



## **DEPARTMENT OF THE TREASURY OFFICE OF PUBLIC AFFAIRS**

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### **Statement of Randal K. Quarles Nominee for Under Secretary for Domestic Finance U.S. Department of the Treasury before the Senate Finance Committee**

Chairman Grassley, Senator Baucus, members of the Committee, thank you for giving me this opportunity to appear before you today. I am honored that President Bush has nominated me to serve as Under Secretary of the Treasury for Domestic Finance, and I am grateful to have the privilege of your consideration. I am also very grateful for the support of my family here today -- my wife, Hope Eccles, and my parents Ralph and Beverly Quarles -- and even more so for three family members whose attention spans are still a little short to attend a Senate hearing but who have put up with a lot from their father's enthusiasm for public service: my young sons Randal and Spencer, and our one-year-old daughter, Hope Jr.

The role of the Under Secretary of the Treasury for Domestic Finance is to advise the Secretary on issues related to capital markets and financial institutions, government fiscal policy and operations, governmental assets and liabilities, and related economic and financial matters. The Treasury Department is currently addressing some of the most crucial issues facing our country in each of these areas, and, if confirmed for this post, I would look forward to working closely with this Committee and the Congress across this full range of topics.

My professional career, over two decades in both the public and the private sector, has given me in-depth experience with the issues facing the increasingly global banking and capital markets and the challenges of sovereign finance. For nearly four years, I have served as the Assistant Secretary of the Treasury for International Affairs, where my responsibilities have included, among other things, advising on the international aspects of financial regulation and the structure of sovereign funding markets, as well as macroeconomic policy, exchange rate policy, trade and investment, and our participation in the International Monetary Fund and the World Bank.

Before that, I began my service in this Administration as the U.S. Executive Director at the IMF, representing the United States on the IMF's board during a time of stress for the international financial system.

In the private sector, I was a practicing Wall Street lawyer for nearly seventeen years, focusing on banking and financial matters. During that time, I helped some of the world's premier financial institutions think through their approach to an increasingly integrated financial system, to take practical steps to prepare for that integration, and to create legal structures to increase the efficiency of financial intermediation. Finally, this is not my first stint in Domestic Finance at the Treasury. I was also privileged to serve at the Treasury Department from 1991 to 1993, during the Administration of the first President Bush, working with the team that proposed the modern statutory framework for this ongoing transformation of the financial system.

If confirmed for this position, I believe my service in the role of Under Secretary would benefit from all of these experiences. I also want to note how much it will benefit from the extremely able Treasury staff that it has been my great honor to serve with now, in both the international and domestic areas, under three different Treasury secretaries. I want to thank you again for the privilege of appearing before this Committee, and I want to thank Secretary Snow for the confidence he has displayed in me by supporting me for this position. I now look forward to answering any questions you may have.