

Jide Zeitlin: - out of the room, I will now take a moment, not too much of a moment, but my wonderful wife and two sons are here as well as my father, an aunt, and a cousin. Much of the Zeitlin clan is here today along with some colleagues from work and other walks of life.

Male: The good news is, your son wants you, so. *[Laughter]*

Jide Zeitlin: He does, he does. *[Laughter]* At least somebody does, yeah, yeah. *[Laughter]* But thank you—thank you again, Mr. Chairman, as a ranking member as well as distinguished members of the Foreign Relations Committee. I am honored to come before you today as President Obama's nominee for the Representative to the United Nations for Management and Reform.

I'm grateful to the President, to Secretary Clinton, to Ambassador Rice for their confidence in nominating me to serve in this position, and I clearly am also quite grateful to my family for their love and support over the years, and here today.

Management and reform are clearly very complex tasks—tasks which can benefit from a skill set that combines a knowledge of corporate effectiveness as well as experience in working and living around the world. I was born in West Africa, _____, and adopted by an American family and then reared in South and East Asia before coming to the United States.

I spent 20 years at Goldman Sachs, where I deepened my management skills, and where I learned a lot about leading change. In early 2006, I started a business which took me to countries as diverse as Israel and India. This global experience, as well as my leadership roles at academic institutions, allow me to appreciate the challenges of working within complex, multi-constituent institutions. Mr. Chairman, I've been blessed to have been—to have prospered here in America. I've been able, as such, to assure a secure future for my two sons, and I would now like to pay back, through public service, America for what it has allowed me to accomplish.

If confirmed, I'll work to serve and advance America's interests at the U.N., and to assure our country's engagement with the community of nations. The U.N. increasingly finds itself as a leading actor in a world where many issues must be addressed on a

multilateral basis. The U.N. is unique in its ability to bring countries together to achieve critical objectives. Objectives that range from strengthening fragile states to responding to conflict and delivering humanitarian assistance, to supporting economic development and promoting human rights.

The President has repeatedly affirmed a U.S. commitment to the U.N. as an indispensable, if imperfect, institution for advancing global security and well-being in the 21st Century. At its best, the U.N. can mobilize important capabilities, it can develop responses that have international legitimacy, and it can allow for international burden sharing that is more cost effective and efficient than unilateral alternatives.

At the same time, the United Nations is an organization with much unfulfilled potential. Much remains to be done to ensure that the U.N. has the management systems and practices to meet the demands of member states. As Ambassador Rice has stated, all the world citizens deserve a U.N. that runs right. It's not enough that costs be contained and that funds be spent without corruption. Each dollar must serve its intended purpose, be it for development or peace keeping. The American people deserve no less.

There is no country as able as the United States to exercise leadership at the U.N. If confirmed, I'll press member states to redouble their efforts to enter a strong leadership, financial transparency, and compliance to the highest standards of ethical conduct. Being effective will require steadfast diplomacy and collaboration with U.N. leadership as well as with member states to build broad based coalitions. The U.N. can help those around the world who are in need of food, shelter, clean water, and protection as well as security. My goal is for the U.N. to be more effective at delivering these programs and initiatives.

Mr. Chairman, ranking member, distinguished members of the committee—it's a great honor to be here today. If confirmed, I pledge to work with you and your colleagues to help realize the full potential of the United Nations. It will be my pleasure to respond to your questions. Thank you.

Male: Thank you very much, Mr. **Zeitlin**. _____, certainly, you would be the key person of the United Nations on the issues of management and reform within the U.N. system; that's what the

purpose of this position was created for. And I'm sure you know that there was a *Washington Post* article today that reported on some of your past business dealings. I wanna give you an opportunity to address the content of this article for the committee on the record so that there hopefully will be no lingering questions as your nomination moves forward.

So, could you respond, for the record, to some of the issues raised in the article?

Jide Zeitlin:

I can, and thank you, Mr. Chairman. I appreciate the opportunity to address this morning's article. I believe that the experience I have gained in starting up businesses around the world has given me, actually, very valuable insights into global challenges such as poverty, disease, civil conflict, weak governance, and most importantly into how the United States, working through the United Nations, can address some of these issues.

I'm also quite proud, Mr. Chairman, of the record that I have earned over the last 25 years as an ambassador and a banker. I give you that no investor bats 1000, but I believe that my track record across all of my investments is quite favorable. You cannot simply cherry pick out a couple of situations.

As a banker, I negotiated multi-billion dollar transactions for numerous multinational corporations. I also led a successful effort to reduce costs and restructure operations within Goldman Sachs during the post-2000 economic downturn. I believe that these experiences will serve me well in negotiations over the U.N.'s multi-billion dollar budget as well as in efforts to strengthen the U.N.'s management practices.

In the interest of clarification, it may make sense for me to directly address a few of the issues raised in the article.

Amherst—I chair the board of Amherst College, and for close to a decade, I've been a member of the committee that manages that college's roughly \$1.5 billion endowment. This endowment declined by 20.1 percent this past fiscal year, and as we all know, this was a period in which the economy and financial markets suffered some of their worst declines in our lifetimes. Amherst's 20 percent decline compares to the S&P being down 28.5 percent over the same time frame, and many large endowment being down 25 to

30 percent. For example, Harvard's endowment was down 27 percent, and Yale's endowment was down 24 percent. Interestingly, according to third party research, over the last three and five years, Amherst was the best performing college or university large endowment in the country.

IMIL—Independent Mobile Infrastructure Limited is an Indian telecommunications infrastructure company that I founded almost four years ago. It is involved in a garden variety commercial contract dispute. This is a case that is without merit, and this is a case that will be borne out when the case is before a judge in March, 2010. More importantly, IMIL is financially strong and is living up to its contractual obligations and commitments.

American Tower—American Tower was and is a competitor to the Indian business that I founded. The legal action which they initiated was settled almost two years ago. The facts are that I e-mailed a public article critical of the company to two long time friends, one of whom I'd known for over 30 years, and the other for over 10 years. I sent this article as though it had come from the CEO of American Tower. This was a joke that clearly fell flat. My two friends, however, knew the article came from me, and after American Tower understood the facts, they voluntarily withdrew their suit.

Cogentis—Cogentis was a biotech business in which I invested almost three years ago. I was invited into this deal by others and invested my own money. I did not invest any third party capital. When Cogentis declared bankruptcy, I lost my own money. At no time did I recruit other investors. This was the one investment out of hundreds of successful financial transactions that I've been at the center of over my career.

So, thank you again, Mr. Chairman, for your question. It's important to me, clearly, to address the issues raised in the article and to underscore the fact that, although no one bats 1000, I have an exceptionally strong investment and financial track record over the last 25 years, and during the last several years. I believe that this experience, including that of building businesses in challenging environments around the world that are part of what make me effective, and if confirmed, will allow me, I hope, to be quite effective at the United Nations.

Male: Thank you for that extensive answer. I think it's good to have it on the record, and the chair's time has expired as a result of it.

Jide Zeitlin: [Laughter]

Male: So, we'll, if I could recognize—I recognize Senator Lugar and then we'll come back.

Senator Lugar: Thank you very much, Mr. Chairman. Let me just continue on for a moment as far as simply the problems faced by the area in which you would have responsibility that involve the United States in arrears to the United Nations for approximately \$117,000,000.00 currently. This is a problem that the administration shares with the Congress each year. The money has to be made available, quite apart from our diplomatic efforts to pay it or not. And likewise, you would be responsible for _____ reforms that fight against corruption in that area. This is why the Chairman's questions, which regard your own financial dealings, are important, because there has to be confidence that our nominee for this position will have the confidence of colleagues in that area. Probably sometimes it's very difficult **writing** on behalf of our own government's policies that have led to these arrears.

I suspect, as you pointed out, that the particular case in India is to be adjudicated, as I gather from your testimony today and hearings in court maybe next March or thereabouts. To what extent do these difficulties, however merited or unmerited, in any way jeopardize your judgment or your ability to represent our country without having a cross hatch of your own personal responsibilities thrown into this?

Jide Zeitlin: Thank you, Senator, for that question. First, all of my personal and corporate holdings, if confirmed, will be run by other individuals who will effectively be put into a trust where I have no day to day or other involvement with those. So, whatever happens, if I'm confirmed going forward, will not be a distraction to my ability to focus my full attention on issues such as arrears and others at the United Nations.

Senator Lugar: Well, with this court case in India, you will not be involved in, you will observe it at a distance, but not be involved?

Jide Zeitlin: No, Senator. The court case, to be clear, is not one against me personally. It's against a subsidiary of a holding company that I own. So, this is several layers away from me personally. It's a court case that involves that business with a supplier of it, which, as I mentioned earlier, is really more of a garden variety commercial dispute.

Senator Lugar: And so, you're testifying that this will not be a distraction because, potentially, others will have taken over your portfolio.

Jide Zeitlin: One hundred percent, sir.

Senator Lugar: Alright. That's important to establish, certainly, with colleagues as they, again, are hearing the nomination will raise some questions. And so, we appreciate as much clarification as you can give as to why this would not in any way be disabling in terms of your responsibility.

Jide Zeitlin: Yeah, yeah. Thank you, Senator.

Senator Lugar: Let me ask my Hoosier colleague _____. Yes. Well, are you a Hoosier, also? *[Laughter]*

Male: Sorry?

Senator Lugar: No, no, no. *[Cross talk]* I'm thinking of _____.

Male: No, but I've visited the state. *[Laughter]*

[End of Audio]