

Chairman, Ranking Member, and Members of the Committee:

Thank you for the opportunity to appear before you today. I am Jacob Helberg, Under Secretary of State for Economic Affairs.

I did not come here today to speak to you about tariffs. I did not come here to discuss the minutiae of trade deficits, or the technical specifications of logic chips. I came here to speak to you about survival.

History is not a straight line. It is a series of crossroads. And today, the United States and its closest partners stand before the most consequential crossroads we have faced in a century.

The central question is not whether artificial intelligence will reshape the world economy. It will. The question is who will control the industrial foundations that make AI possible—and who will be forced to depend on those who do.

That is why the United States has built Pax Silica: a coalition for the AI age, focused on rebuilding supply chain security across the infrastructure, industrial capacity, and critical technologies that now determine national power. Because we are entering a new economic era that will reorder wealth and power—and it will favor nations that can build and scale freely, not systems that control chokepoints and dictate terms.

In the First Industrial Revolution, the newly industrialized surged ahead—what historians call the Great Divergence. As I said in my Senate testimony in July, the global economy is now on the foothills of a similar new Divergence, driven by AI.

The numbers already show the slope: G7 growth averages 1.5%; Pax Silica countries average 4.7%. And thanks to President Trump's pro-growth policies—balanced trade, energy dominance, deregulation, and tax incentives—the United States is again leading at 4.3%.

Whether we widen that advantage comes down to supply chain security. In the AI era, supply chains are leverage: a hostile power can coerce by controlling an input; a cartel can dictate by dominating a chokepoint; a regime can weaponize commerce by sitting astride minerals, wafers, tooling, energy, and data infrastructure.

We can no longer treat this as a spreadsheet problem; in the AI economy, dependency is vulnerability.

Pax Silica is our answer—an economic security architecture built to reduce strategic dependency, build reliable redundancy, and outcompete coercive systems without becoming them.

Now to the next phase: execution and alignment.

First: Execution.

*Logistics (Ports, Railways, Highways):* With Pax Silica partners, we will issue joint Request for Proposals to marry existing logistics infrastructure with new technologies—secure data flows, predictive routing, encrypted chain of custody, and end-to-end visibility—delivering speed, scale, and certainty to suppliers from Tokyo to Tel Aviv, from Singapore to San Francisco.

*Industrial Production (Fabs, Factories, and Refineries):* Industrial capacity is not nostalgia. In this century, it is sovereignty. Thanks to the historic work of Secretary Lutnick, Secretary Bessent, and Ambassador Greer, America is reindustrializing. Under Secretary Rubio's leadership, the State Department is a force multiplier by facilitating partnerships with the world's largest industrial companies, and by focusing U.S. diplomacy on a smaller number of larger-scale supply-chain projects.

*AI Infrastructure (Datacenters, Mobile Connectivity, 5G and 6G):* The American AI Exports Program, the United States' signature AI diplomacy initiative, is a whole-of-government effort to share the benefits of American AI technologies with partners around the world. Working with the White House Office of Science and Technology Policy, the Commerce Department, and the and the Export-Import Bank of the United States (EXIM), we will leverage and scale the American AI Exports Program to meet the world's explosive demand for trusted core and edge AI Infrastructure. And we will harness America's energy abundance to provide energy security for partners and open new markets for American natural gas and nuclear energy. We will pursue these efforts as coalition-enabled corridors: financeable, scalable, and secure by design.

Second: Alignment.

Pax Silica will deepen policy coordination in three areas: the protection of critical infrastructure and sensitive technologies; the alignment of market incentives that promote key industrial sectors; and the promotion of a Pro-Innovation, Pro-Adoption approach to AI policy. We believe in AI opportunity, not AI trepidation. We oppose efforts by other nations to weaponize “global governance” into a global veto power over American innovation, and we will resist the extraterritorial reach of censorship and burdensome regulations.

Let me close on a personal note, by acknowledging that Pax Silica has already achieved what traditional diplomacy long found elusive: securing Qatar's entry into the same economic framework as Israel, marking a new road toward normalization in the Middle East built on the recognition that shared supply chains are more binding than shared ideology.

Under President Trump's leadership, America is thriving—exceptional among its peers. But America cannot win this era by building alone. The strategic terrain is global, and durable strength requires trusted partners.

That is what Pax Silica provides: a coalition-based platform of partners and builders to accelerate President Trump's agenda—so the United States and its family of partners do not merely adapt to the new divergence, but shape it.

I look forward to your questions, and I welcome your partnership in ensuring Pax Silica moves from architecture to enduring advantage for the United States and its family of partners.