

**NOMINATION OF DESIREE TUCKER-SORINI,
JANET A. NUZUM, AND CAROL T. CRAWFORD**

HEARING

BEFORE THE

**COMMITTEE ON FINANCE
UNITED STATES SENATE**

ONE HUNDRED SECOND CONGRESS

FIRST SESSION

ON THE

NOMINATION OF

DESIREE TUCKER-SORINI TO BE AN ASSISTANT SECRETARY OF THE
TREASURY; JANET A. NUZUM TO BE A MEMBER OF THE U.S. INTER-
NATIONAL TRADE COMMISSION; AND CAROL T. CRAWFORD TO BE A
MEMBER OF THE U.S. INTERNATIONAL TRADE COMMISSION

JUNE 27, 1991



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**NOMINATION OF DESIREE TUCKER-SORINI TO
BE AN ASSISTANT SECRETARY OF THE
TREASURY; JANET A. NUZUM TO BE A
MEMBER OF THE U.S. INTERNATIONAL TRADE
COMMISSION; AND CAROL T. CRAWFORD TO
BE A MEMBER OF THE U.S. INTERNATIONAL
TRADE COMMISSION**

THURSDAY, JUNE 27, 1991

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

The hearing was convened, pursuant to notice, at 10:05 a.m. in room SD-215, Dirksen Senate Office Building, Hon. Lloyd Bentsen (chairman of the committee), presiding.

Also present: Senators Moynihan, Baucus, Bradley, Riegle, Rockefeller, Breaux, Packwood, Roth, Danforth, Chafee, Durenberger, Symms, Grassley, and Hatch.

[The press release announcing the hearing follows:]

[Press Release No. M-13, June 24, 1991]

SENATE FINANCE COMMITTEE TO HOLD HEARING AND EXECUTIVE SESSION ON NOMINEES FOR POSITIONS AT THE DEPARTMENT OF TREASURY AND THE U.S. INTERNATIONAL TRADE COMMISSION (ITC)

The meeting, originally scheduled for 2:30 p.m., Tuesday, June 25, 1991, will be at 10 a.m., Thursday, June 27, 1991, in Room SD-215 of the Dirksen Senate Office Building.

The nominees are Desiree Tucker-Sorini, Deputy Assistant Treasury Secretary for Public Affairs, to be an Assistant Secretary of the Treasury; and Janet A. Nuzum, professional staff member for the House Ways and Means Committee, and Carol T. Crawford, former Assistant Attorney General, to be Commissioners of the ITC.

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

The CHAIRMAN. Mrs. Tucker-Sorini has been nominated to be the Assistant Secretary of the Treasury for Public Affairs and Public Liaison.

The Assistant Secretary is the press spokesperson for the Treasury Department, and the principal contact at the Department for the public, businesses, consumer groups and other Government agencies.

As I understand it, you have worked for 8 years in public affairs in the Federal Government—with the U.S. Trade Representative, the International Trade Administration and the Treasury Depart-

ment. You have served as Deputy Assistant Secretary for Public Affairs since 1989. In that time we expect that you have acquired a detailed understanding of the issues before the Department.

Your challenge, of course, is going to be to communicate clearly and effectively to the public. The Treasury Department's policies and actions are among the many complex matters that come before us.

I now yield to my friend, the ranking Republican member of this committee.

OPENING STATEMENT OF HON. BOB PACKWOOD, A U.S. SENATOR FROM OREGON

Senator **PACKWOOD**. Mr. Chairman, I have no questions for Ms. Tucker-Sorini. I am glad to see someone of her background willing to stay in government. You have worked your way up from the bottom and you are the kind of person that we would like to have here. Congratulations.

The **CHAIRMAN**. We are very pleased to have the distinguished senior Senator from the State of Virginia who wants to make some comments, I am sure, concerning the nominee.

STATEMENT OF HON. JOHN W. WARNER, A U.S. SENATOR FROM VIRGINIA

Senator **WARNER**. I thank you very much. Mr. Chairman, Senator Packwood, Senator Danforth, Senator Moynihan, and other members of this committee.

The chairman has recited the distinguished record of achievement of the President's nominee and, therefore, I shall just ask that my statement be placed in the record.

The **CHAIRMAN**. Without objection.

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

Senator **WARNER**. It is my privilege to appear here today because I have known the nominee personally as well as professionally for many, many years. Her father and mother are friends of long standing. They are here today to join with the nominee, as well as her sister, Gail. The nominee's husband is presently in Thailand working on a mission for the U.S. Government, so he will not be with us here today.

The chairman has pointed out the very distinguished career of this individual. She is to be recognized on her own right for these achievements. And I urge that this committee give favorable approval to this nomination. And I thank you for the privilege of joining you this morning.

The **CHAIRMAN**. Thank you, Senator.

We are also joined by the able Congressman from Tennessee, Congressman Sundquist. We are pleased to have any statement you would like to make.

STATEMENT OF HON. DON SUNDQUIST, A U.S. CONGRESSMAN FROM TENNESSEE

Congressman **SUNDQUIST**. Thank you very much. Mr. Chairman and Senator Packwood, Senator Moynihan, Senator Bradley, Sena-

tor Danforth, and other distinguished Senators. It is a privilege for me to be able to come before the Senate Finance Committee in support of the President's nominee and nomination of Desiree Tucker-Sorini to Assistant Secretary of the Treasury.

I have known Desiree and her family, as has Senator Warner, for many years. Over the last 20 years I have watched Desiree grow into a very competent, talented, and capable young woman. And I can personally vouch for her honesty, for her integrity, and I am very confident that she will represent her country in the Treasury Department exceedingly well.

And I thank you for having the opportunity, Mr. Chairman, to appear before this committee. Thank you.

The CHAIRMAN. Thank you.

If I may step out of line here in the proceedings for just a moment to welcome to his first hearing the most senior and distinguished Senator, Senator Hatch, who now becomes the most junior member of this committee.

Senator HATCH. Well, I want to thank you, Mr. Chairman, I am very happy to be with you on this committee and I appreciate the kind welcome.

The CHAIRMAN. Well, we are glad to have you. Thank you.

Senator WARNER. Mr. Chairman, I have to return to my mark-up session.

The CHAIRMAN. Yes, of course.

Senator WARNER. But I thank the courtesies extended by the chairman and the members.

The CHAIRMAN. We are very appreciative, Senator.

Senator WARNER. And I assure you that this is truly one of the outstanding individuals to come before this committee in some time. She will do well for her country. Thank you.

THE CHAIRMAN. Thank you.

Congressman, we understand if you have other commitments.

Congressman SUNDQUIST. Thank you, Mr. Chairman.

The CHAIRMAN. All right. Ms. Sorini, if you would proceed, please.

STATEMENT OF DESIREE TUCKER-SORINI, NOMINEE TO BE AN ASSISTANT SECRETARY OF THE TREASURY

Ms. SORINI. I would like to thank both Senator Warner and Congressman Sundquist for taking time from their busy schedule to introduce me. Both have been close friends of my family, as they have stated, for many years, and Congressman Sundquist has always taken the time to give me professional advice throughout my career.

I also appreciate the opportunity to appear before you today and the expedient scheduling of this hearing, I feel honored to have been selected by Secretary Brady and nominated by the President for this position.

If confirmed, I hope my background in both business and government will bring a balanced experience to this position. In addition to working for a large corporation, I have also run a very small business, and since 1983 I have been employed in public service.

For most of my career in government I have worked to inform the public of the administration's policies, programs, and positions through the press. I believe the democratic process can only work when the public is informed and understands all the issues being debated.

If confirmed, I will work to keep all interested parties in the private sector, as well as State and local governments, informed and provide an opportunity for their voice to be heard. In addition, I would continue to present the administration's positions to the press.

I would like to thank all the members of my extended family for coming here today, and I would like to give my parents a very special thanks for their loving support through all these years.

Unfortunately, one very important person in my life could not be here today, my husband, Ron Sorini, who has supported and endured my choice to serve in the government. He is most understanding since he also works in the government at the U.S. Trade Representative's office, and as Senator Warner said, he is currently in Thailand representing the United States in trade negotiations.

Thank you very much for your time. I would be happy to answer any questions.

[Mr. Sorini's biographical information appears in the appendix.]

The CHAIRMAN. Are there questions of Ms. Sorini?

[No response.]

The CHAIRMAN. It looks like you are in pretty good shape, Ms. Sorini. [Laughter.]

Thank you very much. We are pleased to have had you appear. Ms. SORINI. Thank you.

The CHAIRMAN. Our next nominee is Janet Nuzum who has been nominated to become a member of the International Trade Commission. The position for which Ms. Nuzum is nominated is, in the eyes of this committee, a very important one. The ITC is entrusted with administering some of our key trade laws, including our anti-dumping and countervailing duty laws, Section 201—our escape clause law, and Section 337, which has become an important tool for fighting imports that infringe the intellectual property rights of our companies and citizens.

Ms. Nuzum, if you would come forward, please.

I understand that Ms. Nuzum is on the way, along with Chairman Rostenkowski from the House side.

Well, we will call the next nominee. Ms. Carol Crawford has also been nominated to become a member of the International Trade Commission.

Ms. Crawford has held a number of positions in the Federal Government over the past decade. Most recently, she served as Assistant Attorney General for Legislative Affairs. In that capacity Ms. Crawford was in charge of relations between the Congress and the Justice Department. Before that, she was an Associate Director at OMB and before that she served for a number of years with the Federal Trade Commission, first, as Executive Assistant to the Chairman and then as Director of the Bureau of Consumer Protection. We are delighted now to yield to the distinguished Senator, Senator Packwood, for such comments as he would like to make.

Senator PACKWOOD. Mr. Chairman, thank you.

It is common when a Senator or a Congressman introduces somebody to say "this is a close friend," or "an old friend." In politics "my old friend" is often overused. Perhaps for somebody you met last night at a banquet and today they are your old friend.

In the case of Carol Crawford, she is a true friend and an old friend. I met her before I actually came to the Senate in 1969. After I was elected in 1968, and we were putting together a staff, she was one who applied. I did not know her at the time. She was working as a case worker and a young legislative assistant for a Congressman from Nebraska. But of the scores and scores that we interviewed, she stood out so clearly that we hired her. And on the first day that I was in the Senate she came to work as my principal legislative assistant. It was a very small staff in those days. I think we had 12 or 13 people in Washington. And so everybody did a little bit of everything, but she was the legislative director and handled a variety of subjects in addition to directing others.

She was with me 6 years and we formed an immediate bond. I got to know her fiancée, went to her wedding when they were married in New Jersey in the summer of 1970. And it was my great loss when one day she came in in 1975 and said she was simply leaving. She had reached the limit of her patience in dealing with the branches of government, she said, and she was going off to another career. I thought to myself, well, thank God, it is not me that she is mad at.

She went off to law school at American University; graduated magna cum laude from American University Law School; practiced law only for 2 years, and then came back to the Federal Trade Commission as the principal assistant to the Chairman when President Reagan was elected; was soon the Director of the Bureau of Consumer Affairs, which is one of the bureaus at the Federal Trade Commission; and then went to the Office of Management and Budget where she was in charge of a significant section of the budget—the policy and economic end, not the management end, but the policy and economic end—for independent agencies and for a number of departments.

This woman has given the better part of her life: 9 years in the legislative branch; 9 years in the executive branch, including the last position as Assistant Attorney General for Legislative Affairs; 9 years in the executive branch. Only 2 years out of the last 20 has she not been involved in public service.

There is no one that is a closer friend of mine in Washington than Carol and her husband, Ron. I have been in their house for dinner many times. They have been in mine. There is no one that has ever worked for me that is any smarter than Carol, and there is no one that has been more loyal. I cannot think of anyone that could be appointed to any position in government that comes with better qualifications than this woman and I wholeheartedly endorse her, Mr. Chairman.

The CHAIRMAN. Thank you very much, Senator.

Ms. Crawford, if you would proceed with any statement that you might have.

**STATEMENT OF CAROL T. CRAWFORD, NOMINEE TO BE A
MEMBER OF THE U.S. INTERNATIONAL TRADE COMMISSION**

Ms. CRAWFORD. Mr. Chairman, I have a brief statement, if I may. I want to thank you, first, and thank you, Senator Packwood, for your kind words, and members of the committee.

I would first like to say that I am greatly honored by the President's decision to nominate me to the International Trade Commission, and I am also greatly honored to be appearing before this committee today.

I recognize that the International Trade Commission has a very special relationship with this committee, and if confirmed, I will look forward to working with you and your staff.

The ITC has the important role of administering laws that provide remedies for domestic industries injured by imports. As a lawyer with experience in both the public and the private sectors, and as a Hill legislative staffer for 9 years, I have a deep respect for the law, for the statutory language that sets out the criteria, definitions and factors to be considered in applying the law, and for the legislative history that reflects the intent of Congress in enacting the laws.

If confirmed, I will apply the laws entrusted to the ITC fairly and objectively according to the facts and circumstances of each case as it is presented. I understand how important the faithful administration of the trade laws is to this committee, the Congress, and to the Nation's economy as a whole, and I look forward to the task, if confirmed.

Let me add if I may one comment on a specific item that has aroused some concern, both with me and with members of the committee.

I was stunned to learn for the first time only 6 weeks ago that a paper was presented in my name in 1984 that expressed views concerning trade policy that are not and never have been my views. It is my understanding that this paper has been circulated to members of this committee.

Trade laws on the matters dealt with in the paper are very clear. I was shocked to read the substance of the paper, and appalled moreover to hear that some have understood it to reflect my views.

Let me say to each and every member of this committee the paper, most emphatically, does not reflect my views. I strongly disagree with the substance of the paper, now that I have read it. It presents an interpretation of the laws administered by the ITC that I believe is incorrect. In fact, I don't even believe the interpretation is permitted under the terms of the statute. I welcome, therefore, this opportunity to correct the record.

Mr. Chairman, that is the entirety of my prepared statement. I would be happy to answer any questions that you would have.

[Ms. Crawford's biographical information appears in the appendix.]

The CHAIRMAN. All right. Thank you.

Well, let's talk about this particular speech that had your name on it. You now allege you never read it.

Did people you supervised prepare that speech?

Ms. CRAWFORD. No.

The CHAIRMAN. It was not prepared in your Department?

Ms. CRAWFORD. No, it was not prepared in the bureau that I directed. It was prepared in another bureau, Mr. Chairman.

The CHAIRMAN. Thank you.

Ms. CRAWFORD. I should also add that the program it described, the cases that it described, were handled by the other bureau. They were not handled by my bureau or any of my staff.

The CHAIRMAN. Is this a common practice—that they would write a speech for you, put your name on it and not let you see it or advise you of it?

Ms. CRAWFORD. No.

The CHAIRMAN. That sounds like pretty sloppy administration.

Ms. CRAWFORD. I think this is anomalous. And again, inasmuch as this has come to my attention only 6 weeks ago, roughly 6 weeks ago, I have obviously tried to surmise how it could have happened. And again, I emphasize the paper was not prepared for me, by me, and I did not participate in the cases that it described. It is very important to understand that.

The paper was prepared for a conference in Paris. I did not even attend the conference in Paris. By way of explanation, if you will indulge me for just a moment I will go through how this happened or how I think it happened. The FTC is represented at the OECD, Organization for Economic Cooperation and Development, in Paris on two committees. The chairman of the FTC, in general, attended the Competition Committee; I, as director of my bureau, was the ex-officio representative to the other committee, which was the Committee on Consumer Policy. The committee generally met twice a year in Paris.

The CHAIRMAN. Ms. Crawford, my problem is that I have limited myself and all members here to 5 minutes. I appreciate your going through that detail. I think you have made your point and I have made mine.

Now, let me ask you another question. You made a statement to the board of directors of an organization called "Consumer Alert" in 1985. You noted in that statement that the FTC participated in proceedings before the International Trade Commission. You referred to one case in particular in which your agency pointed out to the ITC that the relief the carbon steel industry was seeking would be more costly to consumers than providing direct adjustment assistance to workers whose jobs would be lost.

In fact, the FTC argued before the ITC in a series of escape clause cases that letting workers lose their jobs and paying them adjustment assistance was preferable to restricting imports.

Does that mean that you will oppose granting import relief to industries being battered by imports?

Ms. CRAWFORD. No. Again, Mr. Chairman, I think—

The CHAIRMAN. How do you reconcile that?

Ms. CRAWFORD. That is why I was trying to explain the nature of the program.

The international trade program at the Federal Trade Commission was a program operated by the other bureau. It was not a program that I or my staff had any involvement with. The filings were part of the FTC's advocacy program that involved filings before any number of Federal agencies, and in some cases State legisla-

tures and on Capitol Hill, that provided analyses of impact on consumers. That is part of the FTC mandate.

Again, the international trade filings at the FTC were handled by the other bureau, the Bureau of Competition.

Going back to the OECD paper, the OECD Committee had asked for an FTC paper describing the FTC's international trade program. I simply transmitted that request to the other bureau. They prepared the paper and they did all the work on the paper.

The CHAIRMAN. Well, Ms. Crawford, as I read it, the FTC participation in foreign trade proceedings is a product of the joint efforts of the Bureaus of Consumer Protection, Competition and Economics.

Ms. CRAWFORD. Right. I saw that.

The CHAIRMAN. And your agency is an integral part of that.

Ms. CRAWFORD. I can only tell you that that was not the case. The advocacy program—that is, the umbrella program that the commission was engaged in—encouraged each of the bureaus to find opportunities to file on regulatory proceedings in all agencies. The Bureau of Competition was also particularly active, for example, in transportation and energy issues.

It was historically a competition bureau, the other bureaus' program. My bureau—the Bureau of Consumer Protection—became involved in advocacy efforts primarily in filing comments urging the elimination of restraints, commercial restraints on health care providers as a way of reducing costs for consumers. For example, we urged States to allow opticians to locate in shopping centers, which would reduce costs of eyeglasses for consumers.

The CHAIRMAN. All right. Then let me ask you one more question before my time expires.

Ms. CRAWFORD. Yes.

The CHAIRMAN. Under Section 201, the escape clause, a domestic industry is entitled to relief if the Commission determines that imports are a substantial cause of serious injury or threat thereof to the domestic industry. What are the conditions under which you would find imports to be a threat of a serious injury?

Ms. CRAWFORD. The statute lays out a series of conditions under Section 201. I think a controlling factor in determining the remedy would be the adjustment plan that the industry comes up with.

The remedy that would be appropriate?

The CHAIRMAN. Yes.

Ms. CRAWFORD. Just to make a clarification.

I think in—

The Chairman. No. I want to know the conditions under which you felt there would be a threat to domestic industry by imports—a threat of a serious injury.

Ms. CRAWFORD. The statute lays out very specific factors, Mr. Chairman. I think a new factor that was added in 1988 was a decline in market share. Other factors that are specified in the statutes that would be controlling are such factors—

The CHAIRMAN. You would find a declining market share as a serious threat, wouldn't you?

Ms. CRAWFORD. Yes.

Factors that are laid out in the statutory framework for determining threat include decline in sales, decline in market share,

production, profit, wages or employment in the domestic industry and a growing inventory. These factors in a domestic industry would clearly be a sign that there may be problems developing.

Two other additional factors I think that show the concern of the Congress and the intent of the Congress relate to the domestic industry's inability to generate capital that would allow them to undertake necessary investment in plant and equipment. And again, I think that is consistent with the intent of the Section 201 statute.

The CHAIRMAN. That is consistent. That is correct. And I would hope that you would act in accordance with the statute and Congress' intent.

Ms. CRAWFORD. It would be my absolute intent. I am a lawyer and I believe that the statute controls.

Senator PACKWOOD. Mr. Chairman.

The CHAIRMAN. Senator Packwood.

Senator PACKWOOD. I thank you, Mr. Chairman. If I might use my 5 minutes to read a letter that I received just this morning from James E. McCarty that will answer a little bit—in fact, will answer I hope totally—this issue of the paper file with the OECD conference.

Dear Senator Packwood: I am writing to provide information that may assist the Senate Finance Committee in its hearings on the President's nomination of Carol T. Crawford to be a member of the International Trade Commission.

This letter seems to clarify certain issues posed in my recent telephone conversation with Mr. Brian Waidmann, Special Assistant to the President for Legislative Affairs.

I am presently Senior Counsel—Antitrust for U.S. WEST Communications in Denver, CO. However, from 1977 to 1989, I served on the staff of the Federal Trade Commission. I understand from my conversation with Mr. Waidmann that the committee is interested in a paper presented in Ms. Crawford's name to the Organization for Economic Cooperation and Development in Paris in November of 1984. Because I actually presented the paper on the Federal Trade Commission's behalf in Paris at the OECD session. I may be able to provide you and the committee with helpful information regarding this paper.

In the fall of 1984, a consumer committee within OECD was preparing a consumer oriented program dealing with international trade issues. The OECD invited an FTC representative to explain the agency's "competition advocacy" program. Under that program the FTC has for a number of years submitted filings to various Federal and State agencies urging that competitive effects be considered in regulatory decisionmaking. Of relevance here, the FTC had submitted a number of such filings to the International Trade Commission. As I recall, the OECD was interested in the FTC's approach and had invited an agency representative to explain the FTC involvement in the ITC proceedings.

To the best of my recollection, Ms. Crawford was invited to be the FTC's delegate purely for protocol reasons. The OECD session involved a consumer committee, and at that time Ms. Crawford was the FTC's senior manager with responsibilities for consumer protection matters.

Ms. Crawford was unable to attend the OECD session and I was asked to present the FTC's paper in her stead. At the time, I was associate director of the FTC's Bureau of Competition. As I recall, Ms. Crawford had little and probably no involvement in preparing the FTC's presentation to the OECD. A written paper summarizing the FTC's competition advocacy program, including its filing before the ITC, was drafted by attorneys within the agency's Bureau of Competition. The FTC's Bureau of Economics likely provided input to the paper as well.

Within the FTC, those were the two divisions with principal responsibility for competition advocacy filings that involved international trade issues.

As a procedural matter, I believe that all three FTC bureaus—Competition, Economics and Consumer Protection—routinely were asked to sign off on all FTC filings made with other governmental agencies. This would include the paper presented to OECD.

In addition, a majority of the five commissions at the FTC also authorized all such filings. As a practical matter, however, both the Commissioners and the bureau di-

rectors usually gave considerable deference to the expertise of the bureau or bureaus that actually prepared a given competition advocacy filing. In the case of the ITC or an OECD filing concerning international trade, for example, the Bureau of Consumer Protection director historically would defer to the views of the directors of Competition and Economics bureaus.

To the best of my recollection, this procedure was followed in preparing the FTC's 1984 paper to the OECD. As indicated, the paper was drafted within the Bureau of Competition. The only discussions I recall having concerning the paper here with the Bureau of Competition staff. I do not recall ever having discussed the paper's contents with Ms. Crawford, but I believe her name may have appeared on the paper as submitted. Again, I believe that was for protocol reasons. She had been the representative officially invited by the OECD.

Pursuant to the Federal Trade Commission's authorization, I presented the FTC's paper to the OECD session in Paris in November, 1984. As I recall, the paper was submitted with the standard boiler plate FTC disclaimer on the cover. That this disclaimer indicated that the papers reflected the views of the author. In retrospect, the appearance of Ms. Crawford's name on the paper was imprecise, particularly in connection with the boiler plate disclaimer. This is because the paper actually was authorized by the Bureau of Competition and perhaps Economics, not by Ms. Crawford or her staff in the Bureau of Consumer Protection.

Further, I presented the paper as the views of the FTC as an agency, not on behalf of Ms. Crawford or her Bureau of Consumer Protection. I hope this information is useful to you and the committee.

(SIGNED) JAMES E. McCARTY

Senator PACKWOOD. And I would ask that his letter be made a part of the record, Mr. Chairman.

The CHAIRMAN. Without objection, that will be done.

[The letter appears in the appendix.]

Senator PACKWOOD. And I will withhold on the rest of the questions.

The CHAIRMAN. Yes.

Let me now welcome Chairman Rostenkowski from the House to make a statement since he has a further meeting with the leadership on that side. We will interrupt these proceedings to let him make his statement. You can sit up here or go down there, whatever you like.

Well, Chairman Rostenkowski, welcome to the other body. We are glad to have you.

STATEMENT OF HON. DAN ROSTENKOWSKI, A U.S. CONGRESSMAN FROM ILLINOIS

Congressman ROSTENKOWSKI. Thank you very much, Mr. Chairman. It is a pleasure to be here.

The CHAIRMAN. We look forward to having your statement with Mrs. Nuzum.

Congressman ROSTENKOWSKI. It is not too often that I get the privilege of presenting myself and Janet Nuzum to this august body. And it is a high privilege.

Mr. Chairman, it is indeed a pleasure to appear before you today in a matter which will not require our respective committees to raise any revenue. [Laughter.]

As chairman of the Committee on Ways and Means, I must tell you, Mr. Chairman, that I am proud of the many accomplishments that our two committees, working together, have achieved over the last decade. It has not always been easy, and we generally don't get a lot of credit for what we do, but I believe the country has benefited from our collective work.

Today, Mr. Chairman, I am pleased to present Janet Nuzum to this distinguished committee as you consider her nomination to become a Commissioner at the U.S. International Trade Commission. I believe that President Bush has made a wise decision in nominating Ms. Nuzum for this important position. In my judgment, Janet is one of the most qualified candidates ever to be nominated to serve on the Commission. She has spent more than 8 years as an attorney on the staff of the Ways and Means Subcommittee on Trade where she has primary responsibility for drafting the very statutes which the ITC is responsible to carry out; anti-dumping and countervailing duty laws, as well as Section 201.

She has a keen appreciation of the background, purpose, and congressional intent of these statutes. Janet has earned a great deal of respect during her congressional career for exercising good judgment. I am confident that she will treat all parties who come before her in a fair and impartial manner, and that her decisions will be based on the sound analysis of the law and facts in the cases before her.

Mr. Chairman, I strongly endorse Ms. Nuzum's nomination. I believe she will be an outstanding Commissioner.

The CHAIRMAN. Mr. Chairman, we are delighted to have you. Are there any questions for the Chairman of the Ways and Means Committee?

[No response.]

The CHAIRMAN. Go forth and do good.

Congressman ROSTENKOWSKI. Thank you, Mr. Chairman.

The CHAIRMAN. Ms. Nuzum, we will address you later. We will proceed then with Ms. Crawford. Thank you.

Senator MOYNIHAN, if you would proceed, please.

Senator MOYNIHAN. Ms. Crawford, let me just say that you have my support on the say so of Senator Packwood and that has been clear to me. And I spoke to him for some time

Ms. CRAWFORD. Thank you, Senator.

Senator MOYNIHAN. And I don't know anything about this other affair. But I was handed just now this statement by you of 1985 as an official of the Federal Trade Commission. You were speaking in New Hampshire.

Ms. CRAWFORD. Yes, sir.

Senator MOYNIHAN. I get down there in the third paragraph—and you are talking about the work of the FTC, which has always confused me a bit—you say, "Consequently, we have abandoned several old elitist social engineering efforts, such as the infamous children's advertising rulemaking."

Now what it is that makes me nervous about "old elitist social engineering efforts. Did they teach you to talk like that at Mount Holyoke? [Laughter.]

At that populist, that bed of radical leveling?

Ms. CRAWFORD. I can't say. That was probably not my active vocabulary. Most of the speeches that I gave were from notes. Generally when there was a written text, the speech was prepared by staff, so I can't say that that was necessarily the vocabulary I would have used, Senator.

Senator MOYNIHAN. Ms. Crawford, you can't expect to have a high government position and come before us disowning everything

with your name on it, and say, I didn't write it; I wasn't there; somebody took notes.

Did you say, "We've abandoned several old elitist social engineering?"

Ms. CRAWFORD. Yes.

Senator MOYNIHAN. Because what you are involved with is social engineering at the Federal Trade Commission.

Ms. CRAWFORD. I think the statement is correct. I didn't intend to disavow the statement. I don't think that would have been my intention.

Senator MOYNIHAN. What do you mean by "elitist social engineering efforts?"

Ms. CRAWFORD. What the FTC was seeking to do at that time, was to examine the regulatory approaches that the earlier FTC had been taking.

Senator MOYNIHAN. And was the earlier FTC, were they elitist?

Ms. CRAWFORD. Well, I think perhaps elitist in it in some respect.

Senator MOYNIHAN. Well, which respect? They taught you at Mount Holyoke to be careful with language.

Ms. CRAWFORD. I think elitist with respect to the children's advertising rulemaking.

Senator MOYNIHAN. What does the word "elite" mean?

Ms. CRAWFORD. Elitist, I think elitist signifies to me that it is an effort to impose an elite sense of priorities.

Senator MOYNIHAN. That is to talk tautologically. To say elites are those who act in elitist ways. That is a tautology. They teach you that at Mount Holyoke?

Ms. CRAWFORD. I don't think I learned enough at Mount Holyoke.

Senator MOYNIHAN. What is an elite?

Ms. CRAWFORD. An elite—

Senator MOYNIHAN. That is a kind of high upper class Republican disdain for the institutions of the Federal Government. [Laughter.]

It is a little bit irritating when it comes from people who come here as a nominee from the Yale graduate who is a member of Skull and Bones. So we don't want to have anything to do with elitist social engineering, do we?

Ms. CRAWFORD. No, sir.

The analysis in the children's advertising rulemaking was done before I went to the bureau. I think in fact children's advertising had been closed down as a rulemaking even before I became bureau director. It was an effort to impose the views of five unelected members of the FTC on the populace as a whole.

Senator MOYNIHAN. The populace?

Ms. CRAWFORD. The people.

Senator MOYNIHAN. All right. That's good. That's better.

Ms. CRAWFORD. The people, yes.

Senator MOYNIHAN. People. Good.

Ms. CRAWFORD. On the people as a whole, to tell the American public, American parents, what kind of television they should and should not be able to allow their children to watch.

Senator MOYNIHAN. Well, my time is up. I hope you hear what I am saying. We write our statutes in English words. They are not

mathematical formula. And I would hope at your job that you will pay attention to the meaning of words. The word "elitist" is a political term that ought not to be in the vocabulary of a person confirmed by the Senate. It tends to misstate facts. Because you are an unelected member of the International Trade Commission appointed by the President and confirmed by the Senate, you are not, per se, an elitist. You are an officer of the American Government and ought to treat the position with respect and not the disdain that goes with social engineering. If you don't want social engineering get out of the government.

Ms. CRAWFORD. Thank you. I appreciate the advice. I think it is good advice.

The CHAIRMAN. Senator Danforth.

Senator DANFORTH. Ms. Crawford, when you served at the FTC was the chairman Jim Miller?

Ms. CRAWFORD. Yes, That is correct.

Senator DANFORTH. And was his immediate predecessor Mike Perchuck?

Ms. CRAWFORD. That is right.

Senator DANFORTH. And isn't it fair to say that during the Perchuck regime of the FTC it was an extremely controversial, very activist period in the history of the FTC?

Ms. CRAWFORD. That is probably a fair characterization.

Senator DANFORTH. Well, I can tell you because I have been on the Commerce Committee as long as I have been on the Finance Committee, and I can remember Mike Perchuck, a very engaging person, showing up at the Commerce Committee and being constantly embroiled in battles. And the basic nature of the battle was whether or not the FTC was exceeding what Congress had asked it to do, and getting involved in a whole series of controversial rule-makings—and if anybody would like I can go back and review what that series of rule-makings was—but they were very, very controversial.

Mike Perchuck reveled in controversy, had a very clear ideological point of view, and the basic criticism against him was that he was going in excess of what Congress wanted to do, and he was engaged in basically legislative activity in the guise of being the Chairman of the FTC.

Jim Miller, his successor, was also very ideological, as everybody on this committee knows, very given to combat. And there was clearly a period of ideological swing during that period of time.

It doesn't surprise me that the general tone of the rhetoric going out of the FTC, both during the Perchuck regime and during the Miller regime, was spicy and confrontational. I can remember being in a major confrontation with both Perchuck and with Jim Miller for that matter. Let me ask you just one question. You served in the Federal Trade Commission. You served in the Office of Management and Budget, and you served as a staff member in Senator Packwood's staff, I can tell you that as a matter of trade policy my views do not necessarily agree with either the positions taken by the FTC or by the OMB or even by Senator Packwood.

I would be very wary about voting to confirm somebody that I believed came into the International Trade Commission with a preformed set of ideas, who was there as either an advocate for the

Packwood position on trade or the FTC position on trade or the OMB position on trade.

Would you come into this position with an axe to grind? Would you come into this position with a philosophical point of view that you thought should be superimposed on the law? Or instead, would you come into this position as a Commissioner whose view was that the job of the International Trade Commission is to fulfill its statutory obligation and to do so in a lawyer-like way?

Ms. CRAWFORD. Senator, I feel very strongly about it. I am a lawyer. My perspective is from the perspective of a lawyer. It would be my intent, if confirmed, to apply the law as fairly and as objectively as I can in the context of the facts and circumstances of each case.

I think it is very clear from my study of the international trade laws that are entrusted to the ITC that Congress had laid out a statutory framework that includes criteria and definitions and factors that Congress intends to be considered in making determinations on individual cases. I think it is very clear, Congress has made very clear what it intends the statutory framework to be and how it intends the framework to be applied, the specific factors that it intends to be used as a criteria.

Senator DANFORTH. Now, part of the job of the FTC and part of the job of OMB have been to weigh in from time to time on matters of trade policy. Is it now your testimony that you would not come to this new position as a clone of whatever the FTC may have said or the OMB may have said in the past on their own perspective on trade?

Ms. CRAWFORD. I would like to think that I am no one's clone. I have always prided myself in being very independent. I think, also importantly, that if confirmed as an ITC Commissioner, my perspective would be as an ITC Commissioner. My perspective would be to examine the law, analyze the law, analyze the facts and the circumstances of each case; look at the record very closely; review the briefs filed by the parties, and the arguments of the parties and then apply the law in the context of the facts and circumstances, consistent with what Congress has clearly spelled out to be the intent of the Congress.

Senator DANFORTH. Thank you. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Hatch, the way we proceed on this committee is we take members in the order of seniority among those who have arrived at the commencement of the hearing, and after that, in the order in which they arrived. So with that in mind, you are next.

Senator HATCH. Well, thank you, Mr. Chairman. I won't take much of the committee's time, but I personally would like to just tell the committee that I have known Carol Crawford for quite a long period of time; have dealt with her extensively as a member of the Judiciary Committee while she was at the Justice Department, and I have always known her to be not only intelligent and hard working but a person of utmost integrity and ability and capacity. And I would really highly recommend her for this position.

I also think you will find that she will be objective, nonpolitical and someone who will do this job in a way that I think, if I know

my colleagues as well as I think I do on both sides of this dais, would be very pleased to see done.

She is a very fine person, with the utmost intelligence and ability, and I would highly recommend her. And I hope this committee will be expeditious in getting her approved.

The CHAIRMAN. Thank you, Senator.

Senator Breaux?

Senator BREAUX. I thank you very much, Mr. Chairman, and thank the witness for her presentation. I think what I am hearing, and I think the witness probably is too, is the general concern of the members of the committee that we make sure that all of the nominees are not extremists in one view that rejects all other alternatives. And I think what we are seeking is balance.

And I would like to ask a question. How do you approach the decision of balancing the legitimate interest of protecting American industries and American jobs with the legitimate interest of assuring that consumers are able to get the best deal and the best buy for their dollar in any particular area?

I remember that I testified before the International Trade Commission on the tuna industry, which is a subject referred to in your speech material, and made a presentation there that I thought there was a grave injury that was being dealt to this particular industry.

The ITC, as I remember, ultimately made the decision that yes, duties and tariffs were partly responsible for injury, but there were other reasons as well. Therefore, the relief that was requested was rejected.

I guess the question I am asking is, how do you go about finding that balance? Is it your position that if injury is suffered and it is suffered partly because of unfair trade practices and partly because of consumer preferences or other items of a domestic nature, would you therefore reject any kind of relief? My feeling is that that is what the ITC did. They said, yes, there's injury; yes, there are jobs lost, but not solely for the reason of unfair trade practices. This is also a consumer preference situation. So I am concerned that we rejected all the unfair trade practice concerns and said well, it's for other reasons as well; therefore, if it is for other reasons, no relief is appropriate.

What is your opinion about how that balance is reached?

Ms. CRAWFORD. Senator, I think I would like to answer that in two ways. The first goes to the recommendations, as I read the FTC paper, that include arguments that the ITC should consider consumer welfare or cost to consumer, as part of its analysis, as part of its injury determination analysis in a dumping or subsidy case. This clearly does not comport with the statute. The statute lays out what it intends the ITC to consider in making that determination, and it does not include those factors. So the analysis and the recommendations that were being made in the FTC paper were simply legally not permissible within the statutory framework. That was one of the very serious problems that I had with the paper. It was inappropriate argument to the ITC.

The second answer is an important one that is directly in the statute, and that is that in a dumping or a subsidy case under Title

7 that the unfair trade imports need only be a cause. They don't have to be the most important cause of the injury.

Senator BREUX. Is that your position as well?

Ms. CRAWFORD. Yes.

Senator BREUX. Well, let me ask another question. When a party is seeking remedies or recommended remedies, would it be your position that if any time the employment adjustment assistance, costs less than the cost of trade relief to the consumer, would it be your position to just go ahead and pay the workers off and let the industry go?

Ms. CRAWFORD. No, I don't think you could—I wouldn't be able to make a decision without having the specific facts and putting it in context. For example, you would want to see what the industry's adjustment plan is. If the industry has filed an adjustment plan you would want to see what the adjustment plan is. You would want to look at the other 201 factors before making some kind of determination as to what kind of relief is most appropriate and over what period of time.

Senator BREUX. So it is not just a bottom line, whether it is cheaper to pay adjustment assistance than it is to lose—

Ms. CRAWFORD. No. I don't think the statute envisions that at all. The statute lays out specifically what it intends the ITC to consider, as well as the context of the adjustment plan that is filed by the industry and the other data that is collected in the case on the record. These factors would guide the Commission. That would certainly guide the Commission.

Senator BREUX. Thank you. Thank you, Mr. Chairman.

Senator BAUCUS. Senator Rockefeller.

Senator ROCKEFELLER. Ms. Crawford, are you a free trader?

Ms. CRAWFORD. I am not particularly comfortable with labels. If I may, I would be happy to explain how I feel about trade.

Senator ROCKEFELLER. Could you do it rather quickly, because there are a lot of questions I want to ask?

Ms. CRAWFORD. All right.

Senator ROCKEFELLER. Also, how you feel about to what extent government has a role. But first of all, the question, are you a free trader? Are you a fair trader? Are you a protectionist? Most people know what a free trader is.

Ms. CRAWFORD. Well, I think there are different degrees of free traders and I think different qualifiers, and that is why I am uncomfortable providing a label.

First, if I may underline the fact that if I were confirmed as an ITC Commissioner my personal views, my personal policy views would play no role in the decisions, I think that is an important distinction that I am comfortable making; personal policy views versus application of the statute in a fair and objective manner.

Having said that, I will try to answer your question. And I think the best way I can answer it as briefly as possible is that I believe that free and open international trade is good for the United States, is good for our economy, it is good for workers, it is good for business, it is good for growth. It is good. But the reality is that the rest of the world does not have the free and open trade policies that this country has. They are not as free and open. And as a result of that I think we must pursue very aggressively our efforts

to open foreign trade markets, and to break down barriers that prevent U.S. goods from going into other markets. And at the same time, I think it is appropriate that we provide mechanisms to protect domestic industries from injury from imports from countries that are trading unfairly—unfairly traded imports—as well as provide some remedy, some relief for the industries that simply need breathing time, breathing space.

Senator ROCKEFELLER. All right. That helps.

Do you believe that the law requires that you take the margin, or the amount so to speak, of dumping or a subsidy into account when determining injury in an antidumping or a countervailing duty case?

Ms. Crawford. The law does not require it. My understanding is that the courts have indicated it is permissible, but there is no requirement that it do so.

Senator Rockefeller. Would you do so anyway?

Ms. CRAWFORD. I am not really ready to answer that yet.

Senator ROCKEFELLER. Why not?

Ms. CRAWFORD. Because I have looked at and I have studied the different approaches that are used by different Commissioners historically. Commissioners have used a wide range of analytical approaches in trying to organize the data.

Senator ROCKEFELLER. All right. Let me go on because you have answered that.

Ms. CRAWFORD. All right.

Senator ROCKEFELLER. Why do you think there have not been any Section 201 escape clause cases since that law was amended in 1988?

Ms. CRAWFORD. I really can't answer that. I think the amendments were good amendments in 1988, from what I see, again without having had experience at the Commission working through cases, I think the amendments were good. As you say, there haven't been cases. I can't answer why there haven't been cases.

Senator ROCKEFELLER. All right. Do you support the so-called "but for" method of analysis that the former Commissioners, Liebler and Cass subscribed to? And if so, why or why not?

Ms. CRAWFORD. Commissioners have used a wide variety of analytical approaches, as I indicated, in organizing the data and applying the statutory factors in an individual case. At this point, I have looked at all the methods and tried to get an understanding of them. I, frankly, would not be prepared to commit to one approach or another until I have had the opportunity to see how those approaches work in the context of specific cases. I think my preference would be to work through two or three cases, see how they apply, see if one approach seems to be more appropriate in all cases, to see if perhaps one approach is---

Senator ROCKEFELLER. In other words, you would look for elasticity data, that kind of thing?

Ms. CRAWFORD. I am not comfortable yet with either the use of elasticity data or, as you mentioned, dumping margins. These are two kinds of data.

Senator ROCKEFELLER. Do you think that elasticity data tends to be, when you get it up to date, useful, current, accurate, or not so accurate, whatever?

Ms. CRAWFORD. Senator, that, frankly, is one of the questions in my mind about that approach. I mean, going through these different approaches. I have made mental notes to myself about pros and cons of the different approaches, again, holding in abeyance any decision to commit on which way I would want to go. Or if it is appropriate to have one particular approach in all cases. I don't know that until I see the facts of each case. Senator Rockefeller. All right.

Is the injury test that the Commission applies today, in your judgment, any different from the one required by the law before 1979?

Ms. CRAWFORD. The material injury standard, no. My understanding is that it is the same test. It is simply a codification of Commission practice previous to 1979.

Senator ROCKEFELLER. All right. Thank you.

Senator BAUCUS. Ms. Crawford, there is a vote now proceeding. I think we will have to temporarily recess. It will be for probably 10 minutes.

Ms. CRAWFORD. All right.

Senator BAUCUS. Thank you.

The committee is recessed.

[Whereupon, at 11:02 a.m., the hearing was recessed.]

AFTER RECESS

The CHAIRMAN. This hearing will come to order.

Senator Baucus, you did not ask a question during your turn. If you would like to do so now, please proceed.

Senator BAUCUS. Thank you, Mr. Chairman.

Ms. Crawford, why do you want this job?

Ms. CRAWFORD. The ITC, it seems to me, is a very important agency. It is important in the context of international trade policy, and I think it is also very important for our economy. And on a personal level, I think I would say that I look forward to getting back to the law in an area that I find very interesting and very important.

Senator BAUCUS. Did you personally seek this job?

Ms. CRAWFORD. In point of fact, no, I was asked if I would be interested.

Senator BAUCUS. And why were you asked?

Ms. CRAWFORD. Well, I would like to think that I had done a competent job in my previous positions and that I was held in some esteem.

Senator BAUCUS. Do you know if others sought the position?

Ms. Crawford. Did I know of others who were seeking the position?

Senator BAUCUS. Are you aware of others, or do you know whether others sought the position?

Ms. CRAWFORD. I don't know. I would assume that there were others who have expressed an interest, Senator, but I don't know who they might be.

Senator BAUCUS. So if you did not seek it, obviously you did not have a burning desire, at least in one sense, to serve. What is it now that so inclines you to dedicate your whole energy to this job?

Ms. CRAWFORD. Well, I had not had any practice either in the private sector or in the public sector in the international trade area. But I think when I was asked if I would be interested in undertaking the position, I obviously thought it was a wonderful position and a very important agency, a very important area of the law.

Senator BAUCUS. But if you had no prior experience in international trade, why do you think you were chosen?

Ms. CRAWFORD. Well, I don't know. I didn't have any experience in reviewing budgets before I went to OMB either. I think it is a discreet area of law. It is an important area of law. I would hope that when it was raised with me they were looking for someone who had considerable experience as an attorney with some managerial experience, some private sector as well as public sector experience. And I also had experience enforcing the law; when I was with the Federal Trade Commission I enforced laws prohibiting unfair and deceptive acts and practices; false advertising, fraudulent marketing practices, other sorts of deceptive practices.

Senator BAUCUS. Thank you very much. I have no further questions. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Bradley.

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

Ms. Crawford, as you look at the job, what do you think is your most serious responsibility?

Ms. CRAWFORD. I think I would probably characterize it in two ways, and the two ways would respond to what I think are the two most important functions of the agency. The first is its quasi-judicial or quasi-adjudicative function, and that is applying the law in a way that comports with the intent of Congress, applying the statutes faithfully in the context of the facts and the circumstances of each specific case.

It is my understanding that Congress intended a very specific objective application of the law in the context of a specific case. But I think that would be the first and most important responsibility. But I think there is an equal responsibility, and that goes to the Commission's responsibility in the factfinding area, factfinding and advisory area.

The ITC serves as a repository for collection of data, facts, and studies, in response to the Finance Committee and the Ways and Means Committee, the President, USTR, and serves as an advisor in various international trade aspects. And it seems to me that this factfinding function, analytical function, should not be underestimated. I think it is a very important function.

Senator BRADLEY. Could you give me an example of a past 201 action in which import relief was granted that you think was appropriate?

Ms. CRAWFORD. I am not familiar, of course, with the record in any individual case, so it would be impossible for me to make any judgment other than a layman's understanding of what I have read in the paper. As I think I mentioned to you, the Harley Davidson kind of case, which as I understood it, again, not having access to the vast record of the confidential business data that is in the record—that is my understanding of the kind of case where Congress intends to allow an industry that is being injured by increas-

ing imports some breathing room, some space to invest more capital in plant and equipment; to undertake additional research and developments; to lay out an adjustment plan that will allow the industry a positive adjustment so that it can then meet the import competition.

Senator BRADLEY. Would you say that protectionism is good or bad or neutral or what is your basic view?

Ms. CRAWFORD. Again, I am very uncomfortable with labels. I think instead of answering that question directly, I would indicate that my view of what I think is referred to as protectionism is simply an expression of concern on the part of Members of Congress who represent their constituents to respond to the concerns and the needs and the problems of import-sensitive industries in a way that provides some remedies, some relief against imports that are being either traded unfairly under the terms of the statute, or in the case of the 201, where there is simply a substantial increase in import, in a way that the industry is not able to compete effectively.

Senator BRADLEY. But if you were devising and creating the world economy, would you create it with a lot of barriers in individual countries to the imports from other countries, or would you create it with low tariffs, low barriers, and a more open trading system?

Ms. CRAWFORD. I think ideally free and open trade is good for everyone. It is good for this country. Very substantial portions of our markets are abroad. I think a substantial portion—something like half of our growth in the last several years—has been through the export market. So I think opening markets abroad and breaking down barriers abroad, is of critical importance. But I think on the question of protectionism, to use the label I think the statutory framework that Congress has enacted is an effort on the part of Congress to deal with the economic problems that exist in certain import-sensitive industries in this country until such time as barriers are broken down around the world and we do, in fact, have free access to those markets, and there is a fair and open and free international trade market.

Senator BRADLEY. Thank you.

The CHAIRMAN. Senator Riegle.

Senator RIEGLE. Do you know what the size is of the trade deficit that we are running as a nation at the present time?

Ms. CRAWFORD. I don't know it exactly. It is in the vicinity probably of \$110 billion.

Senator RIEGLE. Well, it has been that high. It is somewhat lower than that now. We hope it doesn't get back to that high a level.

Does the trade deficit anywhere, say, above \$50 billion a year, if that goes on year after year, in your view, what is the impact of that on America?

Ms. CRAWFORD. I think the impact is probably very negative. Clearly, we would rather see a trade surplus. I think it would be clearly beneficial for our economy, for the growth of our economy, if we were able to turn that around and see a trade surplus.

Senator RIEGLE. Well, we have been running these persistent and very large trade deficits. Do you think there is much trade cheating going on by other countries that take advantage of both our

open market—relatively open market, one of the freest markets in the world—and oftentimes their ability to practice or use trade practices that keep large parts of their home market to themselves? Is there much of that kind of trade cheating going on, in your view?

Ms. CRAWFORD. I would expect that there probably is, Senator, but I have no first-hand knowledge of what that cheating would be.

USTR I know has compiled a book of trade barriers that are used by the various countries, and, frankly, when I saw that for the first time—was astounded at the range of trade barriers erected around the world.

Senator RIEGLE. Well, let me give you an example.

Japan, as you know, has made a tremendous inroad in terms of selling cars in the United States. And they sell several million cars in the United States. We find it extremely difficult to sell any American cars in Japan. And there are a whole set of problems and reasons why that exist. So there is a huge bilateral deficit in that area for the United States. And we are having a very hard time being able to penetrate that market even with cars that the Japanese people indicate they would like to buy.

Do you think it is fair if a Japanese producer is building a certain model of car which they sell in Japan for \$30,000 and they ship that car to the United States where they sell it for \$15,000? When you don't have free and open markets on both sides, on the face of it, isn't that an unfair trading practice? Isn't that predatory pricing?

Ms. CRAWFORD. Well, the statute does not require a finding of predatory pricing.

Senator RIEGLE. No. I am asking your opinion of that situation. Given that set of case facts—I will go from there to the law in a minute—I am interested in your perception and your view as to whether or not that would constitute a predatory pricing practice under those conditions.

Ms. CRAWFORD. Well, without knowing all of the facts—and I am not an economist, so I cannot do the kind of economic analysis that an economist would run—from what I have read, there are a variety of reasons for that kind of substantial underselling. But I don't think that is an issue in the context of the situation that you are proposing.

Senator RIEGLE. Well, let me make it into an issue that goes right to the way the law works and whether there is injury to a domestic industry.

Ms. CRAWFORD. All right. Yes.

Senator RIEGLE. Because I think there is lots of injury being done to the domestic industry in this country. Automobiles happen to be one, but there are several others.

The automobile industry—the big three—in this country in the last 180 days for which we have reported income data, the fourth quarter of last year and the first quarter of this year, have had aggregate losses of about \$5 billion. It is an enormous drain of capital out of the industry. And it is really unprecedented to lose that much money. And we will soon have second quarter results where I think we will have another enormous loss.

I was told the other day, and I cannot validate the statistic, but I suspect that it is close to right, that the Toyota Company has something like \$70 billion in its cash account. Now, I know you are not an accounting person, but we have got an industry in this country that is in trouble, and, frankly, it has been damaged by trade cheating by Japan, by predatory pricing, by closed markets at home, and very little has been done about it. The ITC has done very little about it, and there has been very little thinking done about it.

One of the things that I would expect of anybody who is going to go on the ITC is that they would start with some view in that area particularly, because, as you yourself said a moment ago, huge trade deficits—anything close to \$100 billion a year—are very troubling. And they are a source of concern, and they hurt America if left that way over a period of time.

I think in areas like that it is important that you start with a view.

My time is up. I will come back again a little bit later, Mr. Chairman.

The CHAIRMAN. Thank you.

Senator Roth?

Senator ROTH. No questions, Mr. Chairman.

The CHAIRMAN. Senator Durenberger?

Senator DURENBERGER. I have no questions, Mr. Chairman.

The CHAIRMAN. Well, let's start a second round of questioning for those who want to participate in it.

Ms. Crawford, you were in charge of congressional relations at the Justice Department from February 1989 to February 1990. That was really a low point in the relationship between the Congress and the Justice Department. An important component of the Commissioner's job at the ITC is to work with the Congress—to work on the investigation of a wide range of trade issues. What can you tell me that will reassure me that the relationship between the ITC and the Congress will not be as thorny as it was between the Congress and the Justice Department when you were head of congressional relations?

I have had all kinds of allegations about mail being sent over and not being answered, and that you were in charge of that office and a part of the problem.

Ms. CRAWFORD. Well, if I may, Mr. Chairman, one of the reasons that I was asked to take the Justice position was because there were very substantial problems between the Congress and the Justice Department. I think some of those problems are inherent. There is a natural tension between the executive and the congressional branches. The Justice Department includes the Office of Legal Counsel, which is arbiter of a number of separation of power issues.

But on the more fundamental question of being responsive to the Congress. I can assure you that when I went to the Justice Department it was my number one, two and three priorities. In point of fact, I virtually never spent any time on Capitol Hill myself because I spent virtually all of my time trying to get that operation in sufficiently good shape that it could be more responsive to the concerns of the Congress.

I will give you an example. There were stacks and stack of congressional letters that had not been responded to. I won't drag out any details, but there had been staffing problems, there had been telephone problems. As you indicate, I would have members calling and telling me that they had tried three times to get my office and no one would even answer the phone.

By the end of my 1 year at the Justice Department I had brought on new senior managers and we had instituted computerization to track letters from Members of Congress to bird-dog those letters to make sure that Members of Congress were getting the responses they wanted. We sought to track document requests to make sure that Members were getting their requested documents. We also established relations and lines of communication with the committees and subcommittees of the Congress that are particularly interested in communicating with the Justice Department or have an oversight role. I think it is immensely important.

By the time I left it certainly was not—I hope it was improved. I think there will probably always be the ongoing tensions between Justice and the congressional, but I think what I tried to focus on is the practical aspects of the lines of communication which I think were in very bad repair. And I would like to think that I helped.

The CHAIRMAN. Ms. Crawford, I have other questions, but in trying to expedite it, we have Ms. Nuzum and we want to get to MFN in China.

The CHAIRMAN. Senator Grassley, you missed your turn before. Let me get back to you.

Senator GRASSLEY. Mr. Chairman, I have no questions of this witness.

The CHAIRMAN. All right.

Senator Packwood?

Senator PACKWOOD. I have no further questions, Mr. Chairman.

The CHAIRMAN. Senator Breaux?

Senator BREAU. I have no questions, Mr. Chairman.

The CHAIRMAN. Senator Riegle?

Senator RIEGLE. Thank you, Mr. Chairman.

I want to come back in a minute to the automobile situation, but I want to get to another area for a moment, and that is, there was some indication that your husband is also a practicing attorney as I understand it. Is that right?

Ms. CRAWFORD. No, he is not.

Senator RIEGLE. He is not.

Ms. CRAWFORD. No.

Senator RIEGLE. Does he represent any foreign business interest or is he involved in his work with any foreign business interest?

Ms. CRAWFORD. Not that I am aware of, Senator. I would be happy to double check that with him.

Senator RIEGLE. All right.

Ms. CRAWFORD. But I am not aware that he does, no.

Senator RIEGLE. All right.

If he were involved in international business activities of any kind, if they happened to relate to companies that had matters before the ITC, how would you handle that?

Ms. CRAWFORD. I would recuse myself, absolutely.

Senator RIEGLE. Also, if you are confirmed to this job and you later leave the ITC—you are a practicing attorney—what kind of rule might you apply to yourself—with respect to any representation yourself—in the private sector of foreign firms in trade type cases?

Ms. CRAWFORD. I believe the ethics laws now set out requirements in that regard, I have to say I am not familiar with the laws in that regard, so I cannot answer specifically.

Senator RIEGLE. But in terms of what your own view would be on it, quite apart from reading what is in the code. I for one would feel better if I thought that upon leaving this position that you would think it inappropriate to represent foreign interests on trade issues.

Ms. CRAWFORD. At this point trying to anticipate what my frame of mind would be at the other end of the term. I think my sense would be that I would be disinclined to represent anyone in those areas that I have been dealing with. And I believe the law specifically prevents any kind of representation in that area.

Senator RIEGLE. Let me tell you why I asked the question. I mean, I don't aim this just at you. I would address this to anyone who was being considered for a trade position.

There have been a number of cases—some in the news, some not—where people who have worked for the government, been in sensitive trade related areas, leave the government and then go to work, in part or in whole, after a period of time in some instance, for foreign business interests, and in effect help foreign business interests work their way through the system here in the United States. And I just personally find that troubling. And that may be a view not shared by all. I am just expressing my view. But I am interested in your view.

Ms. CRAWFORD. Again, without having any specifics before me, I have seen the same press accounts of former Federal employees who have done that. I think my best response would be to say that I share your concern.

Senator RIEGLE. So then we wouldn't expect probably to see you helping foreign business interests at some later point work their way through the intricacies of the ITC.

Ms. CRAWFORD. I have never planned out a career, so I don't know where I would stand.

Senator RIEGLE. Well, I know. But now is the time to start because this is an important position and I am concerned about America's strategic economic position, and I am very bothered about these long-term trade deficits, as you are. And, frankly, I would like to see some folks go on the ITC that are a little more aggressive about some of the problems. We haven't really discussed that much yet, but I would like for you to think further about that, and if you have more that you want to say about that I would be happy to hear that now or later. But let me go back to the automobile situation.

Ms. CRAWFORD. Let me add if I may, Senator—

Senator RIEGLE. Sure.

Ms. CRAWFORD [continuing]. Trying to formulate a further response. I think, again with my current frame of mind, not having served at the ITC, although I don't think that would change my

view, I have never been inclined to seek to take advantage of my knowledge or my experience and expertise in public service, be it whatever agency or Capitol Hill in a subsequent position for personal or professional gain. I think my best answer, trying to predict, is that I cannot imagine that I would want to take my experience or my knowledge of the internal workings of the ITC after I would leave the Commission and convert it to a personal or professional advantage. It is not part of my thinking.

Senator RIEGLE. Well, that is good to hear.

Ms. CRAWFORD. Thank you.

Senator RIEGLE. Because you can certainly understand why, with the billions of dollars at stake, foreign interests, who I think practice trade cheating every single day in a widely creative number of ways, like to buy the talent later on down the line of people who can help them navigate the rules and the regulations and the process and so forth and so on. And because it is such an attractive financial opportunity for foreign companies and governments to do that, they are tending to make a practice out of it. And I would just like to understand that I find that troubling. I don't think that helps America, and I think we ought to have a way to really try to prevent that from happening. And that probably starts not just with a written set of proscriptions but also attitudes about people who take these jobs, and so that is why I am interested in your attitudes in that area.

Thank you, Mr. Chairman.

The CHAIRMAN. Senator Chafee, do you have any questions?

Senator CHAFEE. Well, Mr. Chairman, I just want to say something in connection with this preceding line of statements. If confirmed in this job, I don't think you are required to take some pledge that once you meet the standards thereafter you cannot go to work for whoever you want. I know that Senator Riegle was voicing his views on it and I just wanted to voice my thoughts. We try to get good people into government. It is not the most lucrative position in the world to be in, it is fraught with difficulties, and outside jobs obviously pay a lot more. We see individuals who have served here either on our staff or on the committee, and when they meet the period of moratorium or whatever you want to call it, then they are entitled to go to work for whoever they want, and that should apply to you likewise.

Our new Ambassador to the Soviet Union was once the USTR, and when he left here I can't believe that he didn't represent, after whatever the required period, many nations that we have dealt with, and business interests that he had to deal with in connection with his position. That is perfectly all right.

So just as Senator Riegle was voicing, one individual's thoughts, I just wanted to voice mine. At the completion of your government service, should you be confirmed, and following the requisite delay that exists under our laws, as far as I am concerned, you can go to work for whoever you want and three cheers. That is my only view, Mr. Chairman.

The CHAIRMAN. Are there further testimonials?

[No response.]

The CHAIRMAN. Are there further questions?

Senator RIEGLE. Mr. Chairman, if I may, I don't want to prolong this unnecessarily, but I think these are serious matters so I would like to cover just a couple more items here.

The CHAIRMAN. All right. Fine.

Senator RIEGLE. In terms of the car and truck issue with respect to Japan: this is a very central issue, and there is tens of billions of dollars and hundreds of thousands of jobs that ride on it, and a lot of economic strength for our country or not for our country, depending upon what happens here. Japan exports to the United States slightly over 3 million cars and trucks a year, 3 million. We are able to export to Japan and sell in Japan about 4,000 units. So if you can imagine 4,000 units going one way and over 3 million units coming the other way, you have got an extraordinary difference, and it factors out in dollars into tens of billions of dollars.

Now, I mentioned to you before the example of the two-tier pricing, where a country can keep its own market to itself, jack up prices on a particular car model, then go overseas into an open market, cut the price of that car in half, and be able to compete in an open situation, and have the advantage of a very aggressive pricing strategy in the country to which it is exporting, and yet it can retain a monopoly position in its home market at a much higher level. It can then take and accumulate monopoly profits, very substantial monopoly profits, year after year after year. And if they are good about it and clever in terms of their business strategy, which Japan clearly is, they can reinvest that money to upgrade product, to modernize product, to do various other things, and so forth. And so you can turn monopoly profits of that kind in the tens of billions over the years into a vast economic advantage. I would assert to you that is what is going on.

I take it from what you said, you don't see yourself really as an expert in that area, have not studied that kind of a problem very much.

Does that concern you? Do you think we ought to do something about that?

Ms. CRAWFORD. Again, this is a question of policy that is not within the purview of the ITC.

Senator RIEGLE. Well, let me tell you how it is with it. I think that is not right. It very much is within the policy of the ITC because it has to do with whether there is damage being done to a domestic industry. And I see that as the central purpose of the ITC, to figure out whether a domestic industry is being damaged.

Ms. CRAWFORD. Excuse me, I didn't mean to suggest that that part of it, the injury question, isn't within the ITC's purview. That clearly is. Whether there is a domestic injury as a result of dumping of the 3 millions cars coming into the United States, clearly, that is within the ITC's jurisdiction.

I thought you were focusing on the other piece of it, which is the inability of U.S. automobile manufacturers to gain entry into Japanese markets.

Senator RIEGLE. Yes. But it is like a chain reaction.

Ms. CRAWFORD. Yes.

Senator RIEGLE. I mean, there are two events, but they are not really separate, they are connected because they create tremendous financial power on one side, and they have the effect of creating

financial weakness on the industry in this country, and that goes directly to the damage question which is the centerpiece of the authority and the responsibility of the ITC as I see it.

Now, I think there has been an enormous blind spot in this area. Our government has not wanted to see this problem, even though it is there in vast numbers in losses of jobs and economic weakness, but we have not wanted to see it. And I am just curious as to whether you see it, because I frankly do not want somebody going on the ITC that does not see it. I want somebody there that does see it. I want somebody that has some curiosity and some interest in how those kinds of vast financial differentials can be created and get embedded and last year after year after year when they end up having a negative economic effect on this country, which you yourself acknowledged, in these persistent high trade deficits.

So I am interested in the view that you would bring on that, the level of concern that you would bring on that.

Ms. CRAWFORD. I have no access to the facts, of course, but it sounds like there is a very real possibility that this sort of thing is happening with the cumulative effect from the monopoly rents that are being collected in Japan, if in fact their cars are being sold at higher than market value.

Senator RIEGLE. Much higher than they sell them for a year.

Ms. CRAWFORD. As a result of excluding automobiles from other countries, most particularly the United States. I think that goes back to my earlier statement that I think it is essential, critically important for our government to use the mechanisms that are in place to break down those barriers, be it through negotiations or the 301 process or whatever. Congress has arrayed as a variety of mechanisms. But it is clear that it is very, very important that we break down those barriers to open up the market so that U.S.—

Senator RIEGLE. But what if that does not happen—my time is up—what if that does not happen? We have had very little success at that. We have been trying that for a long, long time. And if we do not succeed on that front, and the damages occurring here which falls within the responsibility of the ITC, then the ITC has an obligation to act. It has an obligation to analyze it, figure it out, and act. I mean, because somebody else isn't getting their job done doesn't excuse the ITC from not getting its job done.

Ms. CRAWFORD. I think that is clearly right.

Senator RIEGLE. If there is damage it ought to be identified and then strategies ought to be put in place to rectify it.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Are there any other questions?

Senator DURENBERGER. Mr. Chairman, I just wanted to make a comment although it is not related to Ms. Crawford. I am certainly going to support her and support her strongly, but I wanted to be sure that a statement I tried to write out while I was here welcoming my colleague from the Labor and Human Resources Committee to this committee. Up to this point, I was the only Member of the Senate on both of these committees, and I think he is a tremendous addition, and I am really pleased that Orrin has chose to come on this committee.

The CHAIRMAN. That certainly will be a part of the record. Thank you very much.

Ms. Crawford, thank you very much.

Ms. CRAWFORD. Thank you, Mr. Chairman.

The CHAIRMAN. Ms. Nuzum, we are very pleased to have you. If you would come forward and make your statement, please.

Let me State to the members of the committee what I foresee as the procedure here. Ms. Nuzum will be the last of the nominees to be considered. We will then move on to China MFN and discuss that issue, and hopefully be able to vote on each of these issues this morning or early this afternoon.

Ms. Nuzum, if you would proceed.

STATEMENT OF JANET A. NUZUM, NOMINEE TO BE A MEMBER OF THE U.S. INTERNATIONAL TRADE COMMISSION

Ms. NUZUM. Thank you, Mr. Chairman.

First, I would like to express my appreciation to Chairman Rostenkowski for his kind statement and his steadfast support of my nomination. I am very honored to be nominated by the President for this important position.

Having served on the Ways and Means Committee staff for more than 8 years, I am well aware of the important role of the International Trade Commission. In particular, the independence of the Commission as a nonpartisan, factfinding body is critical to the credibility of the institution and of the laws it administers.

I want to assure this committee that I will bring no philosophical agenda with me to the Commission other than a commitment to administer the laws according to the letter and the spirit in which they were enacted by Congress.

If I am confirmed, I pledge to you my very best efforts to administer the law fairly, and objectively, and vigorously.

After assisting the Congress in its recent efforts to reform and strengthen the trade laws, I would consider it a privilege to continue to serve my government by administering those very laws, although, frankly, some have described it as being my just punishment.

I thank you, Mr. Chairman, and the committee for scheduling this hearing today. I would be happy to answer any questions you may have.

The CHAIRMAN. Thank you.

Senator Packwood?

Senator PACKWOOD. Mr. Chairman, I have no questions. I am familiar with her reputation, and when Chairman Rostenkowski vouches for her then that is good enough for me.

The CHAIRMAN. Are there any questions of the nominee?

Senator CHAFEE. Could I just ask a question, Mr. Chairman?

The CHAIRMAN. Yes.

Senator CHAFEE. Thank you, Mr. Chairman. I notice you attended the Associated Kyoto Program of Doshisha University of Kyoto for about 7 months. Do you speak Japanese?

Ms. NUZUM. As part of that program, I did study the Japanese language, but I must say that I never spoke it fluently. And since I don't use it very much, I don't speak it as well now as I did then.

[Ms. Nuzum's biographical information appears in the appendix.]

Senator CHAFEE. Thank you very much.

The CHAIRMAN. Thank you very much, Ms. Nuzum.

Ms. NUZUM. Thank you, Mr. Chairman.

[Whereupon, at 11:56 a.m., the hearing was concluded.]



A P P E N D I X
ADDITIONAL MATERIAL SUBMITTED

BIOGRAPHICAL INFORMATION

1. Name: Carol Tallman Crawford
Carol Lynn Tallman (maiden)
2. Address: 6204 Long Meadow Road
McLean, Virginia 22101
(current residence and mailing address)
3. Date and place of birth: February 25, 1943
Mt. Holly, New Jersey
4. Marital status: Married to Ronald Crawford
5. Names and ages of children: Timothy, 38
Jeffrey, 36
Richard, 32
6. Education: Mt. Holyoke College
South Hadley, Massachusetts
9/61 - 6/65
B.A. (1965)

University of Virginia
Arlington, Virginia
1/75 - 5/75
Course at Northern Virginia Campus

Washington College of Law
American University
Washington, D.C.
8/75 - 6/78
J.D., Magna Cum Laude (1978)
7. Employment record: Assistant Attorney General
for Legislative Affairs
U.S. Department of Justice
10th and Pennsylvania Avenue, N.W.
Washington, DC 20530
2/89 - 2/90

Associate Director
for Economics and Government
Office of Management and Budget
17th and Pennsylvania Avenue, N.W.
Washington, DC 20500
10/85 - 1/89

Director, Bureau of Consumer Protection
Federal Trade Commission
6th and Pennsylvania Avenue, N.W.
Washington, DC 20580
4/83 - 10/83

Executive Assistant to the Chairman
Federal Trade Commission
6th and Pennsylvania Avenue, N.W.
Washington, DC 20580
10/81 - 4/83

Attorney
Collier, Shannon, Rill and Scott
1055 Thomas Jefferson Street, N.W.
Washington, DC 20007
7/79 - 10/81

Summer Law Clerk
Hamel, Park, McCabe & Saunders
(firm is now Hopkins, Sutter, Hamel
& Park)
888 - 16th Street, N.W.
Washington, DC 20006
6/77 - 8/77

Legislative Assistant
Senator Bob Packwood
U.S. Senate
Senate Office Building
Washington, DC 20510
1/69 - 7/73

Departmental Assistant/Caseworker
Cong. Robert Denney
Longworth House Office Building
Washington, DC 20515
1/67 - 1/69

Legislative Researcher
Cong. Howard Callaway
Longworth House Office Building
Washington, DC 20515
8/66 - 1/67

Editorial Assistant
Congressional Quarterly
Washington, DC
5/66 - 8/66

Staff Assistant to the
Honorable Dorothy Elston Kabis
President
National Federation of Republican Women
Eisenhower Building
Washington, DC 20003
8/63 - 3/66

Vice President (7/85 - 12/88)
Director (7/70 - 12/88)
Columbus Shopping Center
(family-owned business)
Columbus, New Jersey

Carol T. Crawford
6204 Long Meadow Road
McLean, Virginia 22101

July 12, 1991

The Honorable Donald W. Riegle, Jr.
U.S. Senate
105 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Riegle:

During the hearing on my nomination to the International Trade Commission, you asked if my husband represented any foreign business interests. I responded that, to my knowledge, he did not. Subsequent to the hearing, he verified that he does not represent any foreign clients. He advises that he does have an interest that I believe is responsive to your question. He has recently become a consultant to a Washington, D.C., law firm on an energy issue (CAFE) related to the firm's representation of BMW of North America, a subsidiary of BMW.

By copy of this letter, I am requesting that this further response be included in the hearing record of my nomination.

With best regards,

Sincerely,

Carol T. Crawford

cc: The Honorable Lloyd Bentsen
Chairman, Senate Finance Committee

The Honorable Bob Packwood
Ranking Minority Member, Senate Finance Committee

Janet Ann Nuzum

A. BIOGRAPHICAL:

1. Janet Ann Nuzum
2. 2915-D South Woodstock Street, Arlington, VA, 22206
3. November 10, 1956, Jersey City, New Jersey
4. Not married
5. No children
6. Smith College, 1974-78, A.B. May 1978
Georgetown University Law Center, 1980-83, J.D. May 1983
Associated Kyoto Program, Doshisha University,
Kyoto, Japan, August - December 1977
Yale University Summer Language Institute, Summer 1977
7. Professional staff member, Committee on Ways and Means,
Washington, D.C., January 1983-present

Summer law associate, Cummings and Lockwood, Stamford, CT,
Summer 1982

Law clerk, Arnold and Porter, Washington, D.C., June 1981-
March 1982

Temporary law clerk, National Association of College and
University Attorneys, Washington, D.C., January 1981

Paralegal, Arnold and Porter, Washington, D.C., August 1978-
August 1980

Summer intern, Senate Republican Policy Committee,
Washington, D.C. Summer 1978
8. Professional staff member, Committee on Ways and Means, U.S.
House of Representatives, 1983-present

Summer intern, Senate Republican Policy Committee, U.S.
Senate, Summer 1978

Summer intern, U.S. Congressman Stewart B. McKinney, Summer
1976

Part-time intern, Office of the District Attorney of
Hampshire-Franklin Counties, Northampton, Mass., 1975-76

[SUBMITTED BY SENATOR PACKWOOD]

James E. McCarty
Attorney at Law
1801 California Street
Suite 5100
Denver, Colorado 80202

BY FACSIMILE

June 26, 1991

The Honorable Bob Packwood
United States Senate
Washington, D.C. 20510

Dear Senator Packwood:

I am writing to provide information that may assist the Senate Finance Committee in its hearings on the President's nomination of Carol T. Crawford to be a member of the International Trade Commission. This letter seeks to clarify certain issues posed in my recent phone conversation with Mr. Brian Waidmann, Special Assistant to the President for Legislative Affairs.

I am presently Senior Counsel - Antitrust for U S WEST Communications, Inc., in Denver, Colorado. However, from 1977 to 1989 I served on the staff of the Federal Trade Commission ("FTC").

I understand from my conversation with Mr. Waidmann that the Committee is interested in a paper presented in Ms. Crawford's name to the Organisation for Economic Cooperation and Development ("OECD") in Paris in November of 1984. Because I actually presented the paper on the Federal Trade Commission's behalf in Paris at the OECD session, I may be able to provide you and the Committee with helpful information regarding the paper.

In the Fall of 1984, a Consumer Committee within the OECD was preparing a consumer-oriented program dealing with international trade issues. The OECD invited an FTC representative to explain the agency's "Competition Advocacy" Program. Under that Program, the FTC has, for a number of years, submitted filings to various Federal and State agencies urging that competitive effects be considered in regulatory decision-making. Of relevance here, the FTC had submitted a number of such filings to the International Trade Commission ("ITC"). As I recall, the OECD was interested in the FTC's approach and had invited an agency representative to explain this FTC involvement in ITC proceedings.

To the best of my recollection, Ms. Crawford was invited to be the FTC's delegate purely for protocol reasons: the OECD session involved a consumer committee, and at that time Ms. Crawford was the FTC's senior manager with responsibilities for consumer protection matters. Ms. Crawford was unable to attend the OECD session, and I was asked to present the FTC's paper in her stead. At the time, I was Associate Director of the FTC's Bureau of Competition.

As I recall, Ms. Crawford had little, and probably no involvement in preparing the FTC's presentation to OECD. A written paper summarizing the FTC's Competition Advocacy Program (including its filings before the ITC) was drafted by attorneys within the agency's Bureau of Competition. The FTC's Bureau of Economics likely provided input to the paper as well. Within the FTC, those were the two divisions with principal responsibility for Competition Advocacy filings that involved international trade issues.

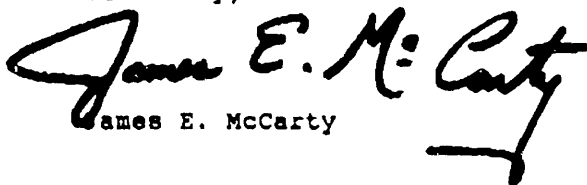
As a procedural matter, I believe that all three FTC Bureaus - Competition, Economics, and Consumer Protection -- routinely were asked to sign off on all FTC filings made with other governmental agencies. This would include the paper presented to the OECD. In addition, a majority of the five Commissioners of the FTC also authorized all such filings. As a practical matter, however, both the Commissioners and Bureau directors usually gave considerable deference to the expertise of the Bureau (or Bureaus) that actually prepared a given Competition Advocacy filing. In the case of an ITC or OECD filing concerning international trade, for example, the Bureau of Consumer Protection Director historically would defer to the views of the Directors of the Competition and Economics Bureaus.

To the best of my recollection, this procedure was followed in preparing the FTC's 1984 paper to the OECD. As indicated, the paper was drafted within the Bureau of Competition. The only discussions I recall having concerning the paper were with Bureau of Competition staff. I do not recall ever having discussed the paper's contents with Ms. Crawford, but I believe her name may have appeared on the paper as submitted. Again, I believe that was for protocol reasons -- she had been the representative officially invited by OECD.

Pursuant to the Federal Trade Commission's authorization, I presented the FTC's paper to the OECD session in Paris in November 1984. As I recall, the paper was submitted with the standard "boilerplate" FTC disclaimer on the cover. That disclaimer indicated that the paper reflected the views of the author. In retrospect, the ~~author~~ because the paper actually was on the paper was Bureaus of Competition (and perhaps Economics), not by Ms. Crawford or her staff in the Bureau of Consumer Protection. Further, I presented the paper as the views of the FTC as an agency, not on behalf of Ms. Crawford or her Bureau of Consumer Protection.

I hope this information is useful to you and the Committee. Please do not hesitate to have your staff contact me at (303) 896-2200 if I can be of any further assistance.

Sincerely,


James E. McCarty

JEM:lc

DESIREE TUCKER-SORINI

A. Biographical:

1. Name: Desiree Tucker-Sorini
Della Desiree Tucker - Birth Certificate
Desiree D. Tucker - used since birth until marriage
2. Address: 1407 Layman Street
McLean, Va. 22101
3. Date and Place of birth:
January 14, 1958 in Grand Junction, Colorado
4. Marital status:
Ronald J. Sorini
5. Children:
none
6. Education:
Colorado State University, 1976-1980,
Graduated with a Bachelor of Arts in May 1980
7. Employment since college:
 - 08/80 - 08/80
Kelly Services
Clerical
333 W. Hampton
Denver, CO
 - 11/80 - 02/81
Weinstocks
Salesperson
1701 Arden Way
Sacramento, CA 95815
 - 11/80 - 02/81
Hungry Tiger
Hostess
1375 Exposition Blvd.
Sacramento, CA 95815
 - 02/81 - 03/82
XEROX
Sales
560 J Street
Sacramento, CA 95814

*06/82 - 07/82

Congressman Ken Kramer's Office
Congressional Correspondence
515 CHOB
Washington, DC 20515

07/82 - 03/83

Tucker and Associates (Tucker & Brown)
Director of Fund Raising
1775 Pennsylvania Ave., NW
Washington, DC 20007

*08/83 - 12/83

Agency for International Development/Women in Development
Special Assistant
21st & C Street, NW
Washington, DC 20523

*01/84 - 03/86

U.S. Trade Representative
Press Secretary
600 17th Street, NW
Washington, DC 20006

*03/86 - 03/89

Dept. of Commerce/International Trade Administration
Director of Public Affairs
14th & Constitution Avenue
Washington, DC 20230

*03/89 - present

Dept. of Treasury
Deputy Assistant Secretary for Public Affairs
1500 Pennsylvania Avenue
Washington, DC 20220

PREPARED STATEMENT OF SENATOR JOHN WARNER

Mr. Chairman and members of the Committee, I am pleased to introduce Desiree Tucker-Sorini, who has been nominated to be Assistant Secretary of the Treasury for Public Affairs and Liaison. I have known Desiree and her fine family for many years, and can assure you that she is an outstanding public servant who will serve the country with great distinction. She is joined today by her parents, Bill and Nancy Tucker, her sister, Gail Von Seggern, and last but certainly not least, her husband, Ron Sorini.

Ms. Tucker-Sorini is a native of Colorado who had the wisdom to move to Virginia. She has enjoyed a varied and extensive career, most recently a Deputy Assistant Secretary of Public Affairs at the United States Department of the Treasury.

Prior to that, she served as Director of Public Affairs for the International Trade Administration at the Department of Commerce. She also held positions as Press Secretary for the United States Trade Representative and as Special Assistant to the Director of Women in Development at the Agency for International Development.

Ms. Tucker-Sorini received her bachelor of arts degree in business and communications from Colorado State University. She worked for Xerox Corporation and Tucker and Associates prior to her tenure in the Administration.

Desiree Tucker-Sorini will make a great contribution to the Department of the Treasury and I enthusiastically endorse her nomination.

Thank you Mr. Chairman and members of the Committee for your attention to this matter.

