

**Opening Statement of Michael W. Faulkender**  
**Nominee to Serve as Assistant Secretary of the Treasury for Economic Policy**  
**Senate Finance Committee**  
**August 22, 2018**

Chairman Hatch, Ranking Member Wyden, and distinguished committee members, I am honored to be with you this morning as the nominee for Assistant Secretary for Economic Policy at the Department of Treasury. I am extremely grateful to Secretary Mnuchin and the President for selecting me for this position.

I would like to take a moment to introduce the members of my family who are here with me today. My wife Maria of 14 years, our two children Lauren (12) and Catherine (8), and my dad and stepmom William and Connie Faulkender. I would not be here today without the unwavering support of my family members who are here with me today and those who were not able to attend but are watching from home.

For the last sixteen years, I have served as a finance professor, the last ten years at the University of Maryland. I have also taught at Washington University in St. Louis, Northwestern University, and the University of Pennsylvania.

My research examines the major factors behind firm financial decision making such as investment, capital raising, capital distribution, risk management, and executive compensation. I have documented, written about, and taught to others how firms respond to the various incentives and frictions that exist in our economy. I have seen some of the intended results, but also some of the unintended consequences, of regulation.

For the last year and a half, I have also had the privilege of serving as an Associate Dean, leading the faculty and staff in the delivery of our MBA and specialty masters programs and ensuring that our graduates have the applied technical and leadership skills that will propel them in their careers.

As a career academic, my perspective on public policy has always been from outside the government, documenting the outcomes after the changes in law or regulation have been implemented. I am honored and incredibly excited by the opportunity to advise and participate in the crafting of those laws and rules.

I believe that the academic community has an enormous depth of knowledge and rigor to bring to policy discussions and debates about the structure of our economy. As we continue to transition towards a more information-based economy and update the way that our economy is taxed and regulated, I believe that I can make a strong contribution to the important leadership role of the Department of the Treasury.

Based on my conversations with people who have previously held this role, I know that the department is home to a strong career staff of economists. If confirmed, I look forward to leveraging their substantial experience and expertise to serve the American people and address the economic opportunities and challenges confronting our nation. The decisions made here in Washington have enormous consequences, so it is critical that proposals are subjected to rigorous

and thoughtful assessment before being enacted and implemented. That is the approach I have taken to all of my academic work and, if I am confirmed, that is the same standard I pledge to you will be generated by the Office of Economic Policy.

It is an enormous privilege to appear before you today and I look forward to your questions.