like to have you respond to those.

Ms. CONLIN. Senator, if confirmed as First Vice President, I welcome the opportunity to work with the Inspector General nominee of the President, if confirmed by the Senate. As you know, I now serve as Chair of the Audit Committee at the Bank, so I am well aware of the importance of making sure that we have a very strong program within the Bank to address and mitigate risk, address issues of compliance, as well as issues of fraud, waste, and abuse, which would be the responsibilities of the new Inspector General. So from my perspective, I would be very supportive and would certainly welcome the nomination and confirmation of an Inspector General.

Senator ALLARD. Mr. Grandmaison.

Mr. GRANDMAISON. Senator, I remember when I called upon you, I guess 4 years ago, you first mentioned your specific concerns regarding an Inspector General, and you sensed my perhaps reluctance in terms of agreeing with you, but you extracted a promise from me. I promised you that if I were to be confirmed that I would do everything possible to cooperate with an Inspector General, and obviously I will meet that promise.

My colleague mentioned the Audit Committee. The three nonmanaging members of the Board comprise the Audit Committee, and I must say that in the past 3 years, major changes have taken place with the support of management in terms of the independence of the Audit Committee. What will have to take place is a hand-in-glove relationship between the Audit Committee and the Inspector General to make sure that our combined efforts complement the agency's goals.

If I could just add one point on small business, my concern relative to the suggested cut in the appropriation is that the Congress this year has wisely extracted promises from the Bank relative to further prioritizing small business. And I believe Senator Sarbanes is correct that that is specifically the area that will be hit the hardest if indeed that $6 million cut becomes active.

Senator ALLARD. I think you understand that the Inspector General becomes the eyes and ears of those of us in the Congress. So many of us view that as an important position to have in some of our key agencies.

I have a question just for all of you. I am a strong advocate of identifying goals and objectives in a measurable fashion and then measuring outcomes, and I would like to have a response from all of you. During your tenure in these appointed positions, what key performance goals do you want to accomplish? And how will the Congress know whether you have accomplished them? It is sometimes referred to as the PART program on the administrative side. Over here it was the Government Results and Procedures Act, if I remember that correctly. So, I wonder if you would respond in that regard, all of you. We can start with Mr. Mishkin.

Mr. MISHKIN. Well, consistent with the dual mandate, there are two measurable issues that you can look at; one is, how are we

doing on inflation; the other is, how are we doing on employment and economic growth. So those are fairly easy things to measure and things that I am sure everybody looks at.

Senator ALLARD. Ms. Conlin.

Ms. CONLIN. Senator, very simply, I would look to see that we can increase financing for U.S. exporters that would result in increasing jobs in the United States. But very specifically, I want to work with Acting Chairman Lambright to see that we can increase the financing for small and medium-sized businesses. As you know, we have a mandate from Congress to achieve 20 percent of our financing for small businesses. I do not see that as a floor and I do not see that as a ceiling.

I will echo Acting Chairman Lambright's words when he said we want to go beyond that 20 percent, if at all possible. So that is a very important performance measure. It is one that we are all dedicated to, and I would look forward to supporting it.

Senator ALLARD. I would hope that you would go beyond that. I would hope that you would look at the small businesses once they got the money and see what happened to the money and, if they did, what the results were of getting that money. That is a key part, I think, of that measurement.

Ms. CONLIN. I will add, if I may, Senator, that nothing has given me greater satisfaction than to talk to the businesses that have received Ex-Im financing. I recently talked with one of our environmental companies, and they said to me, "Director Conlin, without Ex-Im financing we would not have made this sale. Without Ex-Im financing we would not have been able to add the 10 to 15 jobs."

So, I know how important in real-life terms our financing is.

Senator ALLARD. Mr. Grandmaison.

Mr. GRANDMAISON. Senator, more broadly, I believe there are some issues of governance relative to the role of the Board that hopefully could be addressed in this next term. One as an example would be that, whereas the Bank has some truly exceptional professional career staff people, it should be the Board that decides what the reasonable assurance of repayment standard is when it comes to providing financing for transactions.

Senator ALLARD. That is a measurement we need to have.

Mr. GRANDMAISON. And without addressing that narrow issue, it is my belief there is a lot of business that we could and should be doing. The interpretation of reasonable is not absolute reassurance of repayment. The fact is we are supposed to take reasonable risk. And I would like to see us address that as a Board, and then provide that direction to the members of the professional staff.

Senator ALLARD. Mr. Moy.

Mr. MOY. I am fortunate that, if confirmed, the Mint is a manufacturing operation that has outstanding performance measures and metrics, and they have been operating wonderfully over the past 6 years.

What I hope to do is bring some of my private equity experience where you are used to putting companies on a plan, getting them a certain amount of revenue, et cetera, sales and those types of things, applying that expertise on some of the other areas of the Mint that would benefit by having some more solid performance standards.

Senator ALLARD. Mr. Bacino.

Mr. BACINO. Senator, I was lucky in that, after leaving NCUA, I did a lot of strategic planning for institutions, which I think gives you an idea on making sure that you set the goals and find out if the institution meets them.

I think the goals I would set for the Bank Board while I was there would be to make sure that the institutions are carrying out their lending and housing responsibilities in a safe and sound manner.

In terms of the question Senator Sarbanes asked earlier, I want to make sure that we would increase transparency. And then I think you also have to take into account the stakeholders' opinions and positions, but also understanding that, using my umpire's analogy, at some point someone has to make a call.

Senator ALLARD. Thank you, Mr. Chairman.

Chairman SHELBY. Senator Sarbanes, I understand you have several questions.

Senator SARBANES. Thank you. I have to depart, Mr. Chairman. I appreciate your allowing me to go out of turn. I got all the way across the table except to Mr. Mishkin. I want to put a couple of questions to him.

In 1977, Congress clarified monetary policy objectives for the Federal Reserve, and the statutes says, "The Board of Governors of the Federal Reserve System and the Federal Open Market Committee shall maintain long-run growth of the monetary and credit aggregates commensurate with the economy's long-run potential to increase production so as to promote effectively the goals of maximum employment, stable prices, and moderate long-term interest rates."

My first question is: How fast do you believe the long-run potential growth rate is now for the economy?

Mr. MISHKIN. Senator, unfortunately, this is a very tough question to answer. Economists actually—

Senator SARBANES. That is why I asked it of you.

Mr. MISHKIN. I know.

[Laughter.]

Economists actually have a very hard time knowing what that number is. Not only is it an issue very hard to measure in real time with the data, but also we do not even know theoretically or from a modeling perspective what the right number is. Indeed, one of the problems that has sometimes faced the Federal Reserve in the past is that they picked a number and it was the wrong number. In fact, it can go both ways; you could pick a number which is too low as a growth rate, and then you actually may have the tendency to restrain growth when you should not, but also you might have a situation where you go the other direction and then lead to a lot of inflation.

So, I cannot take a stand on this. I think it is actually a very tough question. I wish I could give you a better answer, but—

Senator SARBANES. Well, let me take it a step further. Economists at Goldman Sachs—and we have the secretary now from Goldman Sachs—have forecast that real GDP growth will average 2.7 percent between the second quarter of this year and the end of 2007. They believe that the slowdown in housing activity and the

cash-out refinancing—ending cash-out refinancing with larger mortgages will be a sizable drag on the economy.

Does that forecast sound right to you?

Mr. MISHKIN. Unfortunately, at this stage I am not a forecaster. I work on many different issues. Without the base of a staff that really knows what it is doing in terms of forecasting, which I will have when I get to the Federal Reserve, if I am confirmed, I cannot really tell whether that is a good forecast.

Senator SARBANES. All right. You defer on that one, too.

Let me ask you, then, this question: Given this observation from Goldman Sachs and the fact that we learned last Friday that jobs have grown by only 108,000 a month for the last 3 months, do you think that the Federal Reserve should be paying more attention to the risk of the economy growing slower than its long-run potential?

Mr. MISHKIN. Senator, that the Federal Reserve always has to worry about the economy potentially growing less than its long-run potential, as it also has to worry that the economy is overheating. So I think this is always part of what the Federal Reserve has to worry about, and is something that I would worry about as well.

Senator SARBANES. If you were going to move down the path of having specific quantifiable targets for inflation, would you also have specific quantifiable targets for maximum employment? And if not, why not?

Mr. MISHKIN. Senator, I actually would not be in favor of having a quantitative target for maximum employment or for maximum economic growth, for the reasons I mentioned earlier. I just do not think that we have enough knowledge to do that well enough so that——

Senator SARBANES. If you take that position but move ahead on specific quantifiable targets for inflation, do not you run the very real risk that you will inevitably put more weight on the inflation mandate rather than the employment mandate? That will become the focus of attention. Those numbers will be what attracts attention. That is what the entire focus will be on.

Mr. MISHKIN. I share your——

Senator SARBANES. Or close to the entire focus.

Mr. MISHKIN. I share your concern that you do not want to focus on inflation because you have some quantitative measure of what you would like to do in the long-run and then forget about employment and output fluctuations.

Indeed, there certainly are cases where you have an economy that is much too slack and should do something about it. You should never forget about that, and so the sole focus on inflation would be a problem. But a well-designed system—I do not actually think the word "target" is a good word for what we should be doing in terms of the Federal Reserve—with more explicit goals should always worry about the fact that output fluctuations and employment fluctuations are important.

Senator SARBANES. Well, with the current uncertainty that seems to be prevailing and with the volatility that seems to follow the statements of leading figures at the Federal Reserve, it might just be better to leave these issues to the side, it seems to me. I just throw that out as hopefully a helpful piece of advice.

Mr. MISHKIN. I understand your point.

Senator SARBANES. What is your view about Basel II? I know the Chairman may follow up on that, but——

Mr. MISHKIN. Well, I think that the key issue—which is something that I have found in my research—is how important it is to have sufficient capital in the banking system in promoting economic health, not just for the banking system but for the economy as a whole. The fact that the banking system has been so well capitalized was actually a tremendous help during the recession that we just had recently, which was milder than it would have otherwise been.

A key issue in terms of Basel II, of course, is that you want to——

Senator SARBANES. Did you follow that QIS–IV study?

Mr. MISHKIN. I have not actually spent much time on it, but I am certainly aware of the QIS–IV study. One of the concerns that that study has raised is that under the Basel II measures, as currently put in place, it would, in fact, mean a large reduction in required capital. That would be something that would concern me, that we——

Senator SARBANES. What concerns me is how did we get so far down the path in negotiating a framework internationally with respect to Basel II that when it was tested out with this study, it produced results, and everyone says, "Oh, my God, those aren't the results"—you have just said it yourself at the table. Those are not the results we want.

Chairman SHELBY. Yet you are still going down that road.

Senator SARBANES. Yes. So you have questioned the substance of it, but I am raising—I mean, you were not there—but I am raising an earlier question, and that is, how did we ever get that far down the path? Because now I understand that the Europeans and the Japanese are saying to us, "Well, you cannot pull out now. You brought us down this path, and we want to go through with it"—even though the study shows substantial problems.

Mr. MISHKIN. I have not been involved with the Basel II process and it is an extremely complicated.

What I can assure you of is that I am very interested in the Basel II process and have always been very interested in issues of bank regulation and whether there is enough capital in the banking system. If I am confirmed, it is certainly something that I will want to study at the Federal Reserve. I want to make sure that the key idea in that, in fact, we do not want banks to be taking excessive risk and want to make sure that there is enough capital in the banking system so they have a cushion against bad shocks.

Senator SARBANES. I will close with this observation. Thank you, Mr. Chairman. I think there is a tendency at the Federal Reserve Board. They all see monetary policy as a major charge, and they are all involved in the monetary policy decisions. Of course, they are all on the Open Market Committee, supplemented by a certain number of the Federal Reserve regional banks.

The other areas of responsibility that the Fed has, which are quite extensive—I mean, very significant regulatory responsibilities in the banking area, and this Basel II is an example of that. They have important consumer protection responsibilities. My perception is there is a tendency at the Bank to assign that to one or maybe

two of the Governors, and instead of all of the Governors being involved in the decision—I understand why you do that given the workload and everything, but it seems to me this Basel II issue has risen to the level that it requires the close attention of all of the members of the Federal Reserve Board.

Thank you very much.

Chairman SHELBY. I just want to pick up on what Senator Sarbanes said. We will hold a hearing again on Basel II. There is deep concern on the House Financial Services Committee, too, regarding this. And one of my concerns—and I have been on this Committee a long time. Not as long as Senator Sarbanes, but we have been through the bailout of the thrifts, and if you lower the capital so thin you have a downturn or something, you are not only a member of the Fed, but you also are a bank regulator there, too. We do not want that to happen. We have a pretty good banking system in this country. We have not had a lot of bank failures, thank God, lately. But you never know what the future is going to be. But capital is important, I believe. Isn't it, Doctor?

Mr. MISHKIN. I definitely think that capital is extremely important.

Chairman SHELBY. I hope you will—and you will go on the Fed—I believe, I am confident of that—soon. But I hope you will look at that very closely because it is very important.

Mr. MISHKIN. I definitely will, Senator.

Chairman SHELBY. Mr. Moy, I have a question. Going back to the coin and the dollar coin, and, you know, people pushed for that and said, My God, this is a panacea that the American people want a dollar coin and everything. You know, we are familiar with the British pound, which is worth a little more, and it is heavy. But we are used to it, and when we travel there, the British are used to it. They like it, the euro coin.

What is it? Are the American people adverse to the dollar coin? What is the aversion there? What is it? Because that is something you will have to deal with.

Mr. MOY. Yes, and I am beginning to look into that and finding out that there is probably a wide variety of reasons why the coin was not adopted. But sentiments change over time.

Chairman SHELBY. Sure.

Mr. MOY. And I am very interested in finding out what current attitudes are, and one of the things that was part of the Presidential Coin Act of 2005 was to set up some of these dollar coin forums. The Mint has just had its first one, and I think that has gotten some pretty helpful information. And if confirmed, I will be attending these as they progress. With that additional information, I think we will have a better bead on what is going to make this coin more successful.

But I am very confident that there needs to be more awareness by Americans on the benefits of using the dollar coin, which I think is a very appropriate role for the Mint to take.

Chairman SHELBY. Do people use the half-dollar like they used to? I see quarters everywhere. I do not see many half-dollars.

Mr. MOY. If I see a half-dollar, I collect it.

[Laughter.]

Chairman SHELBY. Do you know?

Mr. MOY. Yes, I do not know how widespread the use of the 50-cent piece is.

Chairman SHELBY. You do not see it every day. You change something, it is quarters, very seldom a half-dollar. I just wondered.

Mr. MOY. Very seldom. And I know that in the rare instances I have come across a Sacagawea dollar, instead of using it I keep it.

Chairman SHELBY. Sure.

Mr. MOY. Yes, because it is kind of a collector's item. But I think with proper awareness and education, some of those sentiments can change.

Chairman SHELBY. Have any studies been done that you know of as to people's concern with the weight of the dollar?

Mr. MOY. Yes.

Chairman SHELBY. In other words, for women, if your pockets are weighted down if you have too many of them, as opposed to something—go back again to the pound. It is not a light coin.

Mr. MOY. No, not a light one, and the pound has been very useful. It always works when you stick it in the Underground machines to get your tickets. And so, yes, there are a lot of benefits. I am pretty bullish on coins, especially the dollar. And I am anxious to get to work, if confirmed, to make some impact there.

Chairman SHELBY. Sure. Well, we thank all of you for your appearance here today. We will try to move all of your nominations as expeditiously as possible, and we appreciate your willingness to serve. We know the President has a lot of confidence in all of you.

Thank you. The hearing is adjourned.

[Whereupon, at 12:02 p.m., the hearing was adjourned.]

[Prepared statements, biographical skecthes of nominees, and response to written questions supplied for the record follow:]

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Mishkin (Last) Frederic (First) Stanley (Other)

Position to which nominated: Governor of the Federal Reserve System

Date of nomination: June 30, 2006

Date of birth: 11/1/51 (Day) (Month) (Year) **Place of birth:** New York, NY

Marital Status: Married **Full name of spouse:** Sally A. Hammond

Name and ages of children: Matthew, age 23: Laura, age 18

Education:

Institution	Dates attended	Degrees received	Dates of degrees
Fieldston School	**9/63-6/69**	**High School Diploma**	**6/69**
MIT	**9/69-5/73**	**B.S**	**5/73**
MIT	**9/73-5/76**	**Ph.D.**	**5/76**

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

Phi Beta Kappa, 1973.
Society of the Sigma Xi, 1973.
National Science Foundation Graduate Fellowship, 1973-76.
Alfred P. Sloan Foundation Fellowship, 1982-1986.
Honorary Professor, Renmin (Peoples) University of China, June 1999

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

Organization	Office held (if any)	Dates
American Economics Association		**1976 to present**
Eastern Economic Association	**Vice President, President**	**2003-2005**
Irvington Boat Club		**1986-present**
Irvington Boat Club	**Vice Commodore**	**2005-present**
Temple Beth Shalom		**1994-present**
Temple Beth Abraham		**1983-present**

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and inclusive dates of employment.

Assistant, Associate Professor, Department of Economics, University of Chicago, Chicago, Ill.,
9/76 to 6/83
Visiting Associate Professor, Department of Economics, Northwestern University, Evanston, Ill.
7/82 to 6/83
Professor, Graduate School of Business Columbia University, NY, NY
7/83 to 6/91
Visiting Professor, Princeton University, Princeton, N.J.
9/90 o 6/91, sabbatical from Columbia
A. Barton Hepburn Professor of Economics, Graduate School of Business, Columbia University,
NY, NY, 7/91 to 6/99
Executive Vice President and Director of Research, Federal Reserve Bank of New York, NY, NY
9/94 to 8/97
Alfred Lerner Professor of Banking and Financial Institutions, Graduate School of Business
Columbia University, NY, NY, 9/97 to present
Visiting Research Fellow, World Bank, Wash. D.C.,
9/00 to 5/01, sabbatical from Columbia

Government experience: List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.

Senior Fellow, Federal Deposit Insurance Corporation, 2003 to 2006

Published Writings: List the titles, publishers and dates of books, articles, reports or other published materials you have written.

See Curriculum Vitae in Appendix A

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

NONE

Political Contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.

NONE

Qualifications: State fully your qualifications to serve in the position to which you have been named. (attach sheet)

See Appendix B

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

I will be on unpaid leave from Columbia University while I am at the Federal Reserve. I will also be on leave from the National Bureau of Economic Research where I am a Research Associate.

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

Yes. I am likely to return to my professorship at Columbia and research associate position at the National Bureau of Economic Research when I leave the Federal Reserve

3. Has anybody made you a commitment to a job after you leave government?

No except as listed above in 2.

4. Do you expect to serve the full term for which you have been appointed?

Yes, but I will need to revisit my leave of absence with Columbia University when it expires.

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

None.

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

I currently own bonds issued by affiliates of the following banking organizations: Bank of America, Wells Fargo, First Union, MBNA, JP Morgan Chase and Suntrust. I currently own stock in Morgan Stanley and bonds issued by Bear Stearns and Merrill Lynch. In addition, I own bonds issued by or guaranteed by the following government agencies and government sponsored enterprises: Sallie Mae, Freddie Mac, Fannie Mae and Ginnie Mae. Because these securities may may present a conflict of interest with certain matters coming before the Federal Reserve Board, I have agreed in my Ethics Agreement with the OGE to sell all of these securities before taking the oath of office as a Board member. I have also agreed in the unlikely event that any particular matter comes before the Board that would have a direct and predictable effect on the financial interests of Columbia or the National Bureau of Economic Research , I will not participate personally and substantially in such matters unless I first obtain a written waiver or qualify for a regulatory exemption.

3. Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

None, but I have been a Senior Fellow at the Federal Deposit Insurance Corporation which should not present any conflict of interest.

4. List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

NONE

5. Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.

As mentioned above, I have agreed in my Ethics Agreement with the OGE to sell all of these securities that might involve a conflict of interest before taking the oath of office as a Board member and not participate in any activity for Columbia or the National Bureau of Economic Research if there is a conflict of interest.

Civil, criminal and investigatory actions:

1. Give the full derails of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

None.

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

None.

APPENDIX A

CURRICULUM VITAE
June 2006
Frederic S. Mishkin

I. PERSONAL

Birth date: January 11, 1951

Present Address: Uris Hall 817
Graduate School of Business
Columbia University
New York, New York 10027

Phone: (212) 854-3488
FAX 854-9895

E-mail: fsm3@columbia.edu

Citizenship: U.S.

Family Status: Married, two children

II. EDUCATION

Undergraduate: Massachusetts Institute of Technology, B.S. (Economics), 1973. Balliol College, Oxford, Approved Course in Economics, 1971-72.

Graduate: Massachusetts Institute of Technology, Ph.D. (Economics) 1976.

III. HONORS

Phi Beta Kappa, 1973.

Society of the Sigma Xi, 1973.

National Science Foundation Graduate Fellowship, 1973-76.

Alfred P. Sloan Foundation Fellowship, 1982-1986.

Harry Johnson Lecture, Money Macroeconomics and Finance Research Group Annual Conference, September 1993.

Honorary Professor, Renmin (Peoples) University of China, June 1999

Homer Jones Lecture: sponsored by the Federal Reserve Bank of St. Louis, Gateway Chapter of the National Association of Business Economists, University of Missouri-St. Louis, St. Louis University, Southern Illinois University-Edwardsville and Washington University, St. Louis, March 2000.

Henry George Lecture: University of Scranton, October 2004.

John Kuszczak Memorial Lecture: Bank of Canada, April 2005.

JMCB-FDIC Invited Lecture, September 2005.

IV. **CURRENT POSITIONS**

Alfred Lerner Professor of Banking and Financial Institutions, Graduate School of Business, Columbia University, 1999 to present.

National Bureau of Economic Research, Research Associate, 1980 to present.

V. **PROFESSIONAL EXPERIENCE**

POSITIONS

Teaching Assistant, M.I.T., 1974-76.

Economist, Board of Governors of the Federal Reserve System, Summer 1977.

Brookings Panel on Economic Activity, Panel Member 1977-78.

National Bureau of Economic Research: Faculty Research Fellow, 1979-80.

Assistant Professor, University of Chicago, 1976-81.

Associate Professor, University of Chicago, 1981-83.

Visiting Associate Professor, Department of Economics, Northwestern University and Department of Finance, Kellogg Graduate School of Management, Northwestern University, 1982-1983.

Professor, Graduate School of Business, Columbia University, 1983-1991.

A. Barton Hepburn Professor of Economics, Graduate School of Business, Columbia University, 1991-99.

Program Committee, Summer Econometric Society Meeting, 1983.

Member, Conference on Income and Wealth, 1984 to present.

Visiting Scholar, Institute for Fiscal and Monetary Policy, Ministry of Finance, Japan, May 1986.

Visiting Professor, Department of Economics, Princeton University, 1990-91.

Academic Consultant, Board of Governors of the Federal Reserve System, April 1993.

Visiting Scholar, Division of International Finance, Board of Governors of the Federal Reserve System, May 1993.

Visiting Scholar, Reserve Bank of Australia, May to August 1994.

Executive Vice President and Director of Research, Federal Reserve Bank of New York, 1994 to 1997.

Member, Center for Latin American Economics, Federal Reserve Bank of Dallas, 1996 to present.

Academic Consultant, Federal Reserve Bank of New York, 1997 to present.

Member, Academic Advisory Panel, Federal Reserve Bank of New York, 1990 to 1994, 1997 to present.

Chairman, External Evaluation Committee for Research Activities, International Monetary Fund, January 1999 - July 1999.

Advisor, The Institute for Contemporary Finance, Shanghai Jiao Tong University, 2000.

Financial Economists Roundtable, 2001-2004.

International Advisory Board, Financial Supervisory Service, South Korea, 2000-2001.

Visiting Research Fellow, The World Bank, September 2000-May 2001.

Visiting Scholar, Bank of England, July 2001

Senior Fellow, FDIC Center for Banking Research, 2003 to present.

Eastern Economic Association, Vice President, 2002-2003: President-Elect: 2003-2004, President, 2004-2005.

Advisor, Bank of Korea, Institute for Monetary and Economic Research, 2005-2006.

Financial Times, Economist's Forum, 2006-

JOURNALS

Editorial Board, *American Economic Review*, 1982-85.

Associate Editor, *Journal of Business and Economic Statistics*, 1986-93.

Associate Editor, *Journal of Applied Econometrics*, 1985 to 2000.

Editorial Board, *Journal of International Money and Finance*, 1992 to present.

Associate Editor, *Journal of Money, Credit and Banking*, 1992 to present.

Associate Editor, *Journal of Economic Perspectives*, 1994 to 2004.

Advisory Board, *International Finance*, 1997 to present.

Editor, Federal Reserve Bank of New York, *Economic Policy Review*, 1994 to 1997. Editorial Board, 1997 to present.

Advisory Board, *Macroeconomics and Monetary Economics Abstracts*, 1996 to present.

Editorial Board, *Finance India*, 1999 to present.

Editorial Board, Central Bank of Chile Series, *Central Banking, Analysis, and Economic Policy*, 2001 to present

VII. PUBLICATIONS

BOOKS

1. *Illiquidity, the Demand for Consumer Durables, and Monetary Policy*, Federal Reserve Bank of Boston, Report 61, (1977 Ph.D thesis, M.I.T.).

2. *A Rational Expectations Approach to Macroeconometrics: Testing Policy Ineffectiveness and Efficient Markets Models*, (University of Chicago Press for The National Bureau of Economic Research: Chicago 1983).

3. *The Economics of Money, Banking, and Financial Markets* (Little Brown and Co.: Boston 1986), 2nd Edition (Scott Foresman and Co.: Glenview, Ill. 1989), 3rd Edition (HarperCollins: New York 1992), 4th Edition (HarperCollins: New York 1995), 5th Edition (Addison-Wesley: Reading, Mass. 1998), 6th Edition (Addison-Wesley: Boston 2001), 7th edition (Addison-Wesley: Boston, Mass. 2004).

4. *The Economics of Money, Banking, and Financial Markets, Canadian Edition* (with Aposotolis Serletis) (Pearson Education Canada: Toronto 2002).

5. *Instructors Manual for the Economics of Money, Banking, and Financial Markets* (Little Brown and Co., 1986), 2nd Edition (Scott Foresman and Co.:* Glenview, Ill. 1989), 3rd Edition (HarperCollins: New York 1992), 4th Edition (HarperCollins: New York 1995), 5th Edition (Addison-Wesley: Reading, Mass. 1998), 6th Edition (Addison-Wesley: Boston Mass. 2001), 7th Edition (Addison-Wesley: Boston 2004).

6. *Study Guide and Workbook for the Economics of Money, Banking, and Financial Markets* (with John McArthur) (Little Brown and Co., 1986), 2nd Edition (Scott Foresman and Co.: Glenview, Ill. 1989), 3rd Edition (HarperCollins: New York 1992), 4th Edition (HarperCollins: New York 1995), 5th Edition (Addison-Wesley: Reading, Mass. 1998).

7. *Current Readings on Money, Banking, and Financial Markets* consulting editor (with James A.Wilcox, editor) (Little Brown and Co., 1987), 1988 Edition (Scott Foresman and Co.: Glenview, Ill. 1988), 1990 Edition (Scott Foresman and Co.: Glenview, Ill. 1990).

8. *Readings to Accompany the Economics of Money, Banking, and Financial Markets*, editor (with James W. Eaton) (HarperCollins: New York 1992, 1993, 1994, 1995, 1996), (Addison-Wesley: Reading, Mass. 1997, 1998, 1999, 2000) .

9. *Money, Interest Rates, and Inflation* (Edward Elgar: London 1993)

10. *Financial Markets, Institutions and Money*, (HarperCollins: New York 1995). *Financial Markets and Institutions*, 2nd Edition (with Stan Eakins) (Addison-Wesley: Reading, Mass. 1998), 3rd Edition (Addison-Wesley: Reading, Mass. 2000), 4th Edition (Addison-Wesley: Boston 2003), 5th edition (Addison-Wesley: Boston 2006).

11. *Financial Markets and Institutions*, Canadian Edition (with Stanley G. Eakins and Apostolos Serletis) (Pearson Education Canada, Toronto, Ontario 2004)

12. *Instructor's Manual for Financial Markets, Institutions and Money*, (HarperCollins: New York 1995), 2nd Edition (with Stan Eakins) (Addison-Wesley: Reading, Mass. 1998), 3rd Edition (Addison-Wesley-Longman: Reading Mass. 2000), 4th Edition (Addison Wesley: Boston 2003), 5th Edition (Addison-Wesley: Boston 2006).

13. *Inflation Targeting: Lessons from the International Experience* (Princeton University Press: Princeton, 1999) (with Ben Bernanke, Thomas Laubach and Adam Posen).

14. *External Evaluation of IMF Economic Research Activities: Report by a Group of Independent Experts* (with Francesco Giavazzi and T.N. Srinivasan) (International Monetary Fund: Washington, D.C. 2000.)

15. *Prudential Supervision: What Works and What Doesn't*, editor (University of Chicago Press: Chicago, 2001)

16. *Conflicts of Interest in the Financial Services Industry: What Should We Do About Them?* (with Andrew Crockett, Trevor Harris and Eugene White) Geneva Reports on the World Economy 4 (International Center for Monetary and Banking Studies and Centre for Economic Policy Research: Geneva and London, 2003).

17. *Financial Instability in Iceland* (with Trygvvi T. Herbertsson) (Icelandic Chamber of Commerce: Reykjavik, Iceland, 2006)

18. *The Next Great Globalization: How Disadvantaged Nations Can Harness Their Financial Systems to Get Rich* (Princeton University Press: Princeton, NJ forthcoming).

19. *Monetary Policy Under Inflation Targeting*, editor (with Klaus Schmidt-Hebbel) (Central Bank of Chile: Santiago forthcoming).

ARTICLES

1. "Illiquidity, Consumer Durable Expenditure, and Monetary Policy," *American Economic Review*, 66 No. 4 (September 1976): 642-654.

2. "Household Liabilities and the Generalized Stock-Adjustment Model," *Review of Economics and Statistics* LVIII, No. 4, (November 1976): 481-485.

3. "Liquidity and the Role of Monetary Policy in Consumer Durable Demand," *New England Economic* Review (November/December 1976): 31-42.

4. "A Note on Short-Run Asset Effects on Household Saving and Consumption," *American Economic Review* No. 2 (March 1977): 246-248.

5. "What Depressed the Consumer? The Household Balance-Sheet and the 1973-75 Recession," *Brookings Paper on Economic Activity* (1977: 1): 123-164.

6. "Electric Utility Fuel Choice Behavior in the United States" (with Paul Joskow), *International Economic Review* 18 No. 3 (October 1977): 719-736.

7. "Illiquidity, the Demand for Residential Housing, and Monetary Policy" (with J. R. Kearl), *Journal of Finance* 37, No. 5 (December 1977): 1571-1586.

8. "Monetary Policy and Liquidity: Simulation Results," *Economic Inquiry* 16, No. 1 (January 1978): 16-36.

9. "Consumer Sentiment and Consumer Durable Expenditure," *Brookings Paper on Economic Activity* (1978: 1): 217-231.

10. "The Household Balance-Sheet and the Great Depression," *Journal of Economic History* 38 (December 1978): 918-937.

11. "Efficient Markets Theory: Implications for Monetary Policy," *Brookings Papers on Economic Activity* (1978: 3): 707-752.

12. "Simulation Methodology in Macroeconomics: An Innovation Technique," *Journal of Political Economy* 87 (August 1979): 816-836.

13. "Is the Preferred Habitat Model of the Term Structure Inconsistent with Financial Market Efficiency?" *Journal of Political Economy* 88 (April 1980): 406-411.

14. "Monetary Policy and Long-Term Interest Rates: An Efficient Markets Approach, *Journal of Monetary Economics* 7 (January 1981): 29-55.

15. "Are Markets Forecasts Rational?" *American Economic Review* 71 (June 1981): 295-306.

16. "The Real Rate of Interest: An Empirical Investigation," *Carnegie-Rochester Conference Series on Public Policy, The Cost and Consequences of Inflation* 15 (Autumn 1981): 151-200.

17. "Reply to Singleton" *Carnegie-Rochester Conference Series on Public Policy, The Costs and Consequences of Inflation* 15 (Autumn 1981): 213-218.

18. "Does Anticipated Monetary Policy Matter? An Econometric Investigation," *Journal of Political Economy* 90 (February 1982): 21-51.

19. "Monetary Policy and Short-Term Interest Rates: An Efficient Market-Rational Expectations Approach," *Journal of Finance* 37 (March 1982): 63-72.

20. "The Sensitivity of Consumption to Transitory Income: Estimates from Panel Data on Households" (with Robert E. Hall), *Econometrica*, 50 (March 1982): 461-481.

21. Does Anticipated Aggregate Demand Policy Matter? Further Econometric Results," *American Economic Review* 72 (September 1982): 788-802.

22. "A Rational Expectations Approach to Macroeconometrics," *NBER Reporter* (Winter 1982/83): 4-7.

23. "An Integrated View of Tests of Rationality, Market Efficiency and the Short-Run Neutrality of Monetary Policy" (with Andrew Abel) *Journal of Monetary Economics* (January 1983): 3-24.

24. "On the Econometric Testing of Rationality-Market Efficiency," (with Andrew Abel), *The Review of Economics and Statistics* 65 (May 1983): 318-23.

25. "Comments on the Non-Market Clearing, Rational Expectations Approach to Macroeconomics," in *Monetary Policy Issues in the 1980's*, Federal Reserve Bank of Kansas City, Kansas City, MO., 1982: 83-86.

26. "Comments on Remarkable Survival of Non-Market-Clearing Assumptions," in the *Carnegie-Rochester Conference Series on Public Policy*, vol. 19 (Autumn, 1983): 247-56.

27. "Discussion of Asset Substitutability and the Impact of Federal Deficits," in Laurence H. Meyer, ed. *The Economic Consequences of Government Deficits*, (Kluwer-Nijhoff: Boston 1983): 117-20.

28. "Discussion of `Recent Velocity Behavior, The Demand for Money and Monetary Policy,'" in *Monetary Targeting and Velocity* (Federal Reserve Bank of San Francisco: San Francisco, December 1983): 129-133.

29. "The Real Interest Rate: A Multi-Country Empirical Study," *The Canadian Journal of Economics* 17 (May 1984): 283-311.

30. "Inflation and Real Interest Rates on Assets with Different Risk Characteristics," (with John Huizinga) *Journal of Finance* 39 (July 1984): 699-712.

31. "Are Real Interest Rates Equal Across Countries? An Empirical Investigation of International Parity Conditions," *Journal of Finance* 39 (December 1984): 1345-1357.

32. The Causes of Inflation," in *Price Stability and Public Policy* (Federal Reserve Bank of Kansas City: Kansas City, MO., 1984): 1-24.

33. "Real Interest Rates in Europe and the United States: 1973-83" (with Robert Cumby), in Rudiger Dornbusch and Alberto Giovannini (eds.) *Thema: Europe and the Dollar* (Instituto Bancario San Paolo di Torino, Turin 1985): 145-167.

34. "The International Linkage of Real Interest Rates: The European-U.S. Connection," (with Robert Cumby), *Journal of International Money and Finance*, 5 (March 1986): 5-24.

35. "Monetary Policy Regime Shifts and the Unusual Behavior of Real Interest Rates" (with John Huizinga), *Carnegie-Rochester Conference Series on Public Policy*, 24 (Spring 1986): 231-74.

36. "How Robust are the Results? A Reply" (with John Huizinga), *Carnegie-Rochester Conference Series on Public Policy*, 24 (Spring 1986): 289-302.

37. "A Comment on `International Capital Mobility and Crowding Out in the U.S. Economy" in R.W. Hafer, ed., *How Open is the Economy* (Lexington Books, D.C. Heath: Lexington, Mass., 1986): 69-73.

38. "U.S. Macroeconomic Policy and Performance in the 1980s: An Overview," Hugh Patrick and Ryuichiro Tachi, eds., *Japan and the United States Today: Exchange Rates, Macroeconomic Policies, and Financial Market Innovations* (Center of Japanese Economy and Business Distributed by Columbia University Press: New York, 1987): 37-53.

39. "The Dollar and Real Interest Rates: A Comment," *Carnegie-Rochester Conference Series on Public Policy*, vol. 27 (Autumn 1987): 141-48.

40. "The Rational Expectations Revolution," *Yale Economics and Business Review* 5, (February/March 1988): 14-15.

41. "The Information in the Term Structure: Some Further Results," *Journal of Applied Econometrics* 3 (October-December 1988): 307-14.

42. "Understanding Real Interest Rates," *American Journal of Agricultural Economics* 70 (December 1988): 1064-72.

43. "Commentary on Causes of Changing Financial Market Volatility," in *Financial Market Volatility* (Federal Reserve Bank of Kansas City: Kansas City, 1988): 23-32.

44. "Econometric Tests of Rationality and Market Efficiency: A Comment," *Econometric Reviews* 8 (1989): 197-200.

45. "Comment on Who Put the Mania in Tulipmania," in Eugene N. White (ed.) *Crashes and Panics in Historical Perspective*, (Dow Jones/Irwin: Homewood, Ill. 1990): 57-60.

46. "What Does the Term Structure Tell Us About Future Inflation?" *Journal of Monetary Economics* 25 (January 1990): 77-95.

47. "Can Futures Market Data Be Used to Understand the Behavior of Real Interest Rates?" *Journal of Finance*, 45 (March 1990): 245-57.

48. "The Information in the Longer-Maturity Term Structure About Future Inflation," *Quarterly Journal of Economics*, 55, (August 1990):815-28.

49. "Does Correcting For Heteroscedasticity Help?" *Economics Letters* 34 (1990): 351-56.

50. "Financial Innovation and Current Trends in U.S. Financial Markets," in Martin Feldstein and Yutaka Kosai, eds., *U.S.-Japan Economic Forum*, 1 (National Bureau of Economic Research and Japan Center for Economic Research: Cambridge, Mass. 1990): 63-77. Reprinted in Japanese in *Monthly Kinyu Journal* 3, May 1992: 37-40.

51. "Asymmetric Information and Financial Crises: A Historical Perspective," in R. Glenn Hubbard, ed., *Financial Markets and Financial Crises* (University of Chicago Press: Chicago, 1991): 69-108.

52. "A Multi-Country Comparison of Term Structure Forecasts at Long Horizons," (with Philippe Jorion) *Journal of Financial Economics*, 29, (January 1991): 59-80.

53. "A Multi-Country Study of the Information in the Term Structure About Future Inflation," *Journal of International Money and Finance*, 19, (March 1991): 2-22.

54. "An Evaluation of the Treasury Plan for Banking Reform," *Journal of Economic Perspectives*, 6, No. 1, (Winter 1992): 133-53.

55. "The Financial System," in Godfrey Hodgson, ed., *The United States*, Volume 3 (Facts on File: New York 1992): 1365-1392.

56. "Yield Curve," in John Eatwell, Murray Milgate and Peter Newman, eds., *The New Palgrave Dictionary of Money and Finance* (Macmillan Press, London 1992).

57. "Anatomy of a Financial Crisis," *Journal of Evolutionary Economics*, 2, (1992): 115-130.

58. "Central Bank Behavior and the Strategy of Monetary Policy: Observations from Six Industrialized Countries," (with Ben Bernanke), *NBER Macroeconomics Annual*, 1992, pp. 183-228.

59. "Is the Fisher Effect for Real? A Reexamination of the Relationship Between Inflation and Interest Rates," *Journal of Monetary Economics*, 30, October 1992, pp. 195-215.

60. "A Comment on 'Monetary Union, Money Demand and Money Supply: A Review of the German Monetary Union.'" *European Economic Review* 37 (May 1993): 832-36.

61. "Comment on 'European Monetary Policy in Stage Three: What are the Issues?'" in Guillermo de la Dehesa, Alberto Giovannini, Manuel Guitian, and Richard Portes, eds. *The Monetary Future of Europe* (CEPR: London, 1993)

62. "Preventing Financial Crises: An International Perspective," *Manchester School*, 62, (1994): 1-40.

63. "Commentary on 'Can the Central Bank Achieve Price Stability?" in Federal Reserve Bank of St. Louis, *Review, Money Stock Measurement: History, Theory and Policy Implications*, 76, (March/April 1994): 204-207.

64. "Discussion of 'Experiences with Current Account Deficits Among Asian Economies: Lessons for Australia?'" in Phillip Lowe and Jacqueline Dwyer, eds., *International Integration of the Australian Economy* (Reserve Bank of Australia: Sydney 1994): 304-307.

65. "Nonstationarity of Regressors and Tests of Real-Interest-Rate Behavior," *Journal of Business and Economic Statistics*, 13 (January 1995): 47-51.

66. "An Empirical Examination of the Fisher Effect in Australia," (with John Simon), *Economic Record*, 71, (September 1995): 227-239.

67. "Comment on Systemic Risk" *Research in Financial Services Private and Public Policy* 7 (1995): 31-45.

68. "Symposium on the Monetary Transmission Mechanism," *Journal of Economic Perspectives*, 9, #4 (Fall 1995): 3-10.

69. "El Declive de la Banca Tradicional: Implicaciones Para la Estabilidad Financiera y la Politica de Regulacion," (With Franklin Edwards). *Moneda y Credito* 200 (1995): 53-85.

70. "The Decline of Traditional Banking: Implications for Financial Stability and Regulatory Policy," (with Franklin Edwards), Federal Reserve Bank of New York, *Economic Policy Review*, Vol. 1, # 2 (July 1995): 27-45.

71. "The Channels of Monetary Transmission: Lessons for Monetary Policy," *Banque De France Bulletin Digest* No. 27 (March 1996): 33-44 and as "Les Canaux de Transmission Monetaire: Lecons pur la Politique Monetaire," in *Bulletin De La Banque De France* No. 27 (March 1996): 91-105.

72. "The Yield Curve as a Predictor of U.S. Recessions," (with Arturo Estrella) *Current Issues in Economics and Finance*, vol. 2, #7 (June 1996): 1-6.

73. "The Yield Curve as a Predictor of Recessions in the United States and Europe," in *The Determination of Long-Term Interest Rates and Exchange Rates and the Role of Expectations* (Bank for Intentional Settlements: Basle 1996): 324-337.

74. "Comment on 'Capital Flows to Latin America: Is There Evidence of Contagion Effects?" in Guillermo A Calvo, Morris Goldstein, Eduard Hochreiter, eds. *Private Capital Flows to Emerging Markets After the Mexican Crisis* (Institute for International Economics: Washington, D.C. 1996): 181-184.

75. "Interest Rates and the Business Cycle," in David Glasner, ed., *Business Cycles and Depression: An Encyclopedia* (Garland: New York 1996): 329-33.

76. "The Rational Expectations Revolution: A Review Article of: Preston J. Miller, ed.: The Rational Expectations Revolution, Readings from the Front Line," *Economic Systems* merged with *Journal of International and Comparative Economics* 20, No. 2/3 (1996): 213-26.

77. "Understanding Financial Crises: A Developing Country Perspective," in Michael Bruno and Boris Pleskovic, eds., *Annual World Bank Conference on Development Economics* 1996 (World Bank: Washington D.C. 1996): 29-62.

78. "Financial Crises," *NBER Reporter* (Winter 1996/7): 10-12

79. Comment on "Japanese Monetary Policy, Rules or Discretion? A Reconsideration," in Iwao Koroda, ed., *Toward More Effective Monetary Policy* (St. Martin's Press: New York, 1997): 280-284.

80. "Inflation Targeting: A New Framework for Monetary Policy?" (with Ben Bernanke) *Journal of Economic Perspectives* 11, 2 (Spring 1997): 97-116.

81. "What Monetary Policy Can and Cannot Do," in Edward Hochreiter, ed., *Monetary Policy in Transition in East and West: Strategies, Instruments and Transmission Mechanisms* (Oesterreichische Nationalbank: Vienna, 1997): 13-32.

82. "Inflation Targeting: Lessons from Four Countries," (with Adam Posen), Federal Reserve Bank of New York, *Economic Policy Review*, vol. 3, #3 (August 1997): 9-110, and reprinted in *Finance a Úver* (4/1998): 252-294.

83. "Is There a Role for Monetary Aggregates in the Conduct of Monetary Policy," (with Arturo Estrella), *Journal of Monetary Economics*, 40:2, (October 1997): 279-304.

84. "Comment on 'The Optimum Quantity of Money'," *Journal of Money Credit and Banking*, 29, No. 4 (November 1997, Part 2): 716-719.

85. "Evaluating FDICIA," in George Kaufman, ed., *Research in Financial Services: Private and Public Policy*, Vol. 9 (1997) *FDICIA: Bank Reform Five Years Later and Five Years Ahead* (JAI Press: Greenwich, Conn, 1997): 17-33.

86. "The Predictive Power of the Term Structure of Interest Rates: Implications for the European Central Bank," (with Arturo Estrella), *European Economic Review*, Vol. 41 (1997): 1375-1401.

87. "Strategies for Controlling Inflation," in Phillip Lowe, ed., *Monetary Policy and Inflation Targeting* (Reserve Bank of Australia: Sydney 1997): 7-38.

88. "The Causes and Propagation of Financial Instability: Lessons for Policymakers," *Maintaining Financial Stability in a Global Economy* (Federal Reserve Bank of Kansas City, Kansas City, MO., 1997): 55-96.

89. "The Mexican Financial Crisis of 1994-95," in Scheherazade S. Rehman, ed., *Financial Crisis Management in Regional Blocs* (Kluwer Academic Publishers: Boston, 1998): 149-181.

90. "Bank Consolidation: A Central Banker's Perspective," in Yakov Amihud and Geoffrey Miller, eds., *Mergers of Financial Institutions* (Kluwer Academic Publishers: Boston 1998): 3-19.

91. "Predicting U.S. Recessions: Financial Variables As Leading Indicators," (with Arturo Estrella) *Review of Economics and Statistics*, Vol 80, No. 1 (February 1998): 45-61.

92. "With Inflation Down, Should We Fear Deflation?" *TIAA-CREF Investment Forum*, Vol 2, No. 3 (Summer 1998) p. 6.

93. "The Dangers of Exchange Rate Pegging in Emerging-Market Countries" *International Finance*, Vol 1, # 1 (October 1998): 81-101.

94. "International Capital Movements, Financial Volatility and Financial Instability," *Schriften des Vereins fur Socialpolitik, Band 261, zugleich Beiheft 7, Zeitschrift fur Wirtschafts- und Sozialwissenschaften, Jahrestagung 1997, Finanzmarkete im Spannungsfeld von Globalisierung, Regulierung und Geldpolitik*, Dieter Duwendag, ed. (Drucker & Humblot: Berlin 1998):11-40.

95. "Promoting Japanese Recovery," in Kenichi Ishigaki and Hiroyuki Hino, eds., *Towards the Restoration of Sound Banking Systems in Japan -- the Global Implications* (Kobe University Press and International Monetary Fund: Kobe 1998). 130-161.

96. "The Case for Inflation Targets: How to Make the Fed Foolproof," *Fortune*, March 1, 1999: 52-53.

97. "Central Banking in a Democratic Society: Implications for Transition Countries," *Zagreb Journal of Economics*, Vol 3, #3 (1999):51-74 and in Mario Blejer and Marko Skreb, eds. *Central Banking, Monetary Policy and the Implications for Transition Economies* (Kluwer Academic Publishers: Boston 1999): 31-53.

98. "Financial Consolidation: Dangers and Opportunities" *Journal of Banking and Finance*, (February 1999) vol. 23, Nos 2-4: 675-91.

99. "Comment on "Does Inflation Harm Economic Growth? Evidence from the OECD," in Martin Feldstein, ed., *The Costs and Benefits of Price Stability* (University of Chicago Press: Chicago, 1999): 342-346.

100. "Rethinking the Role of NAIRU in Monetary Policy: Implications of Model Formulation and Uncertainty" (with Arturo Estrella) in John Taylor, ed., *Monetary Policy Rules* (University of Chicago Press for the NBER: Chicago 1999): 405-430.

101. "Comment on 'Policy Rules for Inflation Targeting'" in John Taylor, ed., *Monetary Policy Rules* (University of Chicago Press for the NBER: Chicago 1999): 247-252.

102. "What Will Technology Do to Financial Structure?" (with Philip Strahan) *Brookings-Wharton Papers on Financial Services*, 1999: 249-277.

103. "International Experiences with Different Monetary Policy Regimes," *Journal of Monetary Economics*, Vol. 43, #3 (June 1999): 579-606.

104. "Lessons from the Asian Crisis," *Journal of International Money and Finance*, 18, 4 (August 1999): 709-723.

105. "Missing the Mark: The Truth About Inflation Targeting," *Foreign Affairs*, 78, 5 (September/October 1999): 158-62.

106. "Lessons from the Tequila Crisis," *Journal of Banking and Finance*, 23 (1999) 1521-1533.

107. "Inflation Targeting: Fed Policy After Greenspan," (with Ben Bernanke and Adam Posen), *Milken Institute Review*, (Fourth Quarter, 1999): 48-56.

108. "Global Financial Instability: Framework, Events, Issues," *Journal of Economic Perspectives*, (Fall 1999), Volume 13, #4: 3-20.

109. "What Happens When Greenspan is Gone," (with Ben Bernanke and Adam Posen) *Wall Street Journal*, January 5, 2000: p. A22.

110 "Inflation Targeting in Emerging Market Countries," *American Economic Review* (May 2000), Vol. 90, #2: 105-109.

111. "Securing a Safety Net Against Economic Free Fall," *Financial Times*, June 6, 2000, Part Seven: 6-7.

112. "Moral Hazard and Reform of the Government Safety Net," in Joseph Bisignano, Curt Hunter, and George Kaufman, eds., *Global Financial Crises: Lessons from Recent Events* (Kluwer Academic Publishers: Boston, 2000): 261-269.

113. "The Korean Financial Crisis: An Asymmetric Information Perspective," (with Joon-Ho Hahm) *Emerging Markets Review*, Vol.1, #1 (2000): 21-52.

114. "Comment on The Onset of the East Asian Financial Crisis," in Paul Krugman, ed., *Currency Crises* (University of Chicago Press: Chicago, 2000): 153-61.

115. "Financial Market Reform," in Anne Krueger, ed. *Economic Policy Reform: The Second Stage* (University of Chicago Press: Chicago, 2000): 511-47.

116. "What Should Central Banks Do?" Federal Reserve Bank of St. Louis *Review*, vol. 82, #6 (November/December 2000): 1-13.

117. "Systemic Risk, Moral Hazard and the International Lender of Last Resort," in Uri Dadush, Dipak Dasgupta and Marc Uzan, eds. *Private Capital Flows in the Age of Globalization: The Aftermath of the Asian Financial Crisis* (Edward Elgar: Aldershot, U.K., 2000.)

118. "Financial Stability and the Macroeconomy," in Mar Guomundsson, Tryggvi Thor Herbertsson and Gylfi Zoega, eds., *Macroeconomic Policy: Iceland in an Era of Global Integration* (University of Iceland Press: Reykjavik, Iceland, 2000): 341-373.

119. "Reforming Bank Supervision: Discussion," in *Building and Infrastructure for Financial Stability*, (Federal Reserve Bank of Boston: Boston, 2000): 134-138.

120. "Causes of the Korean Financial Crisis: Lessons for Policy," (with Joon-Ho Hahm) in Inseok Shin, ed., *The Korean Crisis, Before and After* (Korean Development Institute: Seoul, 2000): 55-144.

121. "Comments and Discussion of 'Short- and Long-Run Integration: Do Capital Controls Matter'" in Susan Collins and Dani Rodrik, eds., *Brookings Trade Forum, 2000* (Brookings Institution Press: Wash. D.C., 2001): 167-71.

122. "Prudential Supervision: Why Is It Important and What are the Issues?" in Frederic S. Mishkin, ed., *Prudential Supervision: What Works and What Doesn't*, editor (University of Chicago Press: Chicago, 2001): 1-29.

123. "Discussion of 'Why Price Stability?'" in A.G. Herrero, V. Gaspar, L. Googduin, J. Morgan, B. Winkeler, eds. *Why Price Stability? First European Central Bank Monetary Conference*, (European Central Bank: Frankfort 2001): 208-13.

124. "Comment on 'The Importance of Emerging Markets'" *Brookings-Wharton Papers on Financial Services*, 2001 Robert E. Litan and Richard Herring, eds. (Brookings Institution Press: Washington, D.C. 2001): 46-50.

125. "Issues in Inflation Targeting," in *Price Stability and the Long-Run Target for Monetary Policy*, (Bank of Canada: Ottawa, Canada, 2001): 203-222.

126. "The International Lender of Last Resort: What are the Issues?" Horst Siebert, ed. *The World's New Financial Landscape: Challenges for Economic Policy*, (Springer-Verlag: Berlin, 2001): 291-312.

127. "The Transmission Mechanism and the Role of Asset Prices in Monetary Policy," in *Aspects of the Transmission Mechanism of Monetary Policy, Focus on Austria 3-4/2001*. (Osterreichische Nationalbank: Vienna 2001): 58-71.

128 "Monetary Policy Strategies for Latin America," (with Miguel Savastano), *Journal of Development Economics*, 66, 2 (December 2001): 415-444.

129. "How Can Central Banks Cope with Changes in the Structure of the Financial Industry," in Banque de France, *Financing European Economies: Issues and Policy Options* (Banque de France: Paris 2001): 389-97.

130. "Theoretical Aspects of Monetary Policy Strategies in Emerging Market Countries," (with Miguel Savastano) *Zagreb Journal of Economics*, Vol. 5, No. 8 (2001): 53-80.

131. "One Decade of Inflation Targeting in the World: What Do We Know and What Do We Need to Know?" (with Klaus Schmidt-Hebbel) in Norman Loayza and Raimundo Soto, eds., *Inflation Targeting: Design, Performance, Challenges* (Central Bank of Chile: Santiago 2002): 171-219.

132. "Monetary Policy," *NBER Reporter* (Winter 2001/2002): 8-11.

133. "Comment on 'Does Inflation Targeting Matter?'" Federal Reserve Bank of St. Louis *Review*, Vol. 84, #2 (July/August 2002): 149-153.

134. "Staying Vigilant on Prices" forthcoming, *TIAA-CREF Investment Forum*, Vol. 6, No. 3 (September 2002): 9, 16.

135. "From Monetary Targeting to Inflation Targeting: Lessons from the Industrialized Countries," in Banco de Mexico, *Stabilization and Monetary Policy: The International Experience* (Bank of Mexico: Mexico City, 2002): 99-139.

136. "Inflation Targeting," in Howard Vane and Brian Snowdon, *Encyclopedia of Macroeconomics* (Edward Elgar: Cheltenham U.K., 2002): 361-65.

137. "The Role of Output Stabilization in the Conduct of Monetary Policy," *International Finance*, Vol. 5, #2 (Summer 2002): 213-227.

138. "Monetary Policy Strategies for Emerging Market Countries: Lessons from Latin America," (with Miguel Savastano) *Comparative Economic Studies* Vol. XLIV, No. 2 (Summer 2002): 45-83.

139. "Overview" in *Rethinking Stabilization Policy* (Federal Reserve Bank of Kansas City: Kansas City, MO., 2002): 439-446.

140. "U.S. Stock Market Crashes and Their Aftermath: Implications for Monetary Policy," (with Eugene White) in William B. Hunter, George G. Kaufman and Michael Pormerleano, eds., *Asset Price Bubbles: The Implications for Monetary, Regulatory and International Policies* (MIT Press, Cambridge Mass. 2003): 53-79.

141. "Financial Policies and the Prevention of Financial Crises in Emerging Market Countries," in Martin Feldstein, ed., *Economic and Financial Crises in Emerging Market Countries* (University of Chicago Press: Chicago, 2003): 93-130.

142. "Stock Market Bubbles: When Does Intervention Work?" (with Eugene White) *Milken Institute Review* (Second Quarter 2003): 44-52.

143. "Discussion of 'Deflation and Monetary Policy in Japan,' in Center on Japanese Economy and Business, *Symposium*, March 31, 2003: 6-8.

144. "The Mirage of Exchange Rate Regimes for Emerging Market Countries," (with Guillermo Calvo), *Journal of Economic Perspectives*, Vol. 17, No. 4 (Fall 2003): 99-118.

145. "Comments on 'Inflation Targeting in Emerging Market Economies'", *NBER Macro Annual*, 2003: 403-413.

146. "The Fed's Current Approach Has Some Disadvantages" *International Economy*, Vol. 18, No. 1, Winter 2004: 28-29.

147. "Why the Fed Should Adopt Inflation Targeting," *International Finance* 7:1 (2004): 117-27.

148. "Conference Overview and Summary of Papers" in *Beyond Pillar 3 in International Banking Regulation: Disclosure and Market Discipline of Financial Firms*, Federal Reserve Bank of New York, *Economic Policy Review* Vol. 10., No. 2 (September 2004): 3-6.

149 "Can Central Bank Transparency Go Too Far?" in Christopher Kent and Simon Guttman, eds., *TheFuture of Inflation Targeting* (Reserve Bank of Australia: Sydney 2004): 48-65.

150. "Policy Remedies for Conflicts of Interest in the Financial System" in *Macroeconomics, Monetary Policy and Financial Stability: A Festschrift in Honour of Charles Freedman* (Bank of Canada: Ottawa, 2004):. 217-240.

151. "Inflation Targeting in Transition Countries: Experience and Prospects," (with Jiri Jonas) in Michael Woodford, ed., *Inflation Targeting* (University of Chicago Press: Chicago, 2005) pp. 353-413.

152. "Monetary Policy in Japan: Problems and Solutions" (with Takatoshi Ito) in Takatoshi Ito, Hugh Patrick and David Weinstein, eds.*Reviving Japan's Economy: Problems and Prescriptions* (MIT Press: Cambridge Mass. 2005), pp. 107-143.

153. "The Fed After Greenspan," *Eastern Economic Journal,* vol. 31, no. 3, summer 2005, pp. 317-332

154. "Two Decades of Japanese Monetary Policy and the Deflation Problem," (with Takatoshi Ito) in Takatoshi Ito and Andrew Rose, eds., *Monetary Policy Under Very Low Inflation Rates*. NBER East Asia Seminar on Economics, Vol. 15 (University of Chicago Press: Chicago, forthcoming).

155. "Can Inflation Targeting Work in Emerging Market Countries?" in Carmen Reinhart, Carlos Vegh and Andres Velasco, eds., *A Festschrift for Guillermo Calvo*. (MIT Press: Cambridge, MA, forthcoming).

156. "The Inflation Targeting Debate," Bank of Canada, *Annual Conference*, (Bank of Canada: Ottawa, forthcoming).

157. "Comment on Murge Adalet and Barry Eichengreen, "Current Account Reversals:Always a Problem?" in Richard Clarida, ed., *G7 Current Account Imbalances* (University of Chicago Press: Chicago, forthcoming).

158. "How Big a Problem is Too Big to Fail?" *Journal of Economic Literature* (forthcoming).

159. "Does Inflation Targeting Matter?" in Frederic S. Mishkin and Klaus Scmidt-Hebbel, eds., *Monetary Policy Under Inflation Targeting* (Central Bank of Chile: Santiago forthcoming).

160. "Inflation Targeting: True Progress or Repackaging of an Old Idea?" in Swiss National Bank, ed., *The Swiss National Bank, 1907-2007* (NZZ Buchverlag: Zurich, forthcoming.)

161. "Is Financial Globalization Beneficial?" *Journal of Money, Credit and Banking*, forthcoming.

162. "Financial Stability and Globalization: Getting It Right," in *Central Banks in the 21st Century* (Bank of Spain: Madrid, forthcoming.

APPENDIX B

STATEMENT OF QUALIFICATIONS FOR GOVERNOR OF THE FEDERAL RESERVE SYSTEM

Since becoming a professor thirty years ago, I have been conducting extensive research on monetary policy and financial supervisory and regulatory issues, which has resulted in publication over ten books and over 100 articles in professional journals on these topics (see Appendix A). This research has focused on many of the the basic issues that are relevant to central banks, providing me with the expertise to carry out my duties at the Federal Reserve. In addition, from 1994 to 1997, I was Executive Vice President and Director of Research at the Federal Reserve Bank of New York. This experience involved me at high levels of policymaking because I functioned as the chief economist to the president of the Federal Reserve Bank of New York and attended FOMC meetings. My experience at the Federal Reserve Bank of New also has made me familiar with the inner workings of the Federal Reserve System. I also have been a consultant to many central banks throughout the world as well as to international organizations such as the International Monetary Fund and the World Bank. This has also provided me with expertise in dealing with international issues that are relevant to the Federal Reserve System.

PREPARED STATEMENT OF LINDA MYSLIWY CONLIN

FIRST VICE PRESIDENT-DESIGNATE

EXPORT-IMPORT BANK OF THE UNITED STATES

JULY 12, 2006

Mr. Chairman, Senator Sarbanes, and distinguished Members of the Committee, I am pleased to come before you today as the President's nominee to become First Vice President of the Export-Import Bank of the United States. I appreciate the confidence the President has placed in me and I am grateful for another opportunity to contribute to an institution where I have had the privilege to serve these past 2 years.

If confirmed, I look forward to continuing to work with the members and staff of this Committee to help sustain and increase the number of high-paying U.S. jobs by financing export transactions that otherwise would not go forward.

I would like to recognize my husband, Joe, and my dear friend, Louise Wheeler, who are with me here today, and the fine team from the Ex-Im Bank. I would like to acknowledge as well the colleagues from our sister U.S. Government agencies and the industry association representatives here today. Their cooperation and support have meant so much during my tenure as a Member of the Board at Ex-Im Bank.

On February 26, 2004, I came before the Committee as the President's nominee to be a Director at the Export-Import Bank. Since then, I have endeavored to honor the confidence that you placed in me and the commitment I made to you: Simply stated, to ensure that U.S. exporters have the financing tools they need to succeed in today's highly competitive global economy.

As a Board Member, I have been given the responsibility of overseeing a key Congressional mandate: Increasing the Bank's financing of environmentally beneficial goods and services, including renewable energy. We continue to make a difference in this area. Ex-Im Bank has supported more than $1.1 billion of U.S. exports of environmentally beneficial goods and services over the past 4 years. In this regard, it has been personally gratifying for me to work with the Bank's Environmental Exports Team, a group of enthusiastic and dedicated professionals from various departments who have helped implement this program.

As a result, Ex-Im financing is supporting high-quality jobs in the United States, while enabling international buyers to access U.S. technology to address important global environmental needs.

As a former small business owner, I am also pleased to be working with the many small and medium-sized companies that make up the lion's share of the U.S. environmental sector. These entrepreneurs serve as the backbone of the American economy and their risk-taking fuels our free market system. I want to do everything I can to help them grow. A key to that growth is Ex-Im financing that can help shoulder the risk of opening up new markets overseas.

I have personally witnessed the positive results of the Bank's expanded small business program over the past year. Assuming the Bank is provided sufficient administrative resources going forward, I firmly believe that the Bank's efforts focused on small businesses will continue to grow. I, therefore, welcome the opportunity to assist Acting Chairman Jim Lambright in helping these companies succeed in the global marketplace.

It has also been my pleasure to work with Ex-Im's Sub-Saharan Africa Advisory Committee and business development team to increase financing in that region, building upon the hard work and success of my former colleague and Ex-Im Bank Board Member-Designate, Joe Grandmaison. I am pleased to say that Ex-Im Bank is implementing many of the Advisory Committee's recommendations, including strategies to expand cooperation with leading African banks and to build business in the important Gulf of Guinea region.

If confirmed as First Vice President, I will use my experience both at Ex-Im Bank and in trade development at the U.S. Department of Commerce to leverage the resources of Federal agencies and industry organizations to accomplish our shared goals.

I welcome the opportunity to work with Ex-Im Bank's Chairman and executive leadership to ensure that Ex-Im Bank's programs and policies remain competitive. I would look forward to engaging the energy and good ideas of the Bank's bipartisan Board, the talent and innovation of the dedicated professional staff, as well as the experience and customer knowledge from Ex-Im Bank's many important stakeholders in the exporting community.

Mr. Chairman, Senator Sarbanes, and Members of the Committee, I respectfully ask for your favorable consideration of my nomination and will be pleased to respond to your questions.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Conlin (Last) Linda (First) Mysliwy (Other)

Position to which nominated: First Vice President, Export-Import Bank of the United States

Date of nomination: June 22, 2006

Date of birth: 25 (Day) Jan. (Month) 1948 (Year) Place of birth: Springfield, Massachusetts

Marital Status: **Married** Full name of spouse: Joseph F. Conlin, Jr.

Name and ages of children: N/A

Education:

Institution	Dates attended	Degrees received	Dates of degrees
University of Massachusetts	1971	Master's Graduate Studies: theatre	Graduate Coursework
Indiana University	1969-70	Master's Graduate Studies: French and Russian Languages	Graduate Coursework
University of Massachusetts	1965-9	Bachelor of Arts, French Language and Literature	1969

Honors And awards: **List below all scholarships, fellowships, honorary degrees, military honorary society memberships and any other special recognitions for outstanding service or achievement.**

During my tenure as Director with the New Jersey Commerce and Economic Growth Commission, I was the recipient of awards highlighting outstanding contributions made to New Jersey's travel and tourism industry. From 1989 - 1993, as Assistant Secretary of Commerce for Tourism Marketing, I was Recognized by the U.S. travel and tourism industry for achievement in promoting U.S. tourism exports. During this period, I received recognition for excellence in Tourism from the Governor of Massachusetts.

As President of Park-Main Travel, from 1972-1981, I was recognized for leadership in the tourism industry. The Agency ranked among the top tourism businesses in Southern New England for airline sales productivity.

Memberships: **List below all memberships and offices held in professional, fraternal, business, scho civic, charitable and other organizations.**

Organization	Office held (if any)	Dates
New Jersey Travel Industry Association		1984-9
Travel Industry Association of America		1989-1993
American Society of America		1972-1981

Employment record: **List below all positions held since college, including the title or description of job, na of employment, location of work, and inclusive dates of employment.**

The Export-Import Bank of the United States	Member, Board of Directors	April 2004 – Present
U.S. Department of Commerce	Asst. Secretary for Trade Development	August 2001 – April 2004
Presidential Inaugural Committee Washington, DC	Communications Coordinator	January 2001
Victory 2000	SE Pennsylvania Coordinator	October – November 2000
Republican National Convention	Deputy Program Director	April – August 2000
The Conlin Group Cherry Hill, NJ	Consulting Services	February 1999 – April 2000
New Jersey Commerce and Economic Growth Commission	Executive Director	February 1994 – February 1999
U.S. Department of Commerce	Asst. Secretary for Tourism Marketing	February 1989 – January 1993
U.S. Information Agency	Associate Director, Private Sector Committees Corporate Liaison, US/USSR Initiative	September 1986 – February 1989
U.S. Department of State	Protocol Officer, Visits	August 1982 – September 1986

Park-Main Travel Agency	**President**	**August 1972 – November 1981**

Government experience: **List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.**

The Export-Import Bank of the United States	**Member, Board of Directors**	**April 2004 – Present**
U.S. Department of Commerce	**Asst. Secretary for Trade Development**	**August 2001 – April 2004**
New Jersey Commerce and Economic Growth Commission	**Executive Director**	**February 1994 – February 1999**
U.S. Department of Commerce	**Asst. Secretary for Tourism Marketing**	**February 1989 – January 1993**
U.S. Information Agency	**Associate Director, Private Sector Committees Corporate Liaison, US/USSR Initiative**	**September 1986 – February 1989**
U.S. Department of State	**Protocol Officer, Visits**	**August 1982 – September 1986**

Published Writings: **List the titles, publishers and dates of books, articles, reports or other published materials you have written.**

Political Affiliations and activities: **List memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.**

Republican National Committee President's Club		2000-Present
New Jersey State Republican Committee		1994 – Present
Victory 2000	SE PA Coordinator	October – November 2000
Republican National Convention	Deputy Program Director	April – August 2000

Political Contributions: **Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.**

11/02/05	RNC – The President's Club	$ 400.00
10/10/05	New Jersey State Republican Committee	$ 50.00
5/18/05	New Jersey State Republican Committee	$ 50.00
11/09/04	RNC – The President's Club	$ 100.00
10/11/04	RNC – The President's Club	$ 500.00
10/11/04	New Jersey State Republican Committee	$ 50.00
10/11/04	National Republican Senatorial Committee	$ 50.00
8/15/04	New Jersey State Republican Committee	$ 50.00
8/20/04	RNC – The President's Club	$ 250.00
11/18/03	RNC – The President's Club	$ 750.00
6/03/03	RNC – The President's Club	$ 500.00
10/23/02	RNC - The President's Club	$ 100.00
9/12/02	RNC - The President's Club	$ 150.00
5/10/02	RNC - The President's Club	$ 100.00
2/25/02	RNC – The President's Club	$ 750.00
7/19/01	RNC – The President's Club	$ 250.00
10/31/00	RNC - The President's Club	$ 500.00
9/26/00	RNC – Presidential Trust	$ 500.00
3/31/00	RNC – Bush for President	$ 250.00
6/18/99	Bush for President	$ 500.00
6/18/99	George W. Bush Presidential Exploratory Committee	$ 500.00

Qualifications: **State fully your qualifications to serve in the position to which you have been named. (attach sheet)**

Future employment relationships: **1. Indicate whether you will sever all connections with your present employer, firm, association or organization if you are confirmed by the Senate.**

business

I currently serve as a Member of the Board of Directors of the United States Export-Import Bank.

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

I have no plans at this time to reactivate the Conlin Group (previous employment prior to government service) after government service.

3. Has anybody made you a commitment to a job after you leave government?

No.

4. Do you expect to serve the full term for which you have been appointed?

Yes.

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

None.

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

None.

3. Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

None.

4. List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

None.

5. Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.

N/A.

Civil, criminal and investigatory actions:

1. Give the full derails of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

N/A.

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

N/A.

Attachment B: Qualifications

If confirmed as Vice Chair, I would look forward to applying the knowledge and experience I have gained as a Member of the Board as well as my previous years of public service at the Federal level. I have been honored to have served as a Member of the Board of the Export-Import Bank since April, 2004. In this capacity, I review and vote to authorize financing for a variety of transactions coming before the Board, including large energy, power and telecommunications projects, as well as those involving commercial aircraft. In the process, I have acquired an appreciation of the importance of Ex-Im Bank financing to U.S. exporters as well as the competitive global environment in which these companies operate. During this time, I have valued and gained insight from Ex-Im's important partners, lending institutions and insurance brokers, as well as U.S. exporting companies and the many trade associations that represent their interests.

In addition, I oversee Ex-Im Bank's environmental exports program, including renewable energy, with an eye to increasing the Bank's financing of U.S. environmentally beneficial goods and services exports. Since the program's introduction in 1994, the Bank has financed over $2 billion of exports in this sector. It is personally gratifying to me to work with the Bank's Environmental Exports Team, experts drawn from various disciplines within the Bank, who are responsible for the development and implementation of the environmental program. In this regard, we have organized educational seminars for exporters, lenders and brokers in Washington, D.C., Boston, and San Francisco. We have also worked collaboratively with numerous trade associations representing key environmental sectors, including solar, wind, and water sectors. I am proud to say that Ex-Im Bank recently became the first OECD export credit agency to authorize financing for a solar project in Korea which utilized new, enhanced 15-year repayment terms for clean energy. As a former small business owner, I am also proud to be working with and helping the many small and medium-sized companies that make up the predominant share of environmental companies.

I also serve as Chair of the Bank's Audit Committee. As Chair, I oversee both the internal and external audit functions. This responsibility has given me an opportunity to view the structure and operation of the Bank, with a focus on ensuring that programs and procedures have requisite controls in place to address and mitigate risk. In the process, I have gained greater knowledge of the organization and the opportunity to work closely with the executive officers and professional staff of the Bank.

Prior to Ex-Im Bank, I served as Assistant Secretary of Commerce for Trade Development, helping U.S. companies access key export markets. This experience, coupled with my term at Ex-Im Bank, has given me an appreciation of the importance of leveraging resources with other U.S. trade finance and promotion agencies. If confirmed, I would look forward to using this knowledge to expand Ex-Im's cooperation with these agencies to reach a wider universe of U.S. exporters. Most importantly, I would welcome the opportunity to help support the goals of Ex-Im Bank's Chairman, including ensuring that U.S. exporters have the financing tools they need in today's competitive environment, and increasing the Bank's financing for small and medium-sized exporting companies. Throughout, I would seek to engage the talent of the Bank's professional staff as well as the Bank's bipartisan Board in helping to accomplish these goals.

I appreciate the Committee's consideration.

PREPARED STATEMENT OF EDMUND C. MOY

DIRECTOR-DESIGNATE, U.S. MINT
U.S. DEPARTMENT OF THE TREASURY

JULY 12, 2006

Chairman Shelby, Ranking Member Sarbanes and Members of the Committee on Banking, Housing, and Urban Affairs, thank you for this honor and opportunity to appear before you today to discuss my nomination to become the 38th Director of the U.S. Mint. Joining me today is my wife, Karen.

To many Americans and me, the U.S. Mint represents the best of America. I respect its place in our history. I appreciate the beauty and artistry of its coins. I value its role in facilitating commerce, and I have learned about our collective culture through its designs on the Nation's coinage. I am pleased and honored by the trust President Bush has placed in me by asking me to serve in this important position, joining the ranks of those privileged to serve as Directors since President Washington asked David Rittenhouse to serve as the first Director of the Mint in 1792. If confirmed, I look forward to working closely with this Committee and Congress on all the policy and legislative issues that will determine the course for American coinage now and in the future.

The U.S. Mint applies world-class business practices in making, selling, and protecting our Nation's coinage and assets.

I am committed to this mission statement and the 2,000 men and women of the U.S. Mint who work to implement the practices that fulfill the requirements of Congress and the country to produce approximately 15 billion coins annually. These coins are distributed to the Federal Reserve banks and branches for commerce and trade; The U.S. Mint also maintains the physical custody and security of the Nation's more than $100 billion in gold and silver assets. And finally, it produces numismatic coins, medals, gold, silver, and platinum bullion coins for the general public to collect.

I value public service and, if confirmed, I will bring to bear all the experience I have earned through my career in management, marketing, and human resources both in the private sector and government. These are essential areas for the U.S. Mint which also shares characteristics of both a business and governmental organization, operated for the benefit of the public, with revenues approaching $2 billion.

I have spent 10 years as a sales and marketing executive, 8 years working with venture capital firms and entrepreneurs, and 4 years overseeing $7 billion in annual Federal Government expenditures for managed health care programs with the Department of Health and Human Services. I am familiar with the demands of being an officer and director, having served in those capacities at several companies and nonprofits.

Most recently, I have been honored to serve the President of the United States in a human resources capacity as a Member of the Office of Presidential Personnel. I have worked closely with many members of the cabinet and independent agencies to understand the results they desire, recruiting the Nation's best and brightest to attain those results, and then making recommendations to the President for those who may serve as appointees. I understand the responsibility appointees have to the President, and their accountability to Congress and the American people to be good stewards of the public's trust and resources. I am confident that my experience and qualifications will contribute to the continuing success of the U.S. Mint.

If confirmed, I see some immediate responsibilities and challenges before me. Implementing the "Presidential $1 Dollar Coin Act of 2005," which this Committee approved, is a major operational focus for the U.S. Mint that is well under way. As directed by that legislation, the U.S. Mint has, and will continue, to work with those who can influence and encourage the greater use and acceptance of dollar coins in American commerce.

The rising cost of metals used in coin production is prompting some needed analysis and consideration of the impact of that trend on all denominations of coins, especially the penny and nickel. Public preferences and priorities on this subject will loom large, and the U.S. Mint will need to provide technical and manufacturing considerations to Congress, the Administration, and others who are evaluating the future course of coinage.

Reviewing, refining if necessary, and implementing the U.S. Mint's business, management, operational, and strategic plans, executing the President's Management Agenda, and providing effective leadership, are priorities for me should I be confirmed.

Thank you for the honor and privilege to appear before you today.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: **Grandmaison** (Last) **J.** (First) (Jacques) **Joseph** (Other)

Position to which nominated: Director – Export-Import Bank of the United States

Date of nomination: 27 June 2006

Date of birth: **19** (Day) **May** (Month) **1943** (Year) **Place of birth: Nashua, NH**

Marital Status: Single **Full name of spouse:**

Name and ages of children: None

Education:

Institution	Dates attended	Degrees received	Dates of degrees
Harvard University Kennedy School of Government Senior Managers in Government Program Cambridge, MA	Summer 1980	Certificate	
Burdett College Boston, MA	9/61 – 6/63	Degree in Business Administration	
Rivier College Nashua, NH	9/60 – 6/61	Courses in Business Administration	
Nashua Senior High School Nashua, NH	9/57 – 6/60	Diploma	
Nashua Junior High School Nashua, NH	9/56 – 6/57	Diploma	
Holy Infant Jesus School Nashua, NH	9/48 – 6/56	Diploma	

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

Harvard University Kennedy School of Government Institute of Politics Cambridge, MA	Fellowship 1/76 – 5/76

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

Organization	Office held (if any)	Dates
U.S. Merchant Marine Academy's Global Marine and Transportation School Kings Point, NY	Advisory Board	1-06 to the present
L'Association Canado Americain Manchester, NH	Member	Approximate 30 years to the present
State of New Hampshire Constitutional Convention	Elected Delegate	1981
Board of Visitors Boston University Department of Economics Boston, MA	Member	1978 – 1982
Board of Directors Robert F. Kennedy Action Corps (private child welfare agency) Boston, MA	Member	1978 – 1988
Advisory Board Center of Study of Social Values Rivier College Nashua, NH	Member	1980 – 1982
Board of Aldermen City of Nashua Nashua, NH	Elected Member	1970 – 1971
Nashua Jaycees Nashua, NH	President	1969 – 1970
New Hampshire Army National Guard Nashua, NH	SP5	1963 – 1970

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and inclusive dates of employment.

12 – 01 – 7-05 Member, Board of Directors
Export- Import Bank of the United States
811 Vermont Avenue, NW
Washington, DC 20571

The Board of Directors normally meet each week and is responsible for establishing the Bank's overall policy and approving any individual transaction over $10 million. Additional assignments of responsibilities to a non-managing director are made by the President/Chairman of the Bank as well as any special initiative a member might take upon themself to be involved with. While at the Bank, I oversaw the then successful expansion of the Bank's involvement in Africa that resulted in increased activity both in terms of total dollars as well as number of transactions.

Additional personal involvement included: initiating the Bank's first business development focus aimed at the Middle East (Middle East Finance Roundtable – April 2004); organize and lead the Africa Air Cargo Transport Roundtable (November 2002) and the Increasing Capital Flows to Africa Conference with the Corporate Council on Africa in September 2004. As a member of the Bank's Audit Committee, served as a driving force to move the institution towards fulfillment of the intent of the Sarbanes-Oxley requirements though as a government agency the Bank is not required to comply.

6-01 – 12-01 International Trade Consultant, Washington, DC

Clients: Don Breazeale and Associates, Inc. – Rancho Santa Fe, CA
Consulting company specializing in port, rail and freight operations
Managing Director, International Development

PA Consulting Group, Washington, DC

8 – 93 – 2-01 Director – U.S. Trade and Development Agency, Arlington, VA
(Presidential Appointment, U.S. Senate confirmed)

TDA assists in the creation of jobs for Americans by helping U.S. companies pursue business opportunities. Through the funding of feasibility studies, orientation visits, training grants, conferences and various forms of technical assistance, the agency enables American businesses to become involved in the planning stages of infrastructure and industrial projects in middle income and developing countries. By doing this, TDA provides American firms with market entry, exposure and information, thus helping them establish a position in markets that are otherwise difficult to penetrate.

Served as head of the U.S. Government agency with responsibility for all aspects of its operations, including strategic planning, investment decisions, policy determinations, fiscal and personnel management, business and product development, and marketing. Oversaw the investment of more than $425 million in 1,300+ overseas projects over 7 1/2 years. Projects designed specifically to involve U.S. companies – small and medium sized businesses to Fortune 500 enterprises – in their subsequent implementation phase.

3-92 – 7-93 New England Cable News, Newton, MA
Host of a weekly public affairs television program.

1989 – 8-93 Weil & Howe, Inc., Augusta, Maine
Associate and then vice-president of the managing consulting company specializing in energy and environment matters.

9-88 – 5-90 Boston University, Boston, MA
Adjunct Professor at the College of Communications

6-87 – 2-90 WMUR-TV, Manchester, NH
Co-host and consultant for a weekly public affairs television program.

7-84 – 10-86	Warner Cable Communications, Dublin, Ohio Regional Community Relations Director for the regional Warner Cable complex based in Medford, MA
2-83 – 10-83	John Glenn Presidential Committee, Inc., Washington, DC Political Director
3-81 – 8-93	Self-employed consultant: economic development, government and community relations, campaign management and strategy, Rye, NH
7-77 – 3-81	U.S. Department of Commerce, Washington, DC Federal Co-Chairman, New England Regional Commission

Served as the highest ranking federal official in the region, co-equal to the six New England governors on the Commission. Developed policies to improve the regional economy and managed programs in the areas of economic development, energy and transportation.

Directed the Executive Committee, the Commission's management body that controlled budgeting, personnel, administration and community. Reoriented the Commission's focus to provide necessary services to New England's business community, including the creation of programs for export promotion, tourism development, trade adjustment assistance, and technical assistance for energy resource conversion and hazardous waste management.

Simultaneously in 1979-1980 served as Chairman, Federal Regional Council of New England. The Council, comprised of the major federal officials in the region, was responsible for coordinating and streamlining the delivery of federal programs in New England. As the President's representative to the Commission and Council, acted to integrate state and federal programs and policies.

2-76 – 5-76	WBZ-TV, Boston, MA Political Analyst
1-76 – 5-76	Harvard University Kennedy School of Government Institute of Politics Cambridge, MA Fellowship
9-75 – 11-75	U.S. Senator John Durkin, Washington, DC Administrative Assistant
8-75 – 9-75	Durkin for U.S. Senate, Manchester, NH Campaign Director
1-75 – 8-75	Commonwealth of Massachusetts, Boston, MA Director, Office of Federal-State Relations in Washington, DC
8-73 – 12-74	The Dukakis Committee, Boston, MA Campaign Director
3-73 – 7-73	Democratic National Committee, Washington, DC Deputy Director, Charter Commission
1-73 – 2-73	U.S. Senator George McGovern, Washington, DC Congressional Assistant
3-71 – 11-72	McGovern for President, Washington, DC NH Campaign Director and National Campaign Staff
1966 – 3-71	Consolidated Foods, Inc., Nashua, NH Credit Manager and Assistant to the President

1961 – 1966	Sears, Roebuck & Co., Nashua, NH Assistant Credit Manager and Salesman
1963 – 1970	NH Army National Guard, Nashua, NH Enlistee
5-63 – 8-63	Department of the Army, Fort Dix, NJ Basic Training
1959 – 1961	Sullivan Moving and Storage Co., Nashua, NH Office Clerk

Government experience: List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.

Federal ---	12-01 – 7-05	Member, Board of Directors Export-Import Bank of the United States
	8-93 – 2-01`	Director – U.S. Trade and Development Agency
	7-77 – 3-81	Federal Co-Chairman, New England Regional Commission
	9-75 – 11-75	Administrative Assistant, U.S. Senator John Durkin
	1-73 – 2-73	Congressional Assistant, U.S. Senator George McGovern
State ---	1-75 – 8-75	Director, Office of Federal-State Relations Commonwealth of Massachusetts
	1981	Elected Delegate, State of NH Constitutional Convention
	1981	Consultant, Massachusetts Port Authority
Local --	1983	Consultant, City of Boston
	1970 – 1971	Elected, Alderman, City of Nashua, NH

Published Writings: List the titles, publishers and dates of books, articles, reports or other published materials you have written.

The only published writings per se would have been op-ed pieces promoting international trade and how to go about successfully utilizing the U.S. Government's trade promotion programs.

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

2000 – Volunteer – Gore for President
2004 – Volunteer – Kerry for President
2004 – Volunteer -- Democratic National Committee
2005 – Member of an informal NH Democratic Party committee working to preserve New Hampshire's "First in the Nation" Presidential Primary

Political Contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.

3-4-98	NH Democratic Party	$ 500.
2-9-99	NH Democratic Party	500
1-18-00	NH Democratic Party	500
2-21-02	NH Democratic Party	200
2-1-05	NH Democratic Party	100
10-13-05	NH Democratic Party	50
5-16-98	Friends of Jeanne Shaheen	$ 500
4-18-00	Friends of Jeanne Shaheen	500
11-12-01	Shaheen for Senate Exploratory Committee	500
8-12-02	Shaheen for Senate	500
10-19-02	Shaheen for Senate	500
3-19-99	Gore 2000	$ 250
6-19-99	Let's Get It Dunn (Donald Dunn)	$ 250
5-2-00	Let's Get It Dunn (Donald Dunn)	250
10-16-00	Dunn for Congress	250
2-13-02	Donald Dunn for Congress	500
7-13-99	Torricelli for U.S. Senate	$ 250
10-13-99	HRC Exploratory Committee (Hillary Clinton)	$ 500
4-19-02	Hollingworth for Governor	$ 250
8-14-02	Hollingworth for Governor	250
10-22-03	John Kerry for President, Inc.	$1000
1-22-04	John Kerry for President, Inc. (in-kind)	500
3-11-04	John Kerry for President, Inc.	500
10-21-05	The Lynch Committee (NH Gov. John Lynch)	$ 500

Qualifications: State fully your qualifications to serve in the position to which you have been named. (attach sheet)

Page attached

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

   Yes

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

   No

3. Has anybody made you a commitment to a job after you leave government?

   No

4. Do you expect to serve the full term for which you have been appointed?

   Yes

J. Joseph Grandmaison -- Qualifications

In preparing this response as to my qualifications to serve as a member of the Board of Directors, as you would expect, I reviewed the similar statement that I offered back in late 2001 when nominated for the same position and have taken the liberty of attaching a copy of that statement. What struck me in re-reading that statement is how the experience I cited back then applied in actual practice over the past almost four years.

The U.S. Export-Import Bank is very much a transactional agency--as opposed to having a trade policy orientation. My background in trade promotion—whether it be the almost seven years as Director of the U.S. Trade and Development Agency (1993-2001) or hands-on experience in the private sector—allowed me to clearly understand the financing challenges U.S. businesses face when doing business overseas and to lend them the support they should rightly expect from their government. As part of my responsibilities at the Bank, my own experience allowed me to aggressively serve as their advocate within the Bank itself.

More broadly, perhaps because of my own experience and respect for our electoral process, as a Director I have done my very best to move the Bank forward towards the priorities reflected by the Congress in the Bank's authorization legislation. Assigned the responsibility to quarterback the Bank's business development efforts in sub-Saharan Africa, I like to believe that through my hard-work, leadership and marketing skills, I contributed to the gains that have been made by Ex-Im Bank's in Africa. While not directly responsible for the either the small business or environmental portfolios, not surprisingly given my background, I have always lent my voice and vote encouraging the Bank's management to prioritize the same specifically including the allocation of personnel and resources.

A personal characteristic that has developed as a result of my professional experience is the self-confidence necessary to reach out to and work well with others—whether it be individuals, companies, trade groups or other U.S. Government agencies. Ex-Im Bank's catalyst role in the international marketplace in promoting U.S. interests abroad needs, in my view, to be nurtured and further developed.

Lastly, and perhaps most importantly, as I said in my earlier statement and as I believe I have demonstrated while serving as a member of the U.S. Export-Import Bank's Board of Directors from December 2001 thru July 2005, I believe in the Bank's mission of U.S. job creation through the financing of U.S. exports abroad for transactions that otherwise would not be financed thereby resulting in the sale and accompanying job going to our economic competitors.

J. Joseph Grandmaison – Qualifications 2001

While I believe that my experience, background and personal skills specifically lend themselves to successfully serving in the position of a Director at the Export-Import Bank, I respectfully suggest that my qualifications begin with my belief in the Bank's mission—to create U.S. jobs through exports—and my commitment to the responsible role our Government must play in the international market place when American companies face unfair foreign competition. EX-IM has a proud and well-earned reputation and my hope would be to further that success through my active involvement and leadership.

As requested in a previous section of this questionnaire, I outlined by employment history. I would like to offer an understanding of who I am and how that fits in as qualifying for the Senate's consideration in this position.

My career includes having been active in both the private and public sector—focused primarily on economic development, trade and communications. In each of the two U.S. Senate confirmed positions that I have had the opportunity serve, I have always thought my private sector perspective and business minded approach served me well and provided me with an understanding of how to tailor the agency's programs to become even more effective. I believe myself to be hard-working and insightful when it comes to understanding commerce, marketing, relationship building and motivation.

A hallmark of my time as Director of the Trade and Development Agency was the successful outreach efforts to U.S. companies that had not heard of TDA, to members of Congress interested in our program;, and to other government agencies with whom we could partner. Reaching out to broaden involvement and work with others requires not only a commitment to do so but professional confidence by the agency's leadership. I consider myself to be a successful communicator, a necessary skill for success in both government and the business world.

A unique qualification that I offer is an understanding of the difference in the internal dynamics of a public agency as opposed to a private company. While many solid business practices need to be adopted in government, there are important differences when the public trust and taxpayer dollars are involved. I respect the checks and balances in the system and am fully comfortable with the need for performance and accountability.

Not only is EX-IM TDA's sister trade finance agency but TDA's success is inextricably linked to EX-IM. More than a third of the exports facilitated by TDA feasibility studies are financed by the Bank. It is that direct working experience with EX-IM, lifelong set of professional experience and personal commitment that I believe qualifies me to serve in this position.

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

   None

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

   None

3. Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

   None

4. List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

   None

5. Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items.

There are no conflicts. If there were, I would take immediate action to correct the same in consultation with the Bank's Office of General Counsel to be in full compliance with both the letter and spirit of all conflict of interest requirements and regulations.

Civil, criminal and investigatory actions:

1. Give the full derails of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

   A former employee of the Trade and Development Agency filed a grievance claiming discrimination. As Director of the agency, I was named. The agency's General Counsel handled the situation in accordance with the strict procedures that were in place and the claim was determined to be without merit.

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation. -- None

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: Moy (Last) Edmund (First) Chuck (Other)

Position to which nominated: Director of the United States Mint

Date of nomination: June 29, 2006

Date of birth: 12 September 1957 (Day) (Month) (Year) **Place of birth:** Detroit, Michigan

Marital Status: Married **Full name of spouse:** Karen Johnson Moy

Name and ages of children: We have just been approved by China to adopt Nora Sue Moy, born approximately September 22, 2005. We hope to travel to China in August 2006 to pick her up.

Education:

Institution	Dates attended	Degrees received	Dates of degrees
University of Wisconsin	9/75-9/79	B.A.	8/79

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships and any other special recognitions for outstanding service or chievement.

2006 Asian Pacific American Institute for Congressional Studies Distinguished Achievement Award

Tau Kappa Epsilon Fraternity 2004-2005 Alumnus of the Year

Carl F.H. Henry Society of Fellows at Union University (2004 commencement address speaker)

2002 U.S. Pan Asian American Chamber of Commerce Excellence Award in Public Service

2005 U.S. Indian American Chamber of Commerce for support to minority business

2003 Korea-U.S. Civilian Friendship Ceremony Plaque of Appreciation (for helping them commemorate the 50th Anniversary of Korea-U.S. Bilateral Defense Treaty and the 100th Year of Korean Immigration to the U.S.)

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

Organization	Office held (if any)	Dates
Emerald Health Network, Inc.	Board of Directors	1994-2000
XactiMed Inc.	Board of Directors	2000
HealthyNation.com	Advisory Board	1999-2000
National Managed Health Care Congress	Advisory Board	1993-1999
Congress on Managed Medicare and Medicaid	Advisory Board	1996-1999
Christianity Today International	Board of Directors Chair of Finance/Audit Committee	2000-present
Christianity Today Foundation	Board of Directors	2000-present
Capitol Hill Baptist Church	Member and Deacon	1997-2000
The Falls Church	Member	2001-present
Capitol Hill Child Development Center	Board of Directors Board Chair	1996-1998
InterVarsity Christian Fellowship	Advisory Board	1989-1993
State of Wisconsin Board on Health Care Information	Board of Directors	1988-1989
State of Wisconsin Equal Rights Council	Board of Directors Vice Chair	1988-1989
Volunteer Center of Greater Milwaukee, Inc.	Board of Directors Vice Chair for Finance	1987-1989

Blue Cross Blue Shield United of Wisconsin	Board of Directors	1988-1989
Eastbrook Church	Member Associate Pastor	1980-1989
Elmbrook Church	Member	1979-1980
Tau Kappa Epsilon Fraternity	Member	1975-1979

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and inclusive dates of employment.

Title	Employer	Location	Dates
Special Assistant to the President for Presidential Personnel	The White House	The White House	2001-present
President	IServe.net	Washington, DC	2000
President	Value Booksellers	Washington, DC	1998-1999
Principal	The Genesis Group	Washington, DC	1996-2000
Chief Executive Officer of FMC Managed Health	First Hospital Corporation	Norfolk, VA	1994-1996
Senior Vice President	OakTree Health Plan	Philadelphia, PA	1994
Exclusive Advisor	Welsh, Carson, Anderson & Stowe	New York, NY	1993
Consultant	Physician Health Care Plans	Washington, DC	1995
Consultant	National Asian Pacific American Center on Aging	Seattle, WA	1994
Director, Office of Managed Care	Health Care Financing Admin.	Washington, DC	1989-1993

Field Sales Manager National Accounts Exec. Sales Representative	Blue Cross Blue Shield of WI	Milwaukee, WI	1979-1989

Government experience: List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.

Special Assistant to the President for Presidential Personnel at The White House.

Director of the Office of Managed Care at the U.S. Health Care Financing Administration (non-career SES)

Board of Directors for the State of Wisconsin Board on Health Care Information

Board of Directors and Vice Chair of the State of Wisconsin Equal Rights Council.

Published Writings: List the titles, publishers and dates of books, articles, reports or other published materials you have written.

None.

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

Member of the National Republican Committee

Volunteer for Bush Cheney 2000

Volunteer for Bush Cheney 2004

Political Contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.

None.

Qualifications: State fully your qualifications to serve in the position to which you have been named. (attach sheet)

First, my private sector experience in sales and marketing for a major corporation will be helpful to the U.S. Mint as it seeks to increase its sales and expand its products. Second, my private sector experience in brand management for the same major corporation, which has a high brand awareness and a well known mark, will be helpful to the U.S. Mint as it seeks to enhance its brand. Third, I believe that I can be an effective Director of the U.S. Mint because of my public sector management experience with a sizable workforce and a large budget. I also have extensive experience with the federal human resource system and executive recruiting. Fourth, serving on the boards of a successful not-for profit company and several successful for-profit companies has given me substantial experience in setting corporate strategy and executing plans that increase value, especially revenues and profitability, which will be helpful as the U.S. Mint tackles its future challenges.

While not a qualification, I became interested in collecting coins at a very young age. Manning the cash register at my parent's restaurant, I noticed that while all the coins were certain face value, I was fascinated by the different designs of the older coins. So I started collecting Indian Head pennies and Mercury dimes and over time, ended up with a fair collection of a wide variety of U.S. coinage, which I still have. I continue to share my interest with my young nephews and nieces, some which have begun collecting coins.

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

Yes.

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

No.

3. Has anybody made you a commitment to a job after you leave government?

No.

4. Do you expect to serve the full term for which you have been appointed?

Yes.

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

None.

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

None.

3. Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

None.

4. List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

None.

5. Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.

Not applicable. If there were a conflict of interest, I am committed to whatever it takes to satisfactorily resolve it.

Civil, criminal and investigatory actions:

1. Give the full derails of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

None.

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

None.

STATEMENT FOR COMPLETION BY PRESIDENTIAL NOMINEES

Name: BACINO (Last) GEOFFREY (First) S. (Other)

Position to which nominated: BOARD MEMBER - FEDERAL HOUSING FINANCE BOARD

Date of nomination: JUNE 16, 2006

Date of birth: 18 / 09 / 1962 (Day) (Month) (Year) **Place of birth:** ROCKFORD, ILLINOIS

Marital Status: MARRIED **Full name of spouse:** NATHALIE ANNE BACINO

Name and ages of children:

EVAN - 19 YEARS OLD
MARISSA - 16 " "
MADISON - 6 " "
HADEN - 2 " "

Education:

Institution	Dates attended	Degrees received	Dates of degrees
INDIANA UNIVERSITY	1982 - 84		
ROCKVALLEY COLLEGE	1980 - 82	AA	JUNE 1982
BOLTON CATHOLIC HS	1977 - 1980		

Honors and awards: List below all scholarships, fellowships, honorary degrees, military medals, honorary society memberships and any other special recognitions for outstanding service or chievement.

NATIONAL HONOR SOCIETY
ACHIEVEMENT AWARD - MUSIC
NATIONAL CHAMPION - IN FLORIDA STATE

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

Organization	Office held (if any)	Dates
SPRINGFIELD GOLF + COUNTRY CLUB	—	2004 - PRESENT

Employment record: List below all positions held since college, including the title or description of job, name of employment, location of work, and inclusive dates of employment.

MAYOR'S OFFICE (FT. WAYNE, IN) PUBLIC INFORMATION OFFICER 1982-85
CALAHAN + ASSOCIATES (WASHINGTON, D.C.) EXECUTIVE DIRECTOR 1985-1987
CREDIT UNION NATIONAL ASSOCIATION (WASHINGTON, D.C.) FEDERAL LEG. REP. 1987-1989
BACON + ASSOCIATES (WASHINGTON DC) PRESIDENT 1989-2000
NATIONAL CREDIT UNION ADMINISTRATION (ALEXANDRIA, VA) BOARD MEMBER 2000-2001
BACON + ASSOCIATES (ALEXANDRIA, VA) PRESIDENT 2001-2003
CENTRIX FINANCIAL (ALEXANDRIA, VA - HOME OFFICE IN DENVER, CO) SR. V.P. - LEG. + REGULATORY AFFAIRS 2003 - PRESENT

Government experience: List any experience in or direct association with Federal, State, or local governments, including any advisory, consultative, honorary or other part time service or positions.

NONE

Published Writings: List the titles, publishers and dates of books, articles, reports or other published materials you have written.

"LESSONS FROM A TRADE ASSOCIATION" 2/12/99 - CREDIT UNION TIMES

"EVERYTHING YOU'VE ALWAYS WANTED TO KNOW ABOUT LOBBYING" 3/15/98 - CREDIT UNION TIMES

"FINDING THE TOOLS TO LEAD THE BATTLE IN YEARS TO COME" 3/25/99 - CREDIT UNION TIMES

"WHY CREDIT UNIONS SHOULD HAVE TERM LIMITS" - 4/19/98 CREDIT UNION JOURNAL

"SERVING ALL SEGMENTS OF YOUR COMMUNITY" 3/04

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

NONE

Political Contributions: Itemize all political contributions of $500 or more to any individual, campaign organization, political party, political action committee or similar entity during the last eight years and identify specific amounts, dates, and names of recipients.

SEE ATTACHED LIST

Qualifications: State fully your qualifications to serve in the position to which you have been named. (attach sheet)

SEE ATTACHED

Future employment relationships:

1. Indicate whether you will sever all connections with your present employer, business firm, association or organization if you are confirmed by the Senate.

   YES

2. As far as can be foreseen, state whether you have any plans after completing government service to resume employment, affiliation or practice with your previous employer, business firm, association or organization.

   NO

3. Has anybody made you a commitment to a job after you leave government?

   NO

4. Do you expect to serve the full term for which you have been appointed?

   YES

As a former federal regulator for credit unions, I understand the atmosphere and environment necessary for successful oversight. Regulatory oversight requires the ability to listen, examine the facts and then, act accordingly. These were the benchmarks that I used while I was on the board at the National Credit Union Administration (NCUA). There is also a need for cooperation among board members – being able to disagree without becoming disagreeable.

I have an extensive background in financial services and during my tenure at the NCUA, was acutely aware of the need for affordable housing as well as the mortgage issues confronting lenders and borrowers.

My private sector experience provides a better understanding of the way that for-profit businesses and their strategic plan affects the stakeholders of that business. Using some of these skills will assist in ensuring that the agency is run efficiently and held to the highest standards.

Finally, with more and more credit unions becoming members of the Federal Home Loan Bank system, my background may help to bridge the gap between all segments of the financial services community.

Richard Robinson (KY -4)	$500	6/12/97 & 3/9/98
Sen. Ted Kennedy	$1000	6/30/99
Sen. Ted Kennedy	$1000	10/25/99
Rep. John Sweeney	$500	2/99
Sen. Richard Durbin	$1000	2/00
Sen. Hillary Clinton	$1000	3/00
VP Al Gore	$500	5/9/00
Sen. Hillary Clinton	$1000	3/29/01
Rep. Richard Gephardt	$1000	5/4/01
Sen. John Kerry	$1000	5/22/01
Rep. Chris Cannon	$500	8/1/01
Bush/Cheney	$1000	12/30/03
Sen. Jim Bunning	$500	5/1/03
Rep. Dennis Hastert	$500	3/04
Sen. Barbara Boxer	$500	11/1/04
Sen. Tom Daschle	$500	10/21/04
Sen. Ted Kennedy	$1000	3/8/05
Sen. Hillary Clinton	$1,100	3/1/05
Rep. James Sensenbrenner	$500	4/06

Potential conflicts of interest:

1. Describe any financial arrangements or deferred compensation agreements or other continuing dealings with business associates, clients or customers who will be affected by policies which you will influence in the position to which you have been nominated.

NONE

2. List any investments, obligations, liabilities, or other relationships which might involve potential conflicts of interest with the position to which you have been nominated.

NONE

3. Describe any business relationship, dealing or financial transaction (other than tax paying) which you have had during the last 10 years with the Federal Government, whether for yourself, on behalf of a client, or acting as an agent, that might in any way constitute or result in a possible conflict of interest with the position to which you have been nominated.

NONE

4. List any lobbying activity during the past ten years in which you have engaged in for the purpose of directly or indirectly influencing the passage, defeat or modification of any legislation at the national level of government or affecting the administration and execution of national law or public policy.

CREDIT UNION MEMBERSHIP ACCESS ACT - 1998
TRANSPORTATION BILL - 1998
INTERNET GAMBLING PROHIBITION ACT 1998/2000

5. Explain how you will resolve any conflict of interest that may be disclosed by your responses to the items above.

THERE ARE NONE. THE CREDIT UNION AND TRANSPORTATION BILLS HAVE ALREADY BEEN PASSED.

Civil, criminal and investigatory actions:

1. Give the full derails of any civil or criminal proceeding in which you were a defendant or any inquiry or investigation by a Federal, State, or local agency in which you were the subject of the inquiry or investigation.

NONE

2. Give the full details of any proceeding, inquiry or investigation by any professional association including any bar association in which you were the subject of the proceeding, inquiry or investigation.

NONE

RESPONSE TO WRITTEN QUESTIONS OF SENATOR BUNNING FROM FREDERIC S. MISHKIN

Q.1. What is the appropriate inflation-targeting method for the Federal Reserve?

A.1. The form of inflation targeting that I advocated in the past as an academic is flexible rather than rigid or mechanical, forward-looking and forecast-oriented rather than backward-looking, and should be fully sensitive to the dual mandate of the Federal Reserve to promote maximum sustainable employment as well as price stability. A hallmark of the approach that I have advocated is clear communication of the objectives, strategies, and outlook of the Federal Reserve to better inform the public and markets and increase the accountability of the Federal Reserve. However, my past experience as a policymaker has taught me that moving from academia to the policymaking world often necessitates a modification of views to better deal with practical considerations. Thus, I expect that there will be some evolution of my thinking once I become a Member of the Board of Governors, if I am confirmed by the Senate. I am certain that these issues will be an important focus of discussion and debate among the members of the FOMC in coming months and years, and I look forward to participating in that process, should I be confirmed.

Q.2. Are there differences between your views on inflation-targeting and those of Chairman Bernanke?

A.2. I have not spoken with Chairman Bernanke about his views on inflation-targeting since he became the Chairman. As my views, and I am sure his, have evolved since we wrote together on this topic, I would suspect that we would have our differences.

However, because I do not know what these differences might be, I do not have a clear-cut answer to this question.

Q.3. What factors or indicators do you look at when assessing inflation? Which are most important?

A.3. In recent years, I have not focused intensely on inflation forecasting, but I can give you a few indications based on my observation of central banks around the world. In general, it seems to me the best approach is quite eclectic and relies on regular inspection of a broad range of indicators. Among these would be the prices of labor, commodities and materials, and other inputs into the production process; indicators of the pressures on productive resources such as the unemployment rate and the rate of capacity utilization; indicators of foreign activity and contributions to domestic inflation such as foreign rates of GDP growth, exchanges rates, and price indexes for imports; productivity growth; and a variety of measures of inflation expectations including both survey-based measures of short- and long-term expectations as well as measures of inflation compensation implicit in the relative prices of nominal and inflation-protected Treasury securities. The most important indicator of the success of a central bank is the performance of inflation itself; for that variable, a central bank must, over the long-term, be held accountable.

Q.4. From your experience, do you believe that the statements and minutes released to the public accurately reflect the debates that

take place within the Federal Reserve when considering monetary policy decisions?

A.4. I am able to give only a qualified answer to this question. I have not attended FOMC meetings for nearly a decade (that is, in the period since I resigned my position as Research Director at the Federal Reserve Bank of New York), and consequently do not have direct knowledge of the proceedings of such meetings over that interval. Moreover, I have not reviewed the minutes of the FOMC meetings for the period during the mid-1990's in which I attended FOMC meetings. Finally, the Federal Reserve followed significantly different practices regarding its post-meeting announcements in the period during which I attended the meetings than it does at present. That said, my impression based on my experience during that interval and more generally is that the statements and minutes accurately reflect the monetary policy discussion at FOMC meetings.

Q.5. The Fed has a bad track record of going too far on interest rates, most recently in 2000. What are the implications if the Fed gets it wrong this time? What will happen if the Fed overshoots or undershoots, and do you think either are a possibility in the current cycle of tightening?

A.5. Monetary policy influences the economy and inflation with long lags, and consequently monetary policy must be made on the basis of forecasts. Such forecasts are always subject to considerable error. Consequently, policy "undershooting" or "overshooting" is always a possibility. For that reason, the Federal Reserve needs to monitor carefully incoming information that affects the outlook for the economy and inflation. When incoming information suggests a different outlook than had been anticipated, the Federal Reserve needs to adjust the stance of monetary policy accordingly in order to achieve a reasonable balance of risks to the attainment of its statutory objectives of maximum employment and price stability. If confirmed by the Senate, I will do my utmost to help in the Federal Reserve's deliberations and make it less likely that the Fed will overshoot or undershoot in its setting of interest rates.