

U.S. Sen. Maria Cantwell (D-WA) Floor Speech on U.S. Trade

February 4, 2025

Sen. Cantwell: And Madam President, I come to the floor to talk about export strategies, collaboration, and American principles.

Madam President, no one likes to be left behind. I know somewhere people think there is this, 'I win, you lose,' mentality. But what happened to 'let's grow the pie' instead of just hoarding a few pieces that are left. Growth, not contraction, is the right solution.

The world is more connected, not necessarily just because of globalization. We are now more connected because of technology, and nothing we are doing is going to stop that. The speed of information is empowering anyone with an internet connection aided by the brain of an AI app to get answers and ideas hundreds of times faster than ever before.

Do we need new principles for the Information Age? Rules the world and we should strive to adhere to? I definitely agree.

But Madam President, I thought we were for capitalism.

Yes, capitalism in the information age needs better rules so markets aren't distorted, because markets need to be properly policed, and they aren't right now. And I believe that the U.S. should aggressively define the rules in the information age.

I believe in a technology NATO -- a model of key democracies and key sophisticated technology countries, defining the rules of the information age and telling anybody who wants to follow that, we'll give you a discount on our technology, instead of those who are advocating to buy from people who have a government back door. Or even in today's analogy where you allow somebody to have a government back door to your technology.

Madam President, capitalism is still the largest, smartest export America wants to export. We want open markets, and we want more people to sell to. 95% of consumers live outside the United States.

Now, it's clear not all the world community is down with capitalism, especially places like China or North Korea. But that doesn't mean that we shouldn't continue to advocate for it.

What has U.S. advocacy for capitalism done to grow and stabilize the world?

I would say immeasurable. Immeasurable. Immeasurable. Immeasurable.

In fact, the period from the end of World War II to the early 1970s is considered one of the greatest eras of economics expansion in world history.

In the U.S., gross domestic product increased from 228 billion to just under 1.7 trillion in 1975.

So, whether it was Germany, Japan, South Korea -- we have brought about a world economy because the shiny American dream was worth chasing.

So, whether it was setting market rules, growing exports, investing in innovation -- this is the poster child of what the United States of America has been about. It has not been a story about contraction, it has been a story about growth.

The impacts of the U.S. economy can't be ignored, but to out compete our adversaries, we need coalitions, not go-it-alone, strategies.

Why do we fear this if we think our principles are correct?

But somehow the current administration thinks that we've been hurt more than we've been helped in this global equation, and they want us to believe that somehow there is a win-win situation on tariffs that they can deliver on.

The American people are demanding leadership here in Washington. They want us to work together. They want us to have the best interest of the country at hand. My guess is they think that on a global basis too. I know my farmers do. Farmers always the big potential loser in a trade war, want us to work out better economic opportunities for their future.

But there are those in this administration who think we can close our borders, chill trade with tariffs, and somehow make time stand still.

Well, I got news for people, the information age has blown a hole in that theory, even if there was justification for the time stand still theory before the information age. You just cannot drop anchor in the middle of this storm. You need to get to a stable harbor and create an opportunity for the future. And trade, Madam President, not only grows economic opportunity, it helps change culture, and there are some cultures that are worth affecting.

It's better to have a job than be attracted to join a terrorist organization. It's better to create economic stability than fueling poverty and migration. And tariffs are a distortion of markets. Tariffs mean we disagree. It very rarely means the disagreement will be resolved quickly.

It usually means people will retaliate, and the escalation of that retaliation will hurt consumers so much so that eventually someone will blink.

The payers in this dispute, though, are never the government leaders. No, it's the workers who lose their job. It's the family that pay higher cost. It's the community that lose their economic activity and tax revenue.

And that is why it is so important in this day and age that we talk more about the three C's -- collaboration, capacity building, and coalitions.

Capacity building gives us the ability to accelerate innovation. Trust me, one thing I know about traveling in my state, I'm sure it's true in other places too, innovation is not only in the DNA of Americans, it is the history of our country.

Whether electricity, aviation or the internet -- credit goes to the United States of America for innovation and inventing future economic opportunities, not just for us, but for the entire world.

But now we are an innovation race defined by AI and quantum, and according to the World Economic Forum, the United States generative AI may increase gross domestic product between \$2 and \$4 trillion per decade. Boston Consulting estimates that quantum computing could generate \$850 billion in annual revenue by 2040.

So, are we going to focus on those things? Winning the races? Or are we going to allow a contraction that hurts everyone?

Obviously going all in on AI and quantum can help ensure that our country maintains both economic and military advantages, but we definitely have to collaborate with like-minded nations who also want to grow AI and set the rules, if you want to beat China's ultimate Belt and Road Initiative -- DeepSeek.

So what do we do about the domestic impacts of trade? Well, I can tell you some sure don'ts right away. You don't abolish the Trade Adjustment Assistance Program, designed to protect impacted workers from trade, which is what has happened with the other side of the aisle. We need to be intentionally upskilling workers to help them in impacted sectors. I have met and talked to so many Americans. They are smart, talented, hard working, striving, and they only ask for one thing, opportunity.

If you bet on them, they will do the rest. I often think, Mr. President, of two major shifts in workforce policy in the United States. World War II, where we didn't have a workforce, and the women showed up in the factories and delivered production. And when the men returned from World War II, and everybody wondered what the economy of the future would be, and we gave them the GI Bill, and they created it

So we don't cut workforce training. We invest in two-year skill training programs at our high schools. We make sure that we turn to apprenticeships. We return to the skilling of the jobs that are needed today. You also don't cut export programs like the State Trade [Expansion] Program, STEP, or the Export-Import Bank.

But what do you do? Well, let's go back to those three C's, collaboration, coalition building and capacity building.

We will bring more high wage manufacturing jobs back to the United States, fostering the investment landscape by continuing on the path of the CHIPS & Science Act and the Bipartisan Infrastructure [Law], those have put real investments in the United States of America and have started us on the path towards growing the middle class again. But we need to continue to invest in science.

We need a robust R&D tax policy for inventors and manufacturers, and we need to help our manufacturers with capital investment, equipment modernizations, to help them with their factories. I've seen this in places like Madison, Maine or Longview, Washington, where we helped revitalize [a]longstanding paper industry into new opportunities for the future.

So how do we deal with China? Well, they aren't playing by the rule. They are manipulating and flooding markets, but I guarantee you that just a fear of China is not the answer, and solutions like collaboration and coalition building are critical, particularly in the information age. China does have the largest gross domestic product, about 19% of GDP.

In the global economy, the US represents about 15%. But if the United States works to create markets with like-minded partners like Japan, Europe, and the UK, and builds a coalition of like-minded democracies grounded in the rule of law, we can flip the script and have a market representing 34% of GDP.

And if we take the next step and expand coalitions to include partners like Canada, South Korea, Australia, New Zealand, and India, then we're looking at a market that, instead of China's 19% accounts for almost half, 47% of global GDP.

So why aren't we focusing on that economic opportunity? A lot of people say, well, that's not the America of today, but I'm pretty sure Ben Franklin, about the time he was focusing on electricity, also went to France and helped to build a coalition essential for the founding and continuation of our country. So don't tell me it's not in our DNA to do this. There is so much more we could and should do working with our allies.

Obviously, I mentioned a few -- research and development in artificial intelligence, commercializing quantum, scaling, safe, affordable fusion technology. And there are many members of Congress who were working on these bipartisan ideas. But we have to remain competitive, and we cannot allow this debate about tariffs to take us off our historical course as a nation.

As I mentioned, we mapped out how to get investment in the United States of America, and now we need to follow that with the training and skilling of American workers. As the AFL-CIO President Liz Shuler and Microsoft President Brad Smith at a recent meeting in Seattle agreed, we need to train and skill 500,000 electricians for the United States. Why can't we here agree and accelerate that?

I'm not even sure we can agree on the acceleration of air traffic controllers, and we have every reason to get that done.

Last week, I spoke about additional investments the United States needs to make in Panama, Latin America, and others, to modernize bilateral agreements that help us counter China. And as I mentioned, I believe in an aggressive EXIM bank investment to counter China's Belt and Road Initiative.

Free trade agreements are a way for us, not tariffs, to gain the leverage we want. South Asia could play an important role in this coalition building, particularly in the Indo-Pacific region. But I want us to go further. I want us to understand that U.S. led negotiations in a Middle East free trade agreement to build on the momentum of a cease fire in Gaza could further stabilize that region, that investments in other programs.

And Mr. President, it's tragic that the administration fails to understand the important role USAID plays in [global] capacity building.

How will we know that strategy works? Well, I suggest we will know when we're growing the middle class in the United States of America again. Mr. President, the bills we have passed in investing and allowing us to innovate faster are on their way to doing that. Let us not have a trade war disrupt that and dismantle what has been history after history lesson of economic success of this nation, fighting for open markets, capital opportunities, and investing in the ingenuity of America.

I thank the President and I yield the floor.