

**Remarks by
U.S. Secretary of Commerce Donald L. Evans
Peruvian-American Chamber of Commerce
December 3, 2002
Lima, Peru**

[As prepared for delivery]

Thank you. I am delighted to be here. I look forward to your questions, but first let me introduce some of the people with me.

Hector Barreto -- Administrator of the U.S. Small Business Administration

Ross Connelly-Executive Vice President and Chief Operating Officer of the U.S. Overseas Investment Corporation.

Maria Cino - Director General of the Department of Commerce's Foreign Commercial Service.

Their agenda is your agenda. They are here to work for you.

And I've brought along a very enthusiastic group of American business executives

Like you, they represent America's finest. They represent one of our greatest exports: entrepreneurs -- people with good ideas, people willing to take a risk.

And they represent some of our most dynamic sectors: energy, services, machinery and equipment, information and communications technologies.

They are here because they know what I know:

Peru is a moving ahead!

President Toledo inherited a country in chaos. Before he took office, Peru was rocked by economic turmoil, caused by political uncertainty, global economic stresses and weather-related disasters.

President Toledo has met the many challenges facing Peru with determination and courage, even at the expense of his political popularity.

Growth is returning. It is likely to top 4.2 percent at year's end-- the highest in South America.

Peru is shipping goods to the United States, duty free, under the new Andean Trade Promotion and Drug Eradication Act. Certain textiles, included in the duty free program, could create 400 thousands jobs in the region.

Eight months ago, President Bush visited Peru He praised Peru's commitment to democracy and the rule of law. And he praised President Toledo's determination to revitalize Peru's economy.

President Bush sent this trade mission to Peru. He believes that that free markets and free enterprise unlock social, political and economic potential around the world.

That's why the President is working hard to complete negotiations for the Free Trade Area of the Americas by January 2005--a free trade area encompassing 34 countries and 800 million people--the largest in the world.

That's why the President fought to win Trade Promotion Authority from the Congress and wasted no time in using it to open trade talks.

That's why the Administration proposes to eliminate tariffs on all industrial and consumer goods by 2015.

And, finally, that's why the President worked to renew the Andean trade preference program and its expansion to cover 700 additional products.

As the President said in his State of the Union address, "In every region, free markets and free trade and free societies are proving the power to lift lives."

Over and over again we see that in an environment of free-enterprise, a spirit of competition takes hold, leading to more innovation, which leads to greater productivity, which leads to more economic growth, which leads to a better quality of life, which leads to a world that lives in peace and prosperity.

That is not a miracle--this is the gospel of capitalism, open markets and free enterprise.

Hernando De Soto, founder of the Peru's Institute for Liberty and Democracy, once said, "capitalism is the only game in town" and thus the way to achieve freedom and equal opportunity.

I've met Mr. De Soto. His land titling ideas, which emphasize the rule of law and asset creation, are exciting. De Soto's work demonstrates how capitalism can empower the formerly powerless.

This morning, William Lash, Assistant Secretary for Market Access and Compliance visited the Institute for Liberty and Democracy.

The United States is interested in imaginative ways to make sure every person shares in capitalism's benefits.

You, in this room, are free enterprises' best champions.

You are the people who make it work. You build the businesses. You manufacture the products. You deliver the services. You create the jobs. And you meet the payrolls.

You, not government, are the engine that drives our growth, prosperity and opportunity.

Your task is not an easy one--especially in times of shocks, set backs and slowdowns.

Yet, the genius of the free enterprise system is that when the going gets tough, you redouble your efforts.

And in doing so, you extend the benefits of capitalism to more and more people.

Everywhere I go, I highlight U.S. companies that invest abroad and understand the importance of giving back to society.

I'm proud of how American companies integrate themselves into the Peruvian community and how you contribute to Peru's well being.

This morning I visited the Pro Nino School, a school supported by BellSouth. I saw an excellent example of Corporate Stewardship.

BellSouth International tackled the problem of children who work instead of going to school.

The Pro Nino program identifies working children from needy families. It provides the youngsters scholarships --that include tuition, books, school supplies, uniform, transportation, tutoring, meals and family counseling.

Tomorrow many of the Pro Nino children will be university students and business leaders. Tomorrow all of them will be productive, educated decision-makers of Peru. And that's just great!

Everyone benefits when American companies practice American values of service, of volunteerism and of social responsibilities.

And we need to do so!

Six billion people live on this planet, and three billion of them live on less than two dollars a day. That's not right. That's not good. We have a responsibility to do something about it.

Today we are at the dawn of the legendary 21st Century we dreamed of in our youth.

Let us together use trade to shape it.

Together we can improve the lives of those in our two great nations -enhancing the prosperity of our countries, strengthening the soul of our hemisphere, and leading the way to a better tomorrow.

That's a tall order. It is also the chance of a lifetime.

Thank you very much.