Statement of David H. McCormick Under Secretary of Commerce for Export Administration-Designate before the Committee on Banking, Housing and Urban Affairs

United States Senate

September 15, 2005

Chairman Shelby, Senator Sarbanes, and Members of the Committee:

It is a great honor for me to be here today as the President's nominee for the position of Under Secretary of Commerce for Export Administration. I thank the President and Secretary Gutierrez for their confidence and trust in me. I'd also like to thank my wife, Amy Richardson, for her ongoing support and dedication to me and our three young children. I appreciate the time that a number of members of the Committee have taken in the past few weeks to meet with me individually to discuss a range of important topics. I regard consultation with this Committee as a very important and ongoing process, and if confirmed, I will look forward to working closely with you and your staffs in the future.

As its name suggests, the Commerce Department's Bureau of Industry and Security, which I would lead as Under Secretary, operates at the intersection of issues involving industry and national security. The Bureau's primary mission is administering and enforcing U.S. dual-use export controls, but its responsibilities go far beyond that. Across a wide range of activities from ensuring U.S. industry compliance with international arms control treaties to monitoring the health of our own defense industrial base, from implementing the Defense Priorities Allocations System to spearheading ongoing high technology cooperation talks with India, the Bureau's central objective remains the same: establishing a solid foundation of security upon which U.S. exports can grow and U.S. industry prosper.

As the former CEO of a global technology company, I understand very personally the challenges U.S. companies face in maintaining competitiveness and negotiating their way through an ever-changing regulatory environment. I recognize too that both U.S. prosperity and security in the longer run depend on government's ability to minimize the burdens it places on industry, creating an economic climate where businesses can compete effectively and fairly in the global marketplace.

At the same time, as a former soldier and concerned American, I also fully appreciate the critical importance of protecting this country's security by ensuring that our sensitive technologies do not fall into the wrong hands. Our national nightmare on 9/11 made all too clear that these sensitive technologies in the hands of our adversaries, or even potential adversaries, abroad pose a devastating and unacceptable threat to us at home.

If confirmed, I am committed to pursuing policies that advance these complementary objectives – enhanced security and expanded trade. Indeed, in today's rapidly changing, technology-driven environment, one cannot be achieved without the other. I am also dedicated to collaborating with colleagues and key stakeholders throughout the administration, the Congress, and industry, to ensure these policy decisions best optimize these objectives. Finally, I am devoted to bringing focused leadership and management to the Bureau of Industry and Security and acting as a conscientious steward of the valuable taxpayer resources that would be entrusted to this office.

I'd like to conclude my remarks by thanking the Committee for its prompt consideration of my nomination and by reiterating my commitment to working closely with you. I am happy to answer any questions that you may have at this time.

Thank you.