

**REMARKS BY
COMMERCE SECRETARY DON EVANS
AMERICAN CHAMBER OF COMMERCE
WARSAW, POLAND
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[As prepared for delivery]

President Bush keeps telling me about the trip that he and Laura took to Poland last May. So, I decided to come see Poland for myself.

Wherever I travel in the world, I always try to meet with the local American Chamber of Commerce. American businesses working overseas represent the best of American commerce and the spirit of entrepreneurship.

You are growing America's economy by expanding trade and creating jobs back home. You're strengthening America's reputation by working at the highest ethical and business standards. And nowhere is that more true than in Central Europe. That is certainly true here in Poland, home of one of the largest and most active AmChams in Europe.

Over the last dozen years, your companies have brought capital, know-how, and the American can-do spirit. You have contributed to the remarkable growth and transformation of the Polish economy. I congratulate you.

U.S.-POLISH RELATIONS

On my way here this morning, I stopped at the Tomb of the Unknown Soldier. It reminded me how much the Polish people have sacrificed to win their freedoms, and how much they contributed to the freedom of the United States and of others around the world. Our countries have a strong friendship based on common values. We both love freedom and democracy.

Saddam Hussein's capture deals a defining blow to those attempting to stoke fear in the hearts and minds of the Iraqi people. The people of Poland helped to bring years of tyranny to an end, and they are helping launch an era of hope. Their leadership is vital to our coalition and the Iraqi people as we rebuild Iraq, and lay the foundation for greater global and economic security.

America is proud, and thankful for the support and friendship of the Polish people in the war on terror. In Poland, we have a steadfast ally who understands first-hand the power of freedom. Poland is an ally who has seen the evils wrought by tyranny. Poland is now benefiting from the rewards delivered by democracy.

Americans are honored by Poland's support and friendship. As the President said earlier this year, "America has no better friend in Europe today than Poland."

U.S.-POLISH ECONOMIC RELATIONS

As President Bush told President Kwasniewski the United States is committed to building an equally vibrant economic and commercial relationship with Poland.

As you all know, the brunt of the task falls on your shoulders, and those of your Polish partners. Government has a role to play as well. Over the next day and a half, I will talk with President Kwasniewski, Prime Minister Miller, Deputy Prime Minister Hausner and other officials about creating the conditions to make your job easier and more successful.

In recent months, some of my key deputies -- Under Secretary Aldonas, Assistant Secretaries Lash and Conlin and their staffs, have visited with you here in Warsaw. They told me that the AmCham Board and members were most generous with their time and ideas. I thank you for that.

Tomorrow we will participate in a unique event: the Polish-American business-to-business dialogue. The idea grew out of a meeting in my office earlier this year when Prime Minister Miller and a group of American CEOs. We agreed that we would look to the American and Polish business communities for new ideas and leadership.

So tomorrow, Deputy Prime Minister Hausner and I will sit down with members of the dialogue to see how we can get started.

The United States has a significant trading relationship with Poland. Last year, trade between our countries was nearly \$1.8 billion. And total U.S. investment in Poland exceeded \$8.7 billion.

But we can do better. At the Department of Commerce, we have an aggressive team at our Commercial Service. Our Central and Eastern Europe Business Information Center and other offices are working hard to grow the American presence in the Polish market.

BIG YEAR FOR TRADE

2003 has been a big year for U.S.-Polish trade. In October, Prime Minister Miller met with 29 representatives of 18 American companies who were here for American Aviation Day. They were part of an aerospace trade mission to Poland. Earlier this year, Polish business leaders talked about opportunities with American business audiences in five U.S. cities in a video conference. Dozens of similar events were held during the year.

Other U.S. agencies have been very active. The Trade Development Agency funded feasibility studies and missions. The Overseas Private Investment Corporation is ready to invest significantly in Poland and other Central and Eastern European nations. This spring, OPIC will announce a new manager for a \$100 million fund for the region. The fund is likely to grow in the days ahead. Poland, along with other countries in the region, is set to attract significant capital from this fund.

Let me make one final point about how you can help expand American trade.

Many of our largest companies here in Poland rely on smaller and medium-sized suppliers back home. I believe we could strengthen our commercial ties if the big

guys were to help new-to-the market companies get a strong foothold in Poland. Help them learn the market and grow their exports. In turn, this will make for more reliable suppliers and create jobs back home.

IRAQ UPDATE

As you know, Poland is a key ally role in the war on terror. Poland filled an important role in the campaign to liberate Iraq, and continues to assist in rebuilding the nation.

A few weeks ago, I was in Iraq and met with Ambassador Bremer, the Head of the Coalition Provisional Authority. He asked me to tell you how appreciative we are of Poland's leadership role in South-Central Iraq, and for Polish contributions to humanitarian and reconstruction efforts throughout Iraq. Believe me, our efforts are improving the lives of the average Iraqi. During my trip, I saw for myself the triumph of freedom in Iraq.

I visited with a handful of the thousands of new business owners. I participated in the launch of the new Iraqi currency. I also visited students at Baghdad University. All 22 universities and 43 technical institutes and colleges are open, as are nearly all of Iraq's primary and secondary schools. We are making rapid progress in other areas. Iraq is producing more electricity than before the war. We've vaccinated millions of children.

I can report that after decades of oppression, the entrepreneurial spirit is showing itself on the streets of Baghdad.

Seeing the entrepreneurial spirit flourishing in Iraq makes me very optimistic that a prosperous and free Iraq will stand as a beacon of hope and self-government for oppressed people everywhere.

POLISH BUSINESS IN IRAQ

But to succeed in Iraq, we must stay the course and rebuild after years of neglect. Together America and Poland must invest in Iraq's economy. I was pleased to learn that Poland is sending a trade delegation to Iraq in January, and that a Polish telecommunications firm recently won a \$7 million contract in Iraq.

The United States recently committed an additional \$18.6 billion for the reconstruction of Iraq. We're allowing Polish firms and other Coalition-based companies the opportunity to lead on prime contracts, and to participate as subcontractors. A Polish national, Ambassador Belka, has taken over as Director of Economic Development, which is the top economic policy job in the CPA.

These are clear signs that the United States and Poland are not only partners in the liberation of Iraq, but we're close partners in Iraq's reconstruction.

U.S. ECONOMIC UPDATE

We're fighting for freedom in Iraq and Afghanistan, because we know a free world will be a more secure and prosperous world. President Bush came to office to solve problems; not pass them on to future generations.

On the home front, the President responded decisively to our economic challenges with a pro-growth agenda:

- 3 tax relief packages
- Crackdown on corporate wrongdoers
- Doubled the number of trade agreements
- President's 6-point plan: health care reform, cut regulations, permanent tax relief, tort reform, national energy plan and expand free trade.

The U.S. economy is responding:

- GDP grew 8.2% in third quarter
- Disposable personal income is growing 3.8%
- U.S. stock markets added \$2 trillion in value.
- Last week: the DOW hit 10,000 for the first time in 18 months
- Last four months: economy created 328,000 new jobs
- Low interest rates and inflation
- Record home-ownership
- Rising consumer and business confidence.

U.S.-EU RELATIONS

While the America economy recovers, we cannot reach our full potential without a robust European Union. In recent years, slow economic growth in Europe has hurt both the U.S. and global economies. It's in our mutual interest for Europe to have a strong and growing regional economy with rising demand for goods and services.

Both the United States and the European Union are committed to liberalizing transatlantic trade. Clearly, trade leads to more competition, more innovation, more productivity, and a better quality of life for all our citizens. We have ongoing efforts on several important free-trade issues. They include: negotiating an open skies agreement; cooperation on financial services; and joint work on the Hydrogen Economy.

We are also working to expand trade by dealing with trade-barriers posed by unnecessary standards and regulations. Together with the business community, we're working to create better international standards that expand trade, not deter it.

We're encouraged that this will happen as the EU is joined by 10 new members, including Poland. It's good news for businesses, and for consumers, when you have 25 countries all playing by the same rules. And despite what some pundits are saying: We strongly believe Poland's membership in the EU will broaden and deepen American economic and political cooperation with Poland.

FUTURE OF DEMOCRACY

Europe and America have a shared history and a common future. On 9/11, terrorists killed citizens from over 80 nations around the world. The killers have made it clear that anyone who loves freedom is a potential target.

But President Bush has drawn a sharp line in the sand. He is committed to working with our allies in Europe to stop the terrorists by spreading democracy.

Poland understands better than any nation that liberty is not beyond the reach of any human being. So, when we hear rhetoric from terrorists in the Mideast that Iraqis are not ready for democracy, it's no surprise that Poles are skeptical, and willing to fight and die for freedom.

Poland is meeting freedom's call. By playing a vital role in our Coalition, Poland is helping replace terror and oppression with freedom and hope.

This shared mission has brought Poland and America closer than ever. Now is the time for us to take full advantage of the opportunities for trade and economic growth created by our friendship. All of you here today are soldiers in this fight. All of you have a vital role in helping strengthen our commercial and economic relationship. So let's get on with it.

Thank you very much. Who has the first question?