

Fact Sheet: How Commerce Promotes Freedom and Democracy

U.S. Commerce Secretary Carlos M. Gutierrez Discusses Freedom and Democracy in the 21st Century at the Woodrow Wilson International Center for Scholars

“One big contribution we make to the expansion of freedom in all the world is through commerce and free trade and investments and in the age-old tradition of doing business with different countries, which incredibly does wonders to relationships.”

– *U.S. Commerce Secretary Carlos M. Gutierrez, 11/06/08*

Iraq and Afghanistan

The Department of Commerce has established Reconstruction Task Forces to work with U.S., Iraqi, and Afghan business interests to help develop the private sector through the improvement of a market conducive to investment, trade, and private sector growth.

Iraq

- **U.S. companies are doing business in Iraq again and Iraqi businesses want to engage with the United States.** Companies such as Boeing, Proctor and Gamble, and Pepsi are now doing business in Iraq.
 - Earlier this year, Boeing signed a \$5 billion commercial aircraft deal with the government of Iraq. Pepsi has reinstated its partnership with the Baghdad Soft Drinks Company to produce and distribute soft drinks in central Iraq. This partnership is expected to create 2,000 jobs over the next several years.
 - Commerce’s Commercial Service office in Iraq has recruited and led six Iraqi business delegations to the U.S. this year, with two more scheduled before the end of the year. Since March 2008, we have assisted more than 250 Iraqi businessmen and women obtain business visas to attend trade shows and conduct meetings in the U.S.
 - Secretary Gutierrez has traveled to Iraq twice and Deputy Secretary of Commerce John Sullivan led nine U.S. companies on a trade mission to Northern Iraq in June 2008.
- **Security and economic conditions in Iraq are improving, which opens the door to further business investment.**
 - Inflation has fallen by more than 60 percent since 2006 and economic growth is projected to be more than seven percent this year.
 - From the summer of 2007 to September 2008, oil production rose by 400,000 barrels per day.

Afghanistan

- **Commerce’s Afghan Reconstruction Task Force has worked with Afghan businesses to help companies leverage their advantages in key export sectors:** rugs, marble, fruits and nuts.
- **Conditions in Afghanistan have improved for businesses and the Afghan people.**
 - GDP per capita has increased by 70 percent since 2002.
 - Over 13,000 kilometers of roads have been built, improved or rehabilitated, enabling goods to reach markets faster, encouraging small business development and helping commerce to grow.
 - Significantly more people in Afghanistan now have access to basic healthcare and many more children are attending school than under the Taliban regime.
- **Commerce supports Afghan businesses.** Secretary Gutierrez has traveled to Afghanistan twice and led a 2007 trade mission of U.S. rug businesses to attend the first Afghanistan International Carpet Fair in Kabul. And in October of this year, Deputy Secretary Sullivan led a dialogue aimed at reducing barriers to U.S. companies interested in doing business in Afghanistan.

The Republic of Georgia

- **Georgia is an important ally and a strategic partner of the United States. Georgia's economy is growing and the country is ripe for American companies to do business.** Under the leadership of President Saakashvili, Georgia has committed itself to reform and economic liberalization.
 - Last year, the economy grew by 12 percent. The World Bank's *Ease of Doing Business Report* has ranked Georgia 15 out of 181 countries measured.
 - In the last decade, trade between the U.S. and Georgia has grown from \$150 million to nearly \$600 million.
- **To show the commitment of the United States to Georgia, Secretary Gutierrez attended President Saakashvili's inauguration in January 2008 and Deputy Secretary Sullivan traveled to Georgia in October 2008 on a trade mission and business summit to strengthen economic ties between our nations.**

Freedom in the Western Hemisphere

- **Throughout Latin America, governments from across the political spectrum have seen the benefit of opening their economies and unleashing the entrepreneurial spirit of their people.** Many countries have rejected false populism and have embraced economic liberalization.
 - Countries such as Mexico, Chile, Peru, Brazil, Uruguay, Panama and the Dominican Republic are all growing and prospering. They all recognize that increased economic cooperation and trade foster growth.
 - Over the last eight years we have negotiated trade agreements with nine Latin American countries and FTAs with Colombia and Panama are awaiting Congressional approval.

Colombia

- **Under the leadership of President Uribe, Colombia has experienced a dramatic turnaround.**
 - Last year, the economy grew by 7.7 percent and poverty and unemployment are at their lowest levels in decades.
 - Crime is down. Kidnappings are down by 83 percent and homicides are down by 40 percent since 2002.
- **The FTA is good for Colombia and good for the United States.**
 - We must help Colombia solidify these gains by passing the U.S.-Colombia FTA.
 - It has been over 700 days since the U.S.-Colombia FTA was signed. In that time, U.S. exports to Colombia have faced more than \$1.3 billion in tariffs.

Cuba

- **As Co-Chair of the Commission for Assistance to a Free Cuba, Secretary Gutierrez has made it a priority to explore ways the United States can help hasten and ease a democratic transition in Cuba.**
 - The United States has revised regulations to make it possible for Cuban Americans to send cell phones to their relatives in Cuba.
 - The United States offered five aid packages to provide Cuba with humanitarian aid after the island was struck by multiple hurricanes in 2008. The Cuban government refused each in turn, instead requesting that the U.S. lift the embargo and sell them goods on credit.

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