

Rep. Stephanie Tubbs Jones

OPENING STATEMENT

**The European Union's Financial Services Action Plan and its Implications for the
American Financial Service Industry**

**Financial Services Committee
Rep. Stephanie Tubbs Jones
Cleveland, 11th District**

5/22/02

Good Morning, Chairman Oxley, Ranking Member LaFalce and Members of this Committee. Mr. Chairman, I ask unanimous consent that my full statement be included in the Record.

The landscape of business is changing every day. More and more the norm, basic survival of any corporation must include a strategy that is not just national in focus, but inclusive of the entire world. Rapid advances in communications, transportation and infrastructure in once barely competitive economies abroad have turned the global economy towards full-blown parity. Coalition building and solidarity between like-minded nations with regard to financing, especially in Europe, have become prevalent. The creation and momentum of the European Union exemplifies this trend.

The EU has developed a strategy geared towards attaining competitive supremacy in the financial markets. Where will this initiative by the EU leave US businesses? The Financial Services Action plan, which was created by the EU to lay the foundation for this movement, will hopefully help to answer this question.

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I embrace this hearing today not only as an opportunity to assess the impact that this plan could have on business here in the US but also as an opportunity for us to learn. It is no secret that this nation is engaged in a very public debate regarding the policies and procedures of our financial markets and relevant regulatory agencies. We have seen companies such as Global Crossing and Enron attempt to exploit our system for the benefit of a select few.

Given the EU directive of "becoming the most competitive and dynamic knowledge-based economy in the world" we must now, more than ever before, think of domestic cooperation as opposed to exploitation. We must endeavor to create infrastructure, policies and regulations that promote cooperation and healthy competition among our best and brightest so that this country can retain its competitive advantage in the perpetually expanding global economy.

I look forward to hearing about the EU's Financial Service Action Plan. I look forward to the testimony of these witnesses with regard to the impact that these EU policies may have on US based companies but most importantly, I look forward to learning how we can leverage our resources, our knowledge and our policies to the advantage of every American corporation as they tirelessly defend our turf on the front lines of the global economy.

Mr. Chairman, I thank you for my time.