Joe Lonsdale American Optimist
- Interview with Jacob Helberg US under secretary of state for economic affairs -

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Joe Lonsdale

Jacob Helberg

Episode intro
0:00
In the history of human civilization, we have never encountered a time when you
0:05
had a technology that led to mass unemployment. Many people are skeptical of AI in the US.
0:10
People would have said that personal computers would put a lot of secretaries out of work. In reality, the PC
0:15
revolution gave birth to the software industry and it displaced 3.5 million jobs, but it actually created 19 million
0:22
jobs in America. For all of the noise in the press, unemployment is still below 5%. We are at the center of the biggest
0:30
economic revolution in over 100 years. Let's talk about PAX silica. We are probably engaging in the biggest
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reorganization of the global supply chain in a very very long time. We need to win the race for global market share.
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We need to win the race for innovation and we need to win the race to secure our supply chains.
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CEO and co-founder
1:00
Now here [music]
1:07
under Secretary Jacob Hellberg is working with the Trump administration and Secretary Rubio on pack silica. He's
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securing [music] supply chains, minerals, energy, all the things we need for the AI revolution. And he's
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partnering with new countries to make them key allies. Who's going to grow faster? What countries are going to be

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left behind? What does AI diplomacy look like in the next era of American dominance? How is China pushing back?
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And how is America working to make sure we're positive some allies to lift up all of our allies versus China
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expropriating from them? Jacob Hellberg is optimistic on the US and the next great American century. Welcome to
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American Optimist. Really excited to have my friend, Under Secretary Jacob Hellberg here with us. Jacob, you're the
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founder of the Hillen Valley Forum. You're also an author of the wires of war, technology, and the global struggle
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for power. It's good to have you here in Austin.

Joe, it's great to be here.

You were confirmed as under secretariat last fall. Uh what's your mission and
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why why are you doing this?

So our core mission at the state department in the economic under secretariat is to secure our supply
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chains. There are three axes that we need to three conditions we need to meet to win the AI race. We need to win the
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race for global market share. We need to win the race for innovation and we need to win the race to secure our supply
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chains. China is on a path to decoupling from us and derisking all of its single
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points of failure. It's absolutely essential and I think the last 20 years of lived experience has shown us the
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importance of actually de-risking the choke points that our economy depends on and that's why we're doing deals around
Historic deal with Philippines
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the world on energy on minerals and on infrastructure and it's incredibly
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exciting about the progress we've made.

So what's the most like surprising or interesting thing you learned so far?

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Well, the amazing thing that I've learned is just the enormous insatiable appetite that the world has for American

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technology. And just last week, we signed a historic deal with the Philippines, 4,000 acres right next to
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Subi Bay, uh, where we're going to build a firstofits-kind AI native industrial
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park. And the goal is really to secure inputs that are vital for American and global supply chains. As you know, we
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are engaged in a massive re-industrialization effort in the US. A lot of those factories depend on so many
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different inputs that come from all corners of the world. And right now, there is a massive overconentration of
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those inputs from China. And so the goal is we are walking and chewing gum at the same time. we need to re-industrialize
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at home while making sure that all the factories that are in Ohio and in Oklahoma and in Virginia actually have
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all of the inputs and niche motors and components that they need to keep running and actually being cost
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competitive. And so we're looking and triaging interests from a number of different companies um in order to to
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consider, you know, what the long-term buildout is going to look like in the Philippines. And it's very exciting to
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actually build this out from first principles and actually create a platform out of it.

I love it. I was there for a day in the
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Philippines with with everyone. They're they're excited what you guys are doing.

Yeah, you were there right when we were in the uh last mile of of negotiating
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that agreement actually.

Well, I'm glad I didn't screw anything up for you. [laughter]

Yeah, they they they they were they were
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actually raving about you. So, very good.

The president's an interesting guy. My friends are close to the defense secretary. You got some
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competent pro- US people over there. I'm a little worried about the impact of AI on their BPO [Built Processor Outsourcing] economy. So hopefully we can
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build some stuff with them. It's a good good ally. Uh so so you get to work closely with some interesting characters. Uh what's
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it like working with with Marco Rubio?

You know, he has really set an example of professionalism at the department.
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The department is incredibly well-run. We have no leaks. We are a very low
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drama department. Everyone is heads down focused on advancing the president's
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agenda. Um, we have, you know, had an incredibly successful tenure. I mean,
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the operation Venezuela was incredibly historic in terms of regaining influence
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in our hemisphere. Um, and we are actually raising all of the right and hard questions with Europe, um, which
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are really overdue. I went to Europe, as you know, I lived in Europe 18 years and went my mother worked at the European
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Commission, believe it or not.

Oh wow!

I, I so I went back to Brussels a few weeks ago, and I told them, you know, um
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it when you really love someone, the and someone who's sick, the empathetic thing Jacob's background
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to do is actually tell them that you're worried about them and that they're not
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doing well. Um, it is not. There's nothing empathetic about self-denial and pretending like everything is completely
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fine when it's clearly not. And the reality is we are Europe's only ally who
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cares about them enough to be willing to have those hard uncomfortable conversations. And so I think that
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message was generally quite wellreceived. Um, Europe has not grown
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meaningfully in over a generation and everyone can see it. And you travel around the world. I you know I've
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certainly talked to lots of people from around the world and it's really gained an international reputation for
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overregulation and low growth and it's incredibly sad because it's a place that
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has given birth to so much ambition and adventure and innovation for 2,000

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years. It's really really sad to see in just 50 years 2,000 years of civilization being unraveled.

It's
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really interesting because there's all these historical theories on why Europe was so dynamic and I think there's like certain competition that's really good
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that was really helpful to it. Obviously, you don't want another world war and so I think because of the world wars they've kind of like brought
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everything together but then but then somehow it's just totally stagnated. Your mother was what did she do for the government there earlier?

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Yeah. So she was uh a web programmer so she was you know not really a politician
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at all. Um she was a web programmer for um the the they call them DGs. It's
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basically like their equivalent of ministries basically for the DG education and culture. Um she had a
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very, you know, sort of small, you know, humble job as a programmer there. Um she
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was the editor-in chief of a magazine in Paris back in the early 90s, but then left the job market for a long time
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because when my sister and I were growing up to be a stay-at-home mom and so by the time she reentered the
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workforce, the industry had totally changed. So she actually taught herself how to code um at 47, believe it or not.
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and uh and then just became a programmer and so she was doing that and I think you know like a lot of Europeans she
Why is Europe falling behind?
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really wanted to believe in the European project of the European Union but I think [clears throat] it's it's you know
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for people who really remember what Europe was like in the '90s um it's really hard to look back at the last 30
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years and conclude that Western Europe today is better off than it was 30 years ago.

So if we're talking to them, like
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what are we telling them to do differently? Like like what does Europe need to do in your mind to get back to where it needs to be?

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Totally. And well, so the good news is the Draghi Report, you know, who was
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obviously authored by Mario Draghi um you know, an institution of of in the
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European establishment really basically says um says exactly that that Europe's
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economy is anaemic. It needs to deregulate. It needs to put an emphasis on productivity. And any regulation in
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Europe needs to factor in the impact on growth. And you know, sometimes I hear
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European politicians, they run for office, they're in office, they do these interviews, and they kind of lay out
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these super complicated plans for, you know, somehow reviving the economy. When
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in reality, it's actually not that hard. All you have to do is have a secure
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border, deregulate, lower taxes, and bring down the cost of energy. That's it. If you do that, investment will come
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pouring in. You will have growth again and people and you'll start to see unemployment start to decline. And
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Sarkosy kind of did this in the late 2000s and France's unemployment was actually trending towards 5%. But
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obviously that was cut short.

It seems like there's an element related to that where they're just really negative on
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successful people. There's I don't know if it's a jealousy or it's just like criticism for sticking out or there's
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something there's something about how like there's something wrong with you if you if you're too successful there which seems to be very anti-growth as well. Is
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that tied to it at all in your experience?

Yeah. And it's it's interesting because in a way [clears throat] and our friend Alex Karp
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actually talks about this a lot about how you know there there's something really unique about American culture and
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that has given rise to Silicon Valley and when a lot of countries have tried to replicate Silicon Valley but there
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really is you know to have Silic to have a community like Silicon Valley you need
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a certain cultural approach to risk-taking um people being willing to be heretical
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and contrarian.

The heretical thing is really key.

And in Europe, you know, culturally, I
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actually think that strand definitely used to be there when you look at, you know, all the incredible um thinkers
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and, you know, researchers. But today, I think the inertia is just so strong
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where if you stand out too much, you kind of get cut down, you know, because you're ridiculed or, you know, the press
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just totally goes after you. And so, and so I think, you know, the culturees kind of changed in a way where it really
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strongly disincentivizes risk-taking and and heterodox thinking.

I talked about this with Sham earlier
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and the how in the Pentagon it was always the heretics who like went against the bureaucracy and did the right thing and forced it through that
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that kind of made everything work and it feels like in Europe right now you're saying they're particularly against the heretics particularly against people
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that think too differently right now.

Yeah. And if you look at I follow French politics a little bit more closely than
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other countries simply because you know by virtue of my own background. But um you know they come up with these
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concepts you know frankly in France you for a long time I think one of the
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frustrations that the public has had is that the options that a lot of people have had um in politics is a left is a
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uh left-wing leftist government and a right-wing leftist government. And there has lacked, [laughter] you know, an

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actual right-wing government.

This is like in UK like the Tories and Labor. Like the Tories ruled like the Democrats and then that didn't work. So
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now they're going with like the far-left Democrats and stuff.

Yeah. Yeah. And so and so now you basically have [clears throat] um you
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know, Marine you you kind of have an ecosystem of you know, a handful of different parties primarily led by Marine Le Pen's party who actually have
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you know, more right-wing viewpoints on immigr at least on social issues on immigration and security. And, you know,
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they brand them as faright, you know, they're and they come up with these things like the sanitary cord, you know,
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as though these right-wing parties are just beyond the pale and a fundamental threat to the republic. And it's just
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it's so crazy because what you're doing is you're basically telling people and voters that if you support those
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parties, you are, you know, basically, you know, emulating, you're right there
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supporting the Nazis basically is kind of what the implication is.

Which is ironic because you obviously support a lot of that and you yourself
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are Jewish as well.

So yeah. Yeah. I mean I you know I think I think the fact that we have gotten to a
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place where um where you know some schools of thought have emerged and it's really a global phenomenon where um
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having a border is seen as being radical and you know wanting to have uh
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workforce flexibility to be able to have a dynamic work environment is is seen
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controversial I think is really really a shame and and I think you know the
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interesting thing is um And frankly, I think Americans are actually pretty good at being clinical about these things.
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But if you just look at the evidence, countries who actually have a more capitalist approach to their economy
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actually outgrow and do better than countries that are more socialist. And that's just a fact.
The asymmetric power of tech
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And I really wish Europeans saw that and kind of took that feedback because it
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feels like they're trying everything but that.

Oh, it makes sense. Well, Jacob, you worked at Google in the past. Uh I think
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it was the US China Economic Security Commission at Brookings. You were at Palantir for a little bit. How did
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these shape your interest right now? I guess is so you're working a lot on AI. Is it do those does that kind of lead into that?

Yeah. So it's interesting because um so
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I worked at Google right when you know tech policy became a thing. Um it really wasn't seen as uh a field, you know, uh
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a an issue worth, you know, a big topic of discussion. um uh until about you know
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the mid to late 2010s basically and then you know tech there was just all sorts of tech policy debates that started
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emerging. Um and then joining Palunteer really you know helped me uh gave me a
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window into these two huge trends you know the AI revolution and the global rearmament that is uh taking place
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around the world uh and how technology is changing hard power and it's really
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fascinating because it it really shows how um the asymmetric nature of
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technology and how you can have you know really small I mean for a long time our
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our foreign policy debates were dominated by very linear thinking. So people said you know
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China has 1.4 four billion people. Therefore, they will inevitably you know become the largest economy because if
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you know you just if their u uh GDP per capita you know rises remotely close to
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ours obviously they're going to overtake us by a lot. But that school of thought
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had a fundamental flaw which is it didn't factor in for the asymmetric power of technology. the it's true that
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China will catch up to us. If you assume that we live in a world where the
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[clears throat] the prevailing uh economic trend is convergence um as you know you know from the world in tech you
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don't have convergence sometimes you have divergence and sometimes you actually have you know um unlinear
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nonlinear growth and and and it's interesting because you can have you know at a micro level um
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you can see that with a country like Israel that has less than 20 million people that has a bigger GDP and a and a
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stronger military than Nigeria that has a quarter billion people. And it just goes to show how tiny Israel
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actually has a larger economy than a quarter billion people country.

Technology could be very divergent. It's
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right now very divergent. Very diverent. Especially right now. So, so this is this is a moment in time where it seems very divergent. We're all living through
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everything going on with mythos and with all productivity. I'm very bullish on productivity. It's going to reshape our
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country.

Totally.

Um, but you know, if you look at the polling, many people are skeptical of AI in the US. Like, like,
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how do you think about this? What's the optimistic case for AI?

I think the optimistic case is for all
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of the noise in the press, unemployment is still below 5%. And so, people, you
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know, keep talking about mass unemployment scenarios as though we are living in a mass unemployment
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environment when the reality is the labor market is actually pretty tight. We have unfilled jobs for technicians
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for lots of different, you know, fields in manufacturing. It's really hard to hire because we have
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it's so hard to hire. There's like seven million unfilled vocational jobs. I have this very obnoxious view which is that
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if you like are not mentally retarded and you want to learn and work, you can get a job right now, which I know you're
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not supposed to say as a politician, but that is the case right now.

It's there are a lot a lot of unfilled jobs and and and the data shows that
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unemployment is historically very very low. We are at full unemployment. Uh the IMF standard for full employment is
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about 5% and we're actually below that.

I want someone to like email me and tell me how they like can't if they're willing to learn and they're willing to
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go to vocational school, which we're willing which we pay for by the way in the government, like how they cannot get a job. I just I I feel I feel like it's
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just like Yeah. I don't understand where people are coming from. I don't know.

Yeah. And and and you're seeing productivity go up a lot right now. I
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mean, we're at 5% productivity growth. Um and and so I think you know the the
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um I think the bull case is in the history of human civilization we have
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never encountered a time when you had a technology that led to mass unemployment
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and and so you know there's I think you know in in the the the debate um on on
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the future of work I think you can look back at history and say if you look at the computer revolution people would
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have said that personal computers would have put a lot of secretary is out of work. But in reality, the PC revolution
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gave birth to the software industry. And it it displaced three and a half million jobs, but it actually created 19 million
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jobs in America.

I'm definitely paying for a lot of administrative assistance right now for various things, not just for myself, but
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for all my teams and for everyone. It seems like we're still using them. Uh so part of your job as under secretary, Jacob, is is examine how AI and other
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advanced technologies impact geopolitics. Like how's this changing national security, balance of power? What does it mean for these things?

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Well, it's going to mean that, you know, and the interesting thing thing is we launched Pax-Silica, which is a fundamentally different grouping than
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the G7 and the G20. And the G7, which is obviously an artifact of the Cold War,
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um you you're really seeing diverging growth. And because AI is productivity,
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productivity means growth. And so, uh economies that are leaning into AI are actually growing a lot faster than
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economies who aren't. And what we're seeing is the Pax-Silica countries are growing um roughly around 4% year-on-year
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compared to G7 countries that are growing somewhere in the zone of 1%.

Wow. And that kind of diverging growth is
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likely to lead to if you extrapolate that for a decade it's like it's likely to lead to a very different map 10 years
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from now. Four versus 1% right now as the average. And so yeah because that that means you're doubling in 18 years versus
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doubling in 70 years.

That's right.

. . . . . generation of this and you're a totally different country. Totally different country. Which is what happened to Europe, by the
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way, is just they don't realize they're the poorest relative to all of our states because we've just been growing so much faster for a generation.
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Yes. And and they think that they're not doing that badly because, you know, they're they're they're in a low growth
Global Competition: China, AI, and Diverging Growth
19:19
environment, but they're not in a recession. And so they think it's not a crisis, but when the rest of the world
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is growing at 3%, it actually is a crisis because you are becoming relatively poorer than everyone else.

How do you assess China's capabilities
19:31
in the AI race?

So, you know, it's interesting because China is without a doubt our our most
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formidable competitor. They their superpower is their incredibly deep manufacturing ecosystem. With that being
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said, our software companies are better by a lot. I mean, it's we are objectively leading in in AI um and in
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model development. Um you know, China has a lot of problems. They uh they're at a macroeconomic level, their economy
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is really not doing well. um they are decelerating at home. You know, their data is really falsified and they
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actually tried to hide their books. Uh so much so that they've made it illegal for people within China to ask too many
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questions or do due diligence on their economic indicators.

Yeah. What people don't realize is in China they just make a lot of this
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illegal to ask and figure out.

it's their economic indicators are untethered
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from reality and um they're not growing at you know four or 5% whatever the
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official number is um and and so their economy is not doing well and so the interesting thing is that they are
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actually entering a phase where they're becoming a little bit more akin to you
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know where the Soviet Union was back in the late '70s which is low growth but
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still very very technologically formidable.

I mean there's amazing things they're doing with innovation and manufacturing
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obviously like there's certain areas where I think they are even ahead of us but then I think when you have a communist economy and Xi Jinping really is
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much more of a commie than any of us I expected anyway 10 years ago it just it just breaks things I guess, you know?

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yeah and you know I always find it interesting when people overseas want to invest in China because every successful
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person in China all they want to do is get their money out of China and so to me you know why would you want to put
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your money in a country that doesn't believe in the right of private property and where all of the elites want to
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basically, you know, find clever ways of getting their money out of the country. To me, that's obviously a red flag. Um,
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but you know, it's they have really wrecked their economy, but we, you know,
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are obviously they're never to be underestimated because their manufacturing ecosystem is incredibly
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powerful.

Yeah, I guess they have these free economic zones that you just get way ahead and that we partnered with for a generation. So, they have some

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advantages there. You know, it's kind of sad. I kind of wish that they weren't communists and we could work with them because there's so many amazing Chinese
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people there who are so talented. But I think for now we it's . . . . .

A lot of them in Silicon Valley.

. . . . . well, we get this parallel with Silicon Valley, for sure. You know. So, let's talk about Pax-Silica. This is something you created with the secretary with Secretary Rubio
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like what does a diplomacy look like? What are you guys doing here?

So, Pax-Silica is an economic security coalition with
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um a group of now 14 countries that each bring unique industrial capabilities to bear to help secure our supply chains.
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Um we want to take a holistic approach, an ecosystemsbased approach to supply chain security. And so, one of our first
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big flagship efforts is the rollout of this economic security zone in the
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Philippines. Part of what we're looking to do is actually partner with countries to have a productdriven approach to
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foreign policy. You know, China basically has done the Belt and Road initiative for 25 years now. And it's
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basically, you know, the Chinese government has these state-owned enterprises and in-house where they
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basically, you know, uh implement a lot of these big capital intensive uh industrial projects. For us, you know,
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it doesn't make sense for America to do that because that's not our strong suit. We're not, the government's not good at doing things in house. What we're really
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good at is we have companies that make really great products. And so we want to lean into our unique
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strengths by having a productbased approach to um to foreign policy. And so
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as the government, we want to create the right environment and with the right incentives and create platforms on top

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of which companies can build. So the economic security zone is our big, you
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know, first platform. We're planning on rolling out three more uh by the end of
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June. And and ultimately, you know, we're going to make a big play in logistics. Um we're going to make a big
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play in minerals and they're all going to connect together. And so everyone
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watching, if they're interested in building really really fast, um we we
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know a place where they can do it.

So I mean this kind of reminds me of the original industrial revolution where it
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started really in the UK and then it spread very quickly to Europe and to America and and back then I think there
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was a lot more freedom in general. So you kind of already had you didn't really need free economic zones because they the countries were basically free
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economic zones. I mean on the margin with after the enlightenment and and and it really lifted up those parts of the world so much faster than everything
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else. And so now we have a new industrial revolution. It's definitely centered in the US and is is this this
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is a way is this a way to help spread that industrial revolution to our partners? It supports us but supports them too, I'd imagine.

And and and it's it's I mean the main
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it's actually very mutually beneficial because obviously this is for the Philippines this is going to be jobs
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investment and making sure that the Philippines is a key anchor in the global technology supply chain. Um for
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us it means that our companies and our factories and all of the operations that
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um are we we are building out here in the US hundreds of billions of dollars in investments will never be um held
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hostage by an adversarial foreign power. We need the inputs um in order to keep
25:06
our factories running here and that's that's why we're doing this.

Is there any chance that like the EU
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would have some free economic zone to be part of Pax-Silica?

They need it. They need it.

you do it if they wanted to.
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You know, we were actually talking with one EU country. I don't want to get them in trouble, so I won't say which one.

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[laughter] Can you get around Brussels for free economics? That seems tough. That seems tough. [laughter]

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But uh you know, they're really really interested. um they they a lot of n so
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the fascinating thing about Europe is a lot of national governments actually really want to do the right thing and
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are very pragmatic about their economy. The challenge is is that they have to
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deal with a super national European Commission that arrogates more and more
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power away from national governments by passing a new regulation.

They're like, "Okay guys, we're going to have a free economic zone, but it's
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going to be 32-hour work weeks. We're going to have African migrants. Other than that, it's free. And there's going to be free operations
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for trans people.

Yeah. By free [laughter] economic zone, they mean, you know, everything has to be free and . . . . .

26:11
Oh, man. Well, I hope I hope I hope for Europe's sake, you can get them to do that, but this is obviously makes sense for Philippines. I hear maybe something
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with Israel. I'm allowed to say that like what like what else who who else is part of this?

Yeah. So, we're we we want to have one
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in every hemisphere. Um we think it makes a lot of sense and and we obviously want them to be connected. Um,
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and so we're we're having lots of really great conversations um with with a
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number of our partners. We hoped we hope to basically reach that goal before the end of the year.

Amazing. Amazing. Well, maybe given what
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we're doing in Venezuela, who knows, you could do stuff there, too. It could be exciting.

The sky's is the limit.

And you said I think there's there's
26:48
three core pillars, I guess you say. There's principles, partnership, and policy. Like what what does that mean?

26:55
Yeah. So we started with the declaration in December and that declaration was really an articulation of our first
27:01
principles principles that we share. You know what are the the core the north star that we want to work towards and um
27:07
and the things that are really going to bind us together. And so obviously there's a lot of clauses in there about
27:12
having a pro-inovation approach to regulation. Um there's a lot on supply chain security and the pro the
27:18

protection of critical infrastructure. Um then we wanted to basically you know take that those principles and say okay
27:25
how do we translate this into action and so we decided to uh set up two work streams one on policy and one on on
27:33
projects. Um the one on projects are the products that I mentioned earlier. the idea of having, you know, three or four
27:40
different key flagship projects that um we want to productize and roll out to,
27:46
you know, the rest of the Pax-Silica ecosystem. And then policy workflows are, you know, conversations that we
27:52
have to have around the protection of intellectual property, the protection of sensitive technology, critical
27:57
infrastructure, and the promotion of an AI friendly regulation uh agenda.

Awesome. And you know, I know from
28:03
speaking earlier, you you were telling my wife how positive you are on this administration. You you said spoke of course very highly of Secretary Rubio.
28:10
Uh like like what else who else is in the administration that you get to work with? Like what's the dynamic like working with the White House?

28:16
Yeah, I mean we have a this is an incredibly unique administration. I mean it is such high caliber. Um uh as as we
28:25
were catching up earlier, you know, Secretary Rubio has really brought a sense of professionalism to the
28:31
department that has really been phenomenal. And um the under secretaries
28:37
work very very hard to really emulate that standard of professionalism
28:42
[clears throat] throughout uh our under secretariat.

You're not supposed to be making jokes about any of this stuff about any of this stuff,
28:48
professionalism means you can't just like speak inappropriately about things.

Exactly.

Okay. I won't push you on it then.
28:54

And um and [clears throat] um but Secretary Lutnick has you know um taken such
29:00
an entrepreneurial and industrious approach to the commerce department.

It really is like having a bunch of like
29:05
industrialists and business people in the government right now. Huh?

Yeah. It's it's we have a team of executives and um and they're really
29:12
doing um an unbelievable job.

Is there anything that's like particularly annoying about working in
29:18
DC?

You know, um it's hard for me to say because I feel like I live out of my
29:23
office. So I don't really know what it's like to live in DC because I basically spend my days between the Harry Truman
29:29
building and my house. Um so um but you know hopefully I'll get a little bit
29:35
more absorbed in the tapestry of the city.

I won't give us anything negative, [laughter]
29:40
but I mean just just even speaking offline obviously you're very positive on what's going on. You guys are having a hugely positive impact and is, is, is
29:46
China trying to push back on Pax-Silica at all? Are there are there like adversarial things you're experiencing at all?

29:51
You know, I don't think they're thrilled about it. Um but that's okay. I mean, they also they don't expect us to not
29:57
compete. I mean, um I think that's just kind of baked into the cake. They they you know, the president has been clear
30:04
that he wants to have a positive, constructive relationship with Xi Jinping, and he does. They actually have
30:11
a very good rapport. Um that doesn't mean that we're not going to compete. And so, and I think everyone kind of
30:18
understands that um we are about we're always going to put America first and
30:23
you know, so we can do both at the same time.

I feel like when we say we put America first, we're also partnering with our
30:30
allies to lift them up. Like that's just we're very positive somewhere. If you look up China's Belt and Road and you go to these countries, they're very
30:36
negative on the belt and road because it's almost like they went there and the Chinese people built it themselves with their own labor and their own restaurants and their own stuff and they
30:43
extracted for their economy, but they didn't go there to lift people up. And right now all the belt and road loans
30:48
are coming due and no one can pay them. It's a big crisis right now trying to get money at the IMF. So it does seem like our approach is a lot more positive
30:54
sum than theirs. Is that is that your . . . . .

Well, this is a fundamentally difference a fundamental difference between the
31:01
American approach and um the approach that that the Chinese have had and I think part of that might be because
31:06
China has has used stateowned enterprises so much. You know, our private companies are very positive some
31:13
because they work through joint ventures. They have lots of partnerships with lots of companies around the world.

Yeah. You only win if everyone wins
31:18
together.

Exactly. And and so, you know, our companies are very comfortable partnering with others. And I think you
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know especially in in the tech industry people really believe in a growing pie. So there isn't this view that you know
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people are trying to basically compete to get a bigger slice of a shrinking you
31:37
know of of a shrinking pile of of of wealth. Um they believe that the pie grows and so uh and and so that really
31:45
is a fundamental difference between us and and China.

I love that about what you're doing. You really are like we care about our
31:50
partners. We care about the Philippines and others doing well and succeeding and we're going to help them do that with with our work here. And that's I think
31:56
that's a fundamental core. When I when I'm in the palace with the president there, we can honestly say that we care about them winning because otherwise
32:02
it's like what are we doing with this? We started this podcast to push back against like cynics and doomers. And
32:07
what do you think you can achieve during your time in Washington that that that's positive? A lot of people say, "Oh, nothing's getting done." Like you you're
32:12
obviously very optimistic on it. Like, like, like what do you think the future of America looks like because of the work you're doing there?

I'm actually
32:19
incredibly optimistic. I mean, this administration is laying the foundations for the next, you know, uh, several
32:26
decades of American success. Um, we are at the center of of the biggest economic
32:32
revolution in over 100 years. Um and that is really directly thanks to the

32:38
president's policies on energy on you know accelerated permitting on um tax
32:44
incentives with full capex intensing and on trade making creating the
32:51
environment to make sure that America is the birthplace and the engine of the AI revolution has been you know incredible
32:57
and I think you really see that just by how resilient the economy is um the
33:03
American economy is despite you know global headwinds um we're taking steps
33:09
that will actually you know that help secure our hemisphere um and then economically I mean we are u probably
33:16
engaging in the biggest re reorganization of the global supply chain in a very very long time and so
33:23
you know this um this economic security zone that we're doing in the Philippines uh as well as the the critical minerals
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deals that we're doing around the world and and Pilica the partnerships that we're doing through Pack silica are
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going to completely rechange the map of the global supply chain and what that means is the the the picture for global
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trade flows will be very different in the future and so um we're present at
33:48
the creation in a lot of ways and it's a very exciting thing.

Awesome. Well, Jacob, we're grateful for the work you're doing with the president
33:54
and secretary Rubio and everyone else in the administration. So, thank you very much.

Thanks for having me.