

**Statement of Israel Hernandez  
Nominee for the Position of Assistant Secretary for Trade Promotion  
and Director General of the United States and Foreign Commercial Service**

**Before the Senate Committee On  
Banking, Housing, and Urban Affairs**

**September 15, 2005**

Mr. Chairman, Co-Chairman Sarbanes, and distinguished Members of the Committee,

Thank you for granting me this hearing today. I am humbled and honored to be here as President Bush's nominee for the position of Assistant Secretary for Trade Promotion and Director General of the United States and Foreign Commercial Service. I am also privileged to be here alongside Ambassador Frank Lavin with his nomination to be Under Secretary of the International Trade Administration, Mr. Darryl Jackson to be Assistant Secretary of Commerce, and Mr. David McCormick to be Under Secretary of Commerce for Export Administration

I would also like to thank President Bush and Secretary Gutierrez for supporting my nomination and note how proud I will be to work under their leadership.

If confirmed, I look forward to working with each of you to ensure America builds on its status as the world's largest exporter.

Although my family was able to attend my hearing before the Commerce, Science, and Transportation Committee, they are unable to attend today's hearing. Instead, they are supporting my sister Veronica who is recovering well from a recent surgery. Even so, many friends and loved ones are here today and I thank them for their support.

Before I expand on the importance of trade and market-oriented economies, I would like to call attention to the Department of Commerce's Hurricane Katrina relief efforts. Although we are involved in many aspects of this effort, Commerce Secretary Gutierrez recently established a nationwide Hurricane Relief Call Center (888-4USADOC or 888-487-2362) to shepherd all private sector in-kind donations. The Department of Commerce will serve as the repository for these contributions and help steer each contribution to families and businesses in need of our help. Phone lines at the Department of Commerce will be staffed by caseworkers from 8:00 a.m. to 8:00 p.m. EDT, seven days a week. By establishing the Call Center, the Department of Commerce has teamed with the White House, Department of Homeland Security, and other agencies involved in the relief and rebuilding effort.

In the 21st century, opening our doors to trade is the surest way to create opportunity for all Americans. Trade is not mere economics. Free and open trade is economic diplomacy, which promotes the spread of ideas, friendships, and the habits of liberty—and ultimately encourages the spread of democracy, economic stability, and stronger partnerships.

I come before this Committee during a unique and transformational moment in history. A time when democracy is taking hold around the world and we are experiencing a great shift in economies around the world.

The pursuit of liberty and new opportunities was a motivating force in bringing our Founding Fathers to this great land, and it is this freedom that has become the foundation for the entrepreneurial spirit embedded in the hearts and minds of the American people.

From the first electric light—to the first flight—to nanotechnology, the entrepreneurial spirit that exists today has created a dynamic and vibrant community of enterprises second to none. Government must create an environment where entrepreneurs and risk takers can realize their dreams.

Giants like Ford and Microsoft were not so long ago small businesses striving to realize the dreams of Henry Ford and Bill Gates. Today, small businesses create seventy percent of new American jobs, employ the majority of American workers, and are responsible for the majority of our nation's economic output. Small business owners are economic patriots taking risks and pursuing dreams. A vibrant small business sector is necessary for the economic health of our country.

If confirmed, I pledge to define and lead the U.S. and Foreign Commercial Service based on a clear and strategic mission to ensure that small and medium sized businesses gain greater access to international markets. I will ensure that the team of specialists within the Service has the tools necessary to anticipate the commercial interests of our American exporters and rapidly adapt on the ground to meet their needs.

The U.S. and Foreign Commercial Service, created by Congress a quarter century ago, does what no other entity in the United States can do—provide a global infrastructure in more than eighty countries and a domestic platform in 109 cities with the exclusive purpose of promoting American goods and services. We ensuring a level export playing field abroad, and in 2004, the volume of those export sales exceeded \$26 billion.

The Commercial Service offers end-to-end export solutions helping smaller firms increase profits and lower risks in accessing markets otherwise difficult to enter. The worldwide network of trade specialists provides export counseling, customized market research, trade leads, and advocacy to help companies compete in global markets. This worldwide network is essential to today's market economy in which ninety-five percent of the world's consumers live outside of the United States.

U.S. exports support millions of American jobs. Approximately one of every five factory jobs—or twenty percent of all jobs in America's manufacturing sector—depends on exports. Moreover, research shows that workers in jobs supported by exports typically earn wages higher than the national average.

If confirmed, I will serve as a disciplined and accountable steward of the people's money. I will commit to a thorough assessment of our resources to ensure that the Commercial Service not only meets but exceeds the highest expectations. I will work to build on the essential relationships with partners at the federal, state, and local level—such as the Trade Promotion Coordinating Committee (TPCC). The TPCC is a critical interagency task force that leverages

scarce resources and provides a “one-stop” shop for American companies wanting to expand and sell the goods and services in foreign markets.

Theodore Roosevelt was right when he said, “[t]he best executive is the one who has sense enough to pick good men to do what he wants done and self-restraint enough to keep from meddling with them while they do it.” Organizations are only as good their people, and I will work to foster a diverse environment where the women and men of the Commercial Service continue to grow in discipline and expertise—an environment where our people have the tools and capability to provide the highest quality of service to our constituents—American businesses and their employees, owners, and communities. I will hold myself and the entire organization to a standard of accountability that demands integrity, efficiency, and effectiveness.

I hail from the Southwest Texas border, an area often considered one of the final U.S. frontiers. I am privileged to be here with you today, and my presence is a testament to America’s place as a haven for dreamers and doers. My loved ones—my family and my friends—along with our diverse community, represent America’s potential, and I wish to thank them for all they have done (and will do) to support me in this important post.

Still today people from around the world see America as a land of freedom and opportunity. The President once said, “[w]e in the United States live in liberty, trade in freedom, and grow in prosperity.” We certainly face challenges, but we also face a world of great opportunities, and a choice on how to proceed. If confirmed, I look forward to the challenge of helping ensure that our nation—and its economy—remains a beacon for the world.

Thank for your time. I will be happy to answer any questions you might have and welcome your comments.