

**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
Commerce, Science, and Transportation**

June 16, 2005

Mr. Chairman, Co-Chairman Inouye, 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 would first like to thank my senator from Texas, Senator Kay Bailey Hutchison, for her kind and generous introduction. I am proud of her service and her commitment to our great state and our country, and I am proud to call her my senator.

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.

In the world of the 21st century, opening our doors to trade is the surest way to create opportunity for all Americans. Trade is about more than economics. Free and open trade fosters the spread of ideas and the habits of liberty—and ultimately encourages the spread of democracy, economic stability, and stronger partnerships.

I come before this committee during a transformational moment in history. A time when democracy is taking hold around the world and when there is great shift in our economy and in economies abroad.

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's role is to 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 70 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 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 hold myself and the entire organization to a standard of accountability that demands efficiency, consistency, and professionalism. 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 80 countries and a domestic platform in 109 cities with the exclusive purpose of promoting American goods and services and ensuring a level playing field abroad. In 2004, the volume of those sales exceeded \$26 billion.

The Commercial Service offers end-to-end export solutions to help 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. About one of every five factory jobs — or 20 percent of all jobs in America's manufacturing sector — depends on exports. Research has shown that workers in jobs supported by exports typically earn wages higher than the national average.

If confirmed, I will be 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.

Theodore Roosevelt was right when he said, "The 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." Any organization is only as good as its people, and I will work to foster a diverse environment where our men and women in the Service continue to grow in discipline and expertise and provide the highest quality of service to our constituents — American businesses and their employees, owners, and communities. Integrity, efficiency, and effectiveness will be at the core of everything I seek to accomplish.

I hail from the Southwest Texas border, often considered one of the last frontiers in the U.S. The privilege to be here with you today is a testament to America's place as a haven for

dreamers and doers. My loved ones—my family and my friends—and 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 the vast opportunities on which I embark.

Still today people from around the world see America as a land of freedom and opportunity. The President once said, “We 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.