

Secretary of Commerce Carlos M. Gutierrez
Remarks at the Ho Chi Minh City University of
Technology
Washington, D.C.

Thank you. I am grateful for the opportunity to talk to and meet with a future generation of Vietnam's leaders.

Our two countries have a unique history.

We've made progress in healing the wounds of war. This includes finding the remains of our missing soldiers—and we thank Vietnam for their cooperation in this task. Meetings between your veterans and ours have gone a long way toward increasing mutual understanding and reconciliation.

In recent years we have worked together in many ways to begin a new chapter in our history which brings our nations together as we seek continued peace and prosperity for all of our citizens.

This week I am here to try to build upon our economic ties and create further commercial opportunities that will benefit our economies, our people and our future.

Indeed, Vietnam has experienced tremendous growth—8.2 percent for 2006. Since the U.S.-Vietnam Bilateral Trade Agreement (BTA) entered into force in 2001, two-way trade has increased over 500 percent, from \$1.5 billion in 2001, to \$9.7 billion last year.

The U.S. is Vietnam's top export market and one of the largest sources of investment, and we welcome Vietnam's entry into the World Trade Organization (WTO).

We must move forward and continue to engage and trade with one another. Countries that are truly expanding opportunities and prosperity for their people are the ones engaging in the global economy. Countries like Vietnam. We have both

learned throughout each of our histories that isolation and protectionism don't deliver real results for our people.

This expansion of trade and investment has done a lot for Vietnamese society. It has helped reduce poverty and build prosperity as well. According to United Nations Development Program data, Vietnam's overall poverty rate fell from an estimated 58 percent in 1993 to 20 percent today—a nearly two-thirds reduction.

In order for any country to sustain growth it must maintain an environment that encourages entrepreneurship and innovation. That means low taxes, less regulation, and open and fair trade. Importantly, it means believing in and empowering individuals.

We believe government's job is to develop an environment that encourages innovation and growth. When we do this we put power in the hands of the individual and the private sector—and that's been key to our success.

Another factor impacting a country's economic competitiveness is its people. A country's effectiveness increasingly will be brought about by education and a population with a sense of worldliness.

Every country in the world will need to have a strong system of public and higher education to generate the workers, managers and inventors for tomorrow's economy.

As students at this University and citizens of Vietnam, you will play a leading role in Vietnam's future position in the world.

Education is the great equalizer. It equalizes people inside a country and it equalizes nations. Real social justice is about giving everyone a chance for an education. As Vietnam grows, the education, technology development and innovation that take place here, will increasingly be a source of strength.

Education also encourages connection to a dynamic world economy—an economy that is increasingly interconnected and interdependent. Supply chains span the globe and they are as flexible as they are fragile.

While countries like China face challenges to the safety of their exports, there are hungry competitors in the region and throughout the world standing by.

Vietnam needs to be ready, willing and able to compete. We believe it can best do that by staying on a path of openness and engagement.

Some governments suppress the entrepreneurial spirit and flow of information to their citizens, even by suppression. We've seen it around the world and nearby in Burma. In those countries their people, their economies and their futures have suffered greatly.

With them and others, we believe we—and all nations—have an obligation to raise the issues of human rights. We have a good human rights dialogue with Vietnam. We will continue to push for open markets and international engagement.

As Vietnam continues on the path on which it has embarked there are many opportunities—and challenges—it will face.

By reducing barriers to trade, strengthening the rule of law, protecting intellectual property and encouraging good governance, Vietnam will continue to attract international business and investment. And Vietnam will grow. We will be your partner in encouraging and contributing to that growth.

We are proud of our partnership. Proud of our relationship. Proud of our friendship.