



DEPARTMENT OF THE TREASURY OFFICE OF PUBLIC AFFAIRS

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Statement of Clay Lowery Nominee to be Deputy Under Secretary for International Affairs U.S. Department of the Treasury Before the Senate Committee on Finance

Chairman Grassley, Ranking Member Baucus, and members of the Committee on Finance, I am honored to appear before you today as President Bush's nominee to serve as Deputy Under Secretary of the Treasury for International Affairs. Please allow me to express my gratitude to the President and Secretary Snow for the confidence and trust they have shown in me, and I would like to thank you for your consideration of my nomination.

I am pleased to be here with my family – my wife, Diana, and my father, Richard. Together, along with my deceased mother, Gail, my brother, and some very close friends, I owe a debt of gratitude for providing me the foundation and the passion to pursue a career in public service. I want to particularly thank my wife for supporting me in a career that, at times, can feel somewhat like a long flight abroad: little communication when in the field, and interminable hours at the office.

As a career civil servant at the Treasury for the past decade, it has been my privilege to serve in the Administrations of President Clinton and President Bush in a number of positions promoting the national interest in international development, economics, and finance. As a desk officer, economist, negotiator, diplomat and manager, I have been deeply involved in such issues as responding to the emerging-market crises of the 1990s, developing the initiative to provide debt relief to the world's poorest countries, and creating the Millennium Challenge Corporation (MCC).

For the past year and a half – on loan from the Treasury – I have served as a Vice President at the MCC and a member of its Investment Committee. In this capacity, I have been a leader in building and managing a “start-up” government corporation to implement President Bush's pioneering initiative to revamp the model for foreign

assistance: reducing poverty by investing in sustainable economic growth in poor countries that rule justly, invest in their people, and encourage economic freedom.

Prior to MCC, I held a variety of positions at the Treasury, most recently Deputy Assistant Secretary for Debt and Development Finance. In this position, I led a team consisting of four offices with responsibilities for debt workouts, trade finance, development policy and cross-cutting financial market analysis. I also worked at the National Security Council as Director of International Finance – a job that allowed me to bring together the complementary imperatives of protecting national security and advancing economic prosperity.

In many of these capacities, I have worked closely with Congress and, if confirmed, I plan to continue such collaboration on a full range of issues.

Mr. Chairman, this range of issues starts with a juxtaposition. In many respects, the global financial picture couldn't be stronger with global growth – led by the U.S. economy – at 30-year highs, inflation around the world relatively benign, and foreign investment on an upswing in emerging-market economies. This positive news, however, is accompanied by worrisome global financial imbalances, potential complacency in financial circles, and large swaths of poverty in the developing world. To me, I think the challenge for the United States is to help the American people seek the great opportunities offered by such an environment while promoting the essential benefits of increased productivity, open markets, and free trade.

If confirmed, I look forward to working with the Administration, the Congress, and the Treasury team in addressing these challenges and opportunities, focusing on such key priorities as promoting economic growth worldwide, preventing financial crises, and opening up foreign markets to U.S. goods and services – particularly through negotiations to conclude a strong Doha Development Round. If confirmed, I also look forward to leading a dedicated Treasury team by continuing to make President Bush's vision of providing more effective development assistance to the poorest people a reality.

Mr. Chairman, Senator Baucus, Members of the Committee, I am grateful for this opportunity to appear before you today. I would be pleased to answer any questions you may have.