

**Remarks by  
U.S. Secretary of Commerce Donald L. Evans  
before the South African American Chamber of Commerce Dinner  
November 14, 2002**

[As prepared for delivery]

Thank you very much. And thank you all for coming. This is one of the best parts about this job ... traveling around the world to meet with business people like you. I spent 26 years in business and I understand the challenges you face.

I believe that a strong partnership between government and the private sector will lead to growth and opportunity for the people of Africa.

Like President Bush, I believe government's role is to create the right conditions ... the right environment for economic growth.

So let me share with you what we in the Bush Administration are doing to help create the environment for growth and opportunity in Africa.

**Free trade & democratic values**

"No nation in our time has entered the fast track of development without first opening up its economy to world markets."

Those words were spoken by President Bush a little over a year ago, at the first AGOA Forum.

President Bush understands that free markets and free enterprise are the keys to unlocking social, political, and economic potential around the world, especially in Africa. To be sure, there is much that government can do. It can provide the legal and political framework. It can build public infrastructure, such as roads, bridges, ports, hospitals and water systems. Rich countries like ours can provide development aid to nations that are committed to good governance and democratic values.

In fact, President Bush is seeking a 50 percent increase in development assistance over the \$10 billion we now provide every year.

But the bottom line is this: if the private sector doesn't invest, economies don't grow. It's as simple as that.

So our focus is on helping create a friendly environment for you to invest, create jobs and grow the economy.

Last year, President Bush announced a new initiative to create a series of U.S. regional offices across sub-Saharan Africa to encourage trade and global competitiveness. These regional hubs will work to coordinate trade and economic assistance provided by a variety of U.S. agencies.

The hub for southern Africa is in Botswana. It opened in June.

I'm delighted to announce today that the Department of Commerce will soon become a part of this new initiative. Our people will focus on spreading the word about the trade preferences under our AGOA program by working with local officials and businesses. More importantly, they will help African companies find U.S. business partners.

I know this will be very important in South Africa.

It is one of the biggest users of the AGOA program, with some \$923 million worth of exports last year to the United States. We also have a new Department of Commerce fellowship program I announced yesterday in Accra to encourage business-friendly policies.

It will bring Africans to the United States to learn about new technologies and management. We're also optimistic about talks on a free trade agreement with the five member nations of the South

African Customs Union. I hope they can begin early next year. Such a deal would strengthen commercial relations and expand trade.

All these things are the nuts and bolts that help create a business-friendly environment. Countries must attract trade and investment. That's where 80 percent of the money for development comes from.

And the way to attract trade and investment is by creating the right environment. We're making good progress in opening markets and developing stronger trade ties with Africa.

Since taking effect two years ago, AGOA has encouraged new investments, jobs and trade. U.S. imports under AGOA to the United States so far this year are up 20 percent ... despite a decline in overall shipments from Africa.

U.S. exports to Sub-Saharan Africa grew by 17.5 percent last year ... this at a time when overall U.S. exports were falling.

And economic growth in Africa last year was faster than the rest of the world, ... at 3.3 percent versus 2.2 percent, according to the International Monetary Fund.

All these numbers add up to this: AGOA is building stronger economies and stronger business alliances in Africa.

Now, that is not to say there aren't some problems. The road to democracy and free markets is uneven. There will be ups and downs as African nations reform their economies and work to make civic institutions open and accessible. But we must stay the course and build on the progress that has already been achieved.

That is why the AGOA program was expanded in August by providing greater access to U.S. markets for apparel from Sub-Saharan Africa.

These new benefits were a part of the trade promotion authority law signed by President Bush.

And it's why the Bush Administration will continue to shine the spotlight on U.S.-Africa trade and business development in the coming months.

### **Trade mission to Africa**

Obviously, this trade development mission is the latest sign of that commitment. We were in Ghana yesterday. South Africa and Ghana are among our biggest trading partners in Africa. To give you an idea of how much interest there is in doing business in Africa, some 45 companies applied for the trip. Unfortunately, we only had room for a dozen.

Many of the business leaders with us represent small-and medium-sized enterprises.

They're in a variety of businesses, including medical technology, computer software, construction, environmental services, power generation, and safety and security. All of them are looking for new business opportunities. So I hope you'll get a chance to visit with them.

We also expect to be seeing a lot more business activity here and throughout Africa. We opened a new commercial office in Accra.

And our Foreign Commercial Service at the Department of Commerce now has 54 people working in Africa. These folks are here on the ground, working daily to find new business opportunities for you. They also serve as our eyes and ears when problems crop up. So use them. They're insightful people .. And they work for you.

In addition to seeking new business, we're highlighting corporate stewardship during our trip. When American companies do business overseas, many of them bring with them American values of service ... of volunteerism ... of social responsibility. They support schools, hospitals, food distribution centers and those who need a helping hand..

Earlier today, we visited the Chris Hani Hospital, which is the largest hospital on African continent, with some 3,500 beds. Pfizer has been working with the hospital to treat HIV and AIDS patients.

### **AGOA/developing world & trade**

This is a remarkable period for Africa. For the first time the needs of Africa and other developing countries are at the center of global trade talks. We've seen action on a number of fronts ... the WTO meetings in Doha ... the G-8 Summit last summer ... the World Summit on Sustainable Development in September.

All these efforts show how serious the world is about connecting Africa to the global economy. The United States is leading the way.

This January, President Bush hopes to attend the second annual AGOA Forum in Mauritius. The purpose of the summit is to reinforce and move forward the trade and investment agenda.

But among the most important people attending the Forum will be business people like you here this morning ... whether you represent an American company or an African company.

Being a Texan, I like straight-talk. So here's the pitch: We need you there! We need your leadership. We need your insights. We need your suggestions on how to attract more capital to Africa. The Forum will be held the week of January 13. This will be a chance to have your voices heard by all the major players. And maybe even find a new business partner. So check your calendars, and see if you can attend. Your leadership matters!

Let me end on this.

There are more than 3 billion people in this world who are living on less than \$2 a day. The largest number of them are in Africa. Many in Africa also are suffering from AIDS, which is not just a health problem ... it's also a poverty problem.

Free enterprise isn't even in their vocabulary. Yet it is free enterprise that holds the key to their liberation from poverty ... despair ... and hopelessness.

Now, this is where you come in.

I believe the business people in this room have the power to play a big part in unlocking prosperity and hope for the people of South Africa and all Africa nations.

I believe you have a responsibility to your companies ... your employees ... your investors ...to go after opportunities in Africa. This is your job.

At the same time, you would be doing the right thing for the people of Africa because where American companies go, so go American corporate values. Values like good jobs, labor standards, and health care.

You see it with companies like McDonalds, which go into a new market and tap into the community, creating jobs and using local growers and manufacturers to supply their restaurants.

I saw it at a Ford Motor plant in Russia. And the benefits of doing this come full circle. Africa is better off and so is America. Both have a higher quality of life because we're in business together. So yours is a noble calling. And I'm confident you will execute it ably and faithfully.

Thank you very much.