

Remarks by Secretary of Commerce Donald L. Evans

Before the Georgia Chamber of Commerce

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[As Prepared For Delivery]

Thank you, Gordon [Giffin] for that kind introduction. It's a pleasure to be here with you. I'm told that this group represents 3,300 companies, which employ more than a million workers. That's impressive. And the Chamber has a well-deserved reputation as a dynamic, aggressive advocate for business. As Commerce Secretary, I thank you for that. As Gordon mentioned, I'm an engineer by training; but like you, I come from a business background. I've had to meet a payroll, make sure the bottom line had more black than red ink at the end of the year, and I've dealt with government regulation.

Changing the Tone

I've been in government for just over seven months now, and - while the private and public sectors are very different - I've found that there's much I learned in business that can be applied to what I do now:

- You set goals.
- You provide leadership.
- You promote teamwork.

The big difference is that in government your shareholders are the American people. And you must always make decisions based on what is in their best, long-term interests.

I consider it a great privilege to be in public service at this time with a President who understands how to govern in the best, long-term interests of the American people. Since taking office, President Bush has changed the tone in Washington.

- He's won the respect and trust of the American people.
- He's made education our nation's top priority so that our youngsters will be prepared for 21st century jobs.
- He's signed into law the largest tax cut in 20 years, sending rebate checks to working men and women right now, when they need the money the most.
- He's scored a number of bipartisan legislative victories in key priorities including energy, a patients' bill of rights, defense, and debt reduction. And,
- He's implemented a visionary foreign policy, visiting 10 foreign countries and meeting personally with more than 60 world leaders.

Trade Mission

As part of this outreach abroad, last month, at the President's request, I visited Russia with Treasury Secretary O'Neill and National Security Advisor Condoleezza Rice. We had productive meetings with President Putin and other top officials and business owners. I came away from those meetings with tremendous hope for our country's relationship with Russia.

President Putin and others in government with whom we met represent a new generation of leaders for Russia. There is no doubt in my mind they want a more open, transparent, investment-driven economy. We want to work with them on this and on taking advantage of commercial opportunities.

I'll be going back to Russia in October with a group of U.S. executives to look for new business contacts. The trade mission will be my first and the first to Russia led by a U.S. Commerce Secretary in seven years. Our focus will be to help connect U.S. businesses with investment opportunities developing from the positive political and economic changes taking place in Russia.

Some of you might have an interest in this trade mission...or in others down the road. I know of one firm in Brunswick that has had success in Russia...Grabber Manufacturing. This company has found a market in Russia for equipment used to repair cars involved in collisions. Give some thought to how these trade missions might be useful to you...or how any of our export programs at the Department could help.

Bush Trade Agenda

The mission to Russia is part of President Bush's forward-looking strategy to strengthen U.S. trade alliances and open world markets to American goods and services. His aggressive trade agenda is multi-faceted. First of all, it seeks to eliminate industrial tariffs. Second, it places a special focus on eliminating barriers to agricultural exports. Third, it would eliminate all barriers to the export of U.S. services, which now represent the largest sector in the U.S. economy. Fourth, the President is committed to keeping electronic commerce free of roadblocks. Fifth, he intends to protect U.S. intellectual property rights. And, sixth, President Bush is committed to strict enforcement of our trade agreement rights.

Trade Promotion Authority

To succeed with this agenda and forge new market-opening trade deals, President Bush needs Trade Promotion Authority (TPA). This is authority that our five past presidents have had to negotiate trade agreements. What TPA does is make sure our trading partners can count on the fact that the deal they strike at the bargaining table will be voted up or down by Congress without amendment. Without such assurances, other nations have no reason to sit down with our negotiators. They don't know what they'll be getting at the end of the day.

Gaining this authority is crucial if the United States is going to lead on free trade. It is an essential signal to our trading partners that we are going to lead in opening markets around the world; and lead not only in strengthening our own economy, but also in strengthening the global economy. Leading on the world stage is critical not just to our own interests, but also to the future of our children and grandchildren. That's why the President is determined to move ahead in liberalizing trade agreements.

Furthermore, as the President says, the promotion of liberalized trade agreements is a moral imperative. Free and open trade is an important foundation for democracy, social freedom and political stability in our hemisphere and around the world. Trade is ultimately about freedom.

Despite the promise of progress brought by liberalized trade - economic, political and social - we are often hit with a drumbeat of negativity from naysayers. They seem to dismiss the

fact that trade is a critical element in the economic health of most of our states and our nation. More than 185,000 jobs in Georgia are dependent on manufactured exports. And led by sales of high-tech equipment, Georgia's exports have nearly doubled to well over \$11 billion since 1993.

Thanks to such efforts, our country is the world's largest exporter. U.S. exports accounted for nearly one quarter of our economic growth over the past decade. More than 200,000 U.S. companies rely on exports for some portion of their business. Overall, some 12 million jobs are supported by exports. And these are good jobs that pay up to 18 percent more than non-export related jobs. With 96 percent of the world's customers outside our borders, we must continue to open foreign markets to American goods and services.

But there is a fly in the ointment. As President Bush recently observed, "Free trade agreements are being negotiated all over the world and we are not party to them." There are more than 130 preferential trade agreements in the world today, and the United States belongs to only two. Our competitors are busy signing deals, while U.S. negotiators sit on the sidelines without the Trade Promotion Authority they need to show that the White House and Congress are united in their efforts to promote trade. Bluntly, we have to get off the sidelines and back into the game. The President needs to have negotiating authority.

We recognize the fundamental role Congress plays in setting trade policies under the Constitution. What Trade Promotion Authority really provides is a vehicle to ensure that Congress and the President agree on our goals and how to achieve them. We intend to work closely with Congress this fall, not only for passage of Trade Promotion Authority, but to rebuild the political consensus we need to engage our counterparts at the bargaining table.

In this regard, President Bush and the other G-7 leaders agreed to ignite a new wave of global economic growth by dramatically opening the world trading system. Launching a new round of global trade talks later this year is a key objective to which we are strongly committed. To be fully successful with this, we need Trade Promotion Authority. Given what's at stake for our economic future, the time to renew the partnership between the Congress and the President is now. With our economy lagging, we need every possible weapon in our arsenal focused on growth.

Consider that the two landmark trade agreements of the 1990s - the North American Free Trade Agreement (NAFTA) and the Uruguay Round - have boosted the annual income and lowered the cost of purchases for an average American family of four by as much as \$2,000. That's real money for working men and women. And it's the kind of boost our economy could use now.

Furthermore, when U.S. companies involved in the export markets see that Congress and the President are working together on trade, investment by and in these businesses will increase, hiring will increase, and this will be a positive sign that the entire business community needs to build confidence.

Compliance

President Bush has made clear that he is going to press forward to expand trade and economic opportunities for all Americans. He has also made it clear that this administration is committed to ensuring that our businesses, farmers and workers benefit from an aggressive American trade agenda. And that means we will aggressively enforce our trade agreements.

I've made compliance and enforcement the highest priority for the Commerce Department trade offices. We're conducting extensive public and industry outreach programs to make sure that American businesses understand their rights under our trade agreements, and that federal resources are available to enforce them. We also have a Trade Compliance Center to monitor and deal with compliance issues. If there's anybody here today who is running into trade barriers, let us know. We have a compliance hotline and a website for complaints. We recognize that if we don't aggressively enforce our current agreements, we can't expect Americans to support further trade negotiations. Promises made must be promises kept.

Trading in Freedom

At my swearing-in ceremony, the President said, "We have set a great goal, a world that trades in freedom." And then he added, "That goal will take all of our commitment." I look forward to working with all of you to build America's prosperity, to create new American jobs, to promote global stability and to lift the lives of the poor through a world that trades in freedom.

Thank you for inviting me today.

Before I let you go, I have one very special announcement to make today.

I'd like to ask Franklin Bost [BAHst], President of Porex Surgical, Incorporated, and John O'Shaughnessy, Porex International Marketing and Sales Manager, to join me up here.

Porex, which is located in Newnan, Georgia, makes cosmetic and reconstruction surgical implants. In the four years between 1997 and 2000, Porex, with a workforce of about 30 people, increased its international sales by 111 percent. It now exports to more than 40 countries and derives more than 35 percent of its revenue from export sales.

Mr. Bost and Mr. O'Shaughnessy, on behalf of the President of the United States of America, today it is my great privilege and pleasure to present your company with the President's "E" Award for Excellence in Exporting. [Present framed certificate and lapel pins]

Congratulations to you and the entire Porex Surgical team.