

U.S. DEPARTMENT OF THE TREASURY

Press Center



Remarks of Secretary Lew at the SelectUSA Summit

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As Prepared For Delivery

WASHINGTON - Let me thank Secretary Pritzker and the entire Commerce Department for putting together this year's SelectUSA summit. It is great to be with all of you and to have this opportunity to talk about what it means when we say investing in the United States of America pays off.

Let me say at the outset that when I travel across the country and around the globe and meet with CEOs, investors, and heads of state, they all tell me the same thing: no economy is more dynamic, innovative, or resilient than the United States economy. And the truth is, the United States is the best place in the world to do business.

Now, we are not complacent when it comes to investment in the United States. We know the international economy has become more interconnected than ever before, and globalization and technology have made our world much smaller. When deciding where to direct their energy and resources, companies and investors have nearly unlimited options. That is why, since the day he came into office, the President has made it clear that in the race for the future, America cannot afford to run the risk of falling behind. And since that day, he has made increasing America's competitiveness a core component of his economic strategy.

Of course, back then—six years ago—our nation was in the grips of the worst recession of our lifetimes. Our economy was shrinking at its fastest pace in 50 years, our businesses were shedding more than 800,000 jobs a month, banks were frozen, the auto industry was on the brink of collapse, home foreclosures were mounting, and the deficit was on course to reach its highest point since World War II. President Obama had to steer our country out of one of the darkest periods in our nation's history. The course he charted was bold and decisive. And importantly, his response went beyond recovering from the crisis—he laid out a plan to rebuild our economy on a new foundation so that it could emerge stronger than before the crisis hit.

As we know, some questioned whether the President's policies would work. But today, with this approach in place alongside the hard work and resilience of America's workers and businesses, America has made substantial strides. You can see this progress across almost every measure—whether it is job creation, economic growth, family wealth, energy independence, manufacturing, exports, retirement accounts, the stock market, health care costs, graduation rates, or the deficit.

Just last month, in fact, our economy created nearly 300,000 new jobs and the unemployment rate fell to its lowest rate in seven years. And since the recovery took hold, businesses have created more than 12 million jobs—the longest sustained period of job growth in our nation's history. Our economy continues to expand, and private forecasters project above-trend growth for this year. While our economy is once again a major driver of global economic growth, many of our trading partners are still trying to find their footing in the wake of the global economic crisis. At the same time, with the Affordable Care Act the law of the land, more than 16 million Americans have gained health insurance, amounting to the largest reduction in the uninsured in more than four decades. We recently marked the official end of the auto industry rescue, with taxpayers recovering more money than was invested, even as the automobile industry has continued its resurgence. Finally, our budget deficits, which have fallen by almost three-quarters, are forecast to decline even further in the coming years.

As this positive momentum fuels us forward, it is no wonder that more foreign businesses are looking to open up operations in the United States and more American-based businesses like Apple, Whirlpool, and Intel are expanding operations here. Last year, I visited an Alcoa plant in Davenport, Iowa, which manufactures modern, high-grade aluminum that is being used in the Ford F-150 pick-up truck—making these vehicles lighter, more fuel efficient, and more competitive. Alcoa recently expanded this state-of-the-art facility to meet the growing demand for the company's aluminum and in the process has created hundreds of new jobs in America. As Alcoa's CEO Klaus Kleinfeld describes it, this facility is "a great example of the high technical capabilities and innovation that makes U.S. manufacturing strong."

The reasons to invest, expand, and start doing business in the United States are many. Our workers can compete with anybody—no nation has workers who are more skilled, creative, and productive as the United States. Our colleges, universities and research institutions are second to none. Our rule of law and intellectual property protections provide unparalleled certainty and stability. Our market is the single largest market in the world, and that market is connected by a deep infrastructure of roads, bridges, pipelines, and ports. And because of our innovative spirit, our investments in renewable energy, and our determination to reduce our dependence on foreign oil, the United States produces more oil, gas, and wind power than any other country. As recent prices at the gas pump demonstrate, America's energy revolution is pushing down costs for consumers and businesses.

Now, let me underscore that while we want you to set up businesses in the United States and create products here, we also want to keep expanding the opportunities to sell those products—and every product made in America—overseas. Even though we are the largest single market, 95 percent of global consumers live beyond our borders. The key to a healthy global economy is to expand this growing demand in major economies outside the United States, and to keep our economy strong for future generations, we cannot only buy the things the rest of the world makes. We have to design, build, and export high quality goods and services the rest of the world wants to buy. That is how we will continue to be a magnet for investment. And the more we sell abroad, the more jobs we will see created at home.

To that end, the Obama administration is working intensely to strike strong new trade agreements. These trade deals will unlock export markets and lock in rules that level the playing field. Specifically, we are pursuing the Trans-Pacific Partnership so businesses in the United States can reach customers in some of the world's fastest growing economies. In addition, we are making progress on the Transatlantic Trade and Investment Partnership to expand what is already the largest trading relationship in the world, and we are pursuing a Trade in Services Agreement with 23 other nations to open market access and competition in the swiftly growing services sector.

But let me be clear: we will only enter into trade agreements that are free, fair, and good for our workers and businesses.

Right now, the United States sells more goods and services around the globe than ever before, and exports support millions of good paying, middle class jobs in our country. But we have to do more to knock down barriers so our businesses can export more and so other countries will abide by the same high environmental and labor standards that we strongly believe in. In the 21st century, we must continue to work with other nations of the world to set the standards and seize the massive opportunities that are out there.

This brings me to Trade Promotion Authority, which Congress will likely take up in the near future. Passing this bipartisan legislation is vital. It will protect America's workers. It will promote America's businesses. And it will strengthen our hand as we forge trade deals that will increase middle class security in a changing global economy.

Another aspect of trade that Congress must tackle is the Export-Import Bank. The deadline for re-authorizing the Export-Import Bank is approaching, and it is imperative that Congress keep this agency going. The Export-Import Bank's only purpose is to help American businesses sell products and services overseas. And here is the thing: the Export-Import Bank does not cost taxpayers a penny. Traditionally, this agency has had broad support from both Democrats and Republicans. But if Congress fails to act, it will hurt thousands of companies in the United States—especially small businesses, which account for the majority of the agency's transactions.

Now, just as free and fair trade sets the stage for investment in the United States, so does our business tax system. From high statutory rates to unfair, inefficient loopholes, this system is creating distortions that are hampering investment in the United States. And in today's global economy, the U.S. tax system is uncompetitive. The bottom-line is, our business tax system needs to be fixed. The President recognizes how necessary fixing the system is, and the comprehensive, pro-growth business tax reform plan that he included in his most recent budget creates a path forward for getting this done. His plan reduces rates, levels the playing field, closes loopholes, and encourages investment while protecting and strengthening small businesses and the middle class.

As part of his business tax reform plan, the President wants to do more to repair and rebuild America's infrastructure—our roads, railways, runways, and internet connections. The fact is, there will be one-time revenues generated when we make the transition to a smarter business tax system, and the President's wants to use those revenues to help pay for needed infrastructure upgrades across the country. These improvements will generate jobs, boost businesses, and enhance local economies. And one thing we know for sure: Businesses, especially foreign-owned businesses, want to locate in places where workers can commute to their jobs efficiently, where products can be shipped dependably, and where power is reliable.

For the last six years, the President has made fixing our nation's highways, bridges, tunnels, and ports a national priority, and because he has focused on this, we have made significant progress in recent years to modernize our infrastructure and reverse the damage from years of neglect. Still, we have to continue pressing ahead on a strong infrastructure agenda.

As I saw a few days ago in Miami, a 21st century economy has to have a 21st century infrastructure. The port in Miami recognizes this fact, and it is undergoing a transformation. As part of this overhaul, the on-dock rail facility that links shipping vessels to the national rail system has been renovated, and that means products going in and out of Miami will move much faster. These recent upgrades have taken place as the Port of Miami gears up to handle the expansion of the Panama Canal and the larger ships and greater cargo that will soon be crisscrossing the area. The port exports more goods than it imports and the expansion will support more than 20,000 jobs. It is already the second largest source of economic growth in the miami metropolitan region.

Of course, Miami is an international city, drawing visitors, businesses, and investment from all over the world. And what is going on in Miami is the quintessential American story. Our nation does not stand still. Our nation does not accept the status quo. We keep moving, we keep innovating, we keep rising to meet any challenge, and we keep fighting to give others the chance to get ahead. That is why we are the land of opportunity and why investing in the United States pays off.

In closing, I want to echo something that you have already heard and that you will continue to hear throughout this summit: The United States of America is open for business. And we look forward to working with you so together we can build a better, stronger, more vibrant economic future for everyone.

Thank you.

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