

**STATEMENT OF RANDAL K. QUARLES**  
**NOMINEE FOR ASSISTANT SECRETARY OF THE TREASURY FOR**  
**INTERNATIONAL AFFAIRS**  
**BEFORE THE COMMITTEE ON FINANCE**  
**UNITED STATES SENATE**

Thank you, Mr. Chairman and Members of the Committee, for the opportunity to appear before you today. I am honored that President Bush has nominated me to serve as the Assistant Secretary for International Affairs at the Department of the Treasury, and I am grateful to have the privilege of your consideration, particularly during such a busy time of year. With the Committee's indulgence, I would like to introduce the members of my family that are here.

The role of the Assistant Secretary for International Affairs is to advise the Under Secretary for International Affairs and the Secretary of the Treasury on U.S. participation in the international financial system, including subjects such as financial regulation, macroeconomic policy, exchange rate policy, trade and investment and our participation in the International Monetary Fund and the World Bank, among other institutions. The Assistant Secretary also shares oversight of operations of the Office of International Affairs and represents the Department of the Treasury in various international fora.

If confirmed, I would bring to this role a variety of experiences in both government and the private sector. Most recently, I have been the U.S. Executive Director of the International Monetary Fund, representing the United States on the Fund's board during a time of stress for the international financial system. Before that, I was –although raised in Utah and a passionate westerner – a practicing Wall Street lawyer for nearly seventeen years, focusing on international banking and financial matters. I was privileged, particularly during the last decade, to help some of the world's premier financial institutions think through their approach to an increasingly integrated financial system and to take practical steps to prepare for that integration. I was also privileged to serve at the Treasury Department from 1991 to 1993, working with the team that helped propose a modern statutory framework for this ongoing financial integration - - work that we like to think contributed to the financial modernization legislation enacted into law nearly two years ago.

If confirmed, I would hope to approach my role as Assistant Secretary with the benefit of all these experiences: the practical wisdom of a good counselor, the policy experience of an enthusiastic public servant and, not least, the common sense I have always found native in those born west of the 100<sup>th</sup> meridian and raised in the shadow of the Wasatch Mountains.

Thank you again Mr. Chairman for the privilege of appearing before this Committee. I would be pleased to answer any questions you and the other members of the Committee may have.