

Opening Statement
Nominee for Deputy Secretary of the Treasury
Unites States Senate Committee on Finance
May 8, 2009

Chairman Baucus, Ranking Member Grassley, members of the committee, it is an honor to come before you today.

I'd like to introduce the members of my family who are here with me: my wife, Nicole Elkon, our sons Ethan and Oliver; my parents, Harry and Doris Wolin, and my wife's parents, Andre Elkon and Mimi Liebeskind. I am enormously indebted to them for their love and their support.

I want to thank President Obama and Secretary Geithner for their trust and for the opportunity they have offered me to serve in the department that is at the center of the Administration's efforts to address this historic economic crisis.

If confirmed, I look forward to working closely with you as the Treasury Department implements the President's economic program and as we work together to take all necessary steps to heal our economy, modernize the regulatory system, and prevent similar crises from developing in the future.

President Obama and Secretary Geithner have proposed a bold strategy to revive our economy, stabilize the housing market, increase the flow of credit, and restore economic vigor and growth to the United States.

Beyond these efforts, they are committed to identifying the failures that contributed to the crisis and to crafting a new and comprehensive regulatory framework that supports the dynamism of our economy while ensuring that the people of the United States are not again forced to suffer the consequences of a preventable catastrophe.

As the President and the Secretary have made clear, this system must be more comprehensive and effective than the framework that has failed us over the last several years. It must protect consumers and investors, and it must be able to adapt and evolve in step with transformations in national and global financial markets.

As we do this work, the Department of Treasury has to serve the taxpayers conscientiously and efficiently. When considering issues of regulation and policy, we must do so in an atmosphere of openness and transparency, explaining our actions and hearing the concerns of taxpayers. I believe that I can support these efforts by helping to manage existing and emerging initiatives, and by helping to free those who have been doing double-duty and more -- so that they can focus their talents on their primary tasks. The Treasury Department is a large, complex organization, and I look forward to helping Secretary Geithner keep the Department running smoothly during these extraordinary times.

Chairman Baucus and Ranking Member Grassley, and members of the Committee: I have had the privilege of serving in the executive branch under presidents of both political parties, in

foreign policy and in economic policy. I have experience managing in the public sector and in the private sector. Please allow me to speak for a moment about each, as you consider my nomination.

I first entered public service during the administration of President George H. W. Bush, when I was honored to serve as Special Assistant to Directors of Central Intelligence William Webster and Robert Gates. Under President Clinton, I joined the National Security Council as Deputy Legal Advisor, and then served as Executive Assistant to National Security Advisor Anthony Lake.

I moved to the Department of the Treasury in 1995, first as Deputy General Counsel and later as General Counsel. Our areas of focus during that time included fiscal responsibility, actions to deal with financial crises in foreign markets, efforts to expand economic opportunity in distressed rural and urban areas, and reform of the IRS, an effort which benefitted greatly from the leadership of this committee.

In 2001, I moved to The Hartford Financial Services Group as General Counsel. One of my chief concerns while in that position was to build a robust and effective compliance function.

After subsequently becoming President and Chief Operating Officer of the Hartford's property and casualty insurance operations, I had the opportunity to manage one of the nation's oldest insurance companies during a time of challenging market conditions. Through prudent pricing and careful analysis and management of risk, the companies I led delivered strong, profitable results.

I also had the privilege of managing the company's relationships with the thousands of small businesses and individual entrepreneurs who are the backbone of the property and casualty industry. Working with those entrepreneurs on Main Street was the part of the job I enjoyed most. It reinforced my deep respect for America's small businesses and my deep appreciation for the challenges and pressures that small business owners face, particularly in these difficult times – a respect and appreciation I carry with me today.

As the Treasury Department focuses on the financial issues that have dominated headlines for many months, we must not –and we will not –lose sight of the other vital roles the Treasury Department plays. The Department's 12 bureaus and more than one hundred thousand employees deserve strong management support as they work tirelessly on behalf of American taxpayers.

As this committee is well aware, the Department of the Treasury has criminal and national security responsibilities, tracking and stopping the flow of money to criminal organizations and terrorists abroad. It is my hope that my national security and intelligence experience will better equip me to work with the dedicated professionals in those areas.

I know that the closest contact that most of your constituents have with Treasury is their annual interaction with the Internal Revenue Service. I share with you a commitment to a modern IRS

that is professional and courteous in its dealings with taxpayers, while remaining effective in its efforts to collect revenue owed the federal government.

In the larger sense, American taxpayers must have confidence that the Department of the Treasury is serving their interests in matters large and small -- that decisions are made transparently, and that our officials are accountable to them and to their elected representatives.

Above all, Treasury must maintain the highest standards of integrity, must comply scrupulously with legislative and procedural dictates, and must embrace the best values of public service. Seeing that happen will be my highest priority.

I recognize that American prosperity doesn't spring from the actions of the Treasury Department but from the hard work and inspiration of millions of individuals and businesses, large and small. Treasury's work, as we implement policy, craft needed regulation and serve taxpayers is to ensure that we have a growing economy that allows homeowners to get mortgages or entrepreneurs to get loans and that attracts the capital our growing businesses need. Treasury's place is to help foster an economic climate within which the American people can flourish.

In closing, Mr. Chairman, Senator Grassley, and members of this Committee, it is my great hope to have the privilege of returning to public service and offering my hardest work and best efforts to the President and the Secretary, to the Congress, and to the American people.

Thank you very much for considering my nomination. I'd be happy to take your questions.