

Press Releases: Remarks to the Iowa Farm Bureau

Remarks

Michael R. Pompeo

Secretary of State

World Food Prize Hall of Laureates

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AMBASSADOR BRANSTAD: Good afternoon. It is my honor to be back in Iowa today to introduce Secretary of State Mike Pompeo. As U.S. ambassador, I have the great privilege of representing the American people in China. (Applause.)

The U.S.-China relationship is the most important bilateral relationship in the world. As President Trump has said, the United States seeks a constructive, results-oriented relationship with China, and of course, the Secretary of State has a critical role to play in that relationship. Secretary Pompeo is well qualified for this very important position. He graduated first in his class at West Point and served in the United States Army. A fellow Midwesterner, he was a business leader and served three terms

in the Congress from the state of Kansas before President Trump appointed him as director of the CIA and then as Secretary of State.

During the Secretary's most recent visit to China, I was impressed with his ability to connect and motivate our embassy staff and effectively articulate American interests to the Chinese leadership. We are honored to have Secretary Pompeo at the helm of the State Department and speaking here in Iowa today. Ladies and gentlemen, please join me in welcoming our Secretary of State, Mike Pompeo. (Applause.)

SECRETARY POMPEO: Good afternoon. Please. Good afternoon, everyone. Thank you. Thank you. I'm often reminded – I often get introduced as the 70th Secretary of State, which is pretty cool, but I'm reminded it's – the President is 45, so the turnover in my gig is a lot higher. (Laughter.) I'll be mindful of that as I speak.

Thanks for joining me. I'm looking forward – I've got some remarks I'll make today, and then I'm happy to take questions on things that are on your mind. Thanks so much, too, for welcoming me to Iowa. I've had a great day here today. My wife Susan, who's sitting over to my left, was born in Iowa City. Her mother is a proud graduate of the University of Iowa. So our son Nick and I have watched a lot of Hawkeye football games with Grandma. (Laughter and applause.) And yeah – I know, I got about half the applause here, yeah. (Laughter.) Same deal in Kansas. (Laughter.) Susan grew up, of course, in Kansas but spent a lot of time Coralville where her grandparents live. And so I will be happy to give you all the credit for the lady that she is, good and bad. (Laughter.)

There's another special person who's here who is an Iowan that just introduced me, and he has been an enormously powerful force for good in China on behalf of the United States of America. Please, one more time, thank Ambassador Branstad for all he's doing for the country. (Applause.)

And I got to spend 15 minutes with Governor Reynolds a few minutes ago. It was delightful and wonderful. The things you're doing here in Iowa are fantastic. Thank you. Bless you. Good luck to you and thank you for being here with me today as well. Thanks so much. (Applause.)

And thank you for inviting me to this enormously beautiful place, and for the World Food Prize for hosting me today. I know that Ambassador Quinn wanted to be here, but I understand he's on to bigger and better things in London today, receiving his own prize for countering genocide in Cambodia. What a wonderful place for him to be. It's a pretty good excuse for him not being here. (Laughter.)

The State Department is proud to work alongside as a partner with an organization like this. It has done so much to help feed the world. You every day burnish America's reputation, and I am the beneficiary of that as I travel this world. And I am excited too to share with you that after two years of hiatus, the World Food Prize laureate announcement ceremony is returning to the State Department. I'll host it; I'll preside over the ceremony. I'm really looking forward to it. (Applause.)

I'm so thrilled to be here in Iowa. It was great. We flew in last night, and believe me, it was a breath of fresh air to be out of Washington, D.C. (Laughter.) And I know firsthand too how farmers are the backbone of America, how food security matters so much, and what you all do, the people of Iowa do, to help deliver that every place in the world.

I spent a good part of my summer from my early years in my life in a place called Winfield, Kansas at a family farm owned by my Uncle Jim. They were some of the most special times in my life. I remember the farm next door had a sign that said, "One Kansas Farmer Feeds 120 Plus You." (Laughter.) I am confident that if we drive down the highways here in Iowa, we'd see a similar sign, and I know it's true.

George Washington has the famous quote that says, "I would rather be on my farm than be emperor of the world." I think he mean that, too.

I want to talk about agriculture and innovation and our relationship with China. The two, as you know, are deeply intertwined.

In 1980, a now very famous man, the then-governor of Guangdong Province, led the first-ever Chinese governors' delegation here to the United States, and they traveled straight here, straight to Iowa.

A few years later, his son followed in his father's footsteps with a visit here and struck up a friendship with the governor. Today, President Trump and President Xi deal with each other, trying to make sure that we get this important relationship right.

Indeed, you all know Iowa's bounty has attracted many Chinese leaders, wanting to know the state's secret for prosperity. But they haven't fully embraced the principal ingredient for Iowa's success, which is free enterprise and hard work and the central idea of allowing individuals to have their own autonomy and their own dignity and to lead and take chances and to take risk and to build their own businesses.

Indeed, when the heavy hand of government dictates economic policy, we all know that productivity plummets. Innovation necessarily grinds to a halt. And people are much worse off. Only the free market makes life better in the long run.

These market principles, the ideas of fair competition, have made American companies the global standard for success and quality.

Earlier today, I had the chance to visit the facilities of Corteva, an agricultural science company. It was remarkable. Companies like Corteva are an example of how economic freedom, innovation, risk-taking, a light regulatory touch can make American agriculture the envy of the world and dynamic in ways that no other country can potentially match.

Think about what our businesses do. I ran a small business in south central Kansas for – before I lost my mind and ran for Congress – (laughter) – now almost a decade ago. Gene editing has paved the way to eliminate diseases like corn blight. Companies like Quantified Ag have developed ear tags that

use biometric technology to relay information about an animal's health in real time. Others, like Agribotix, are using data from drones to help farmers make more precise fertilizer applications to boost yield.

These things seem simple to us. They seem like common sense. But they arose out of the creativity and freedom that we have here in America. It has taken decades of ingenuity, the decades of ingenuity which have enabled our farmers to produce harvests at levels the world would have been astounded by just a few years ago. This idea, this spirit of innovation makes America what it is in the agriculture world – renowned for its integrity, known for its safety, and knowing too that we deliver reliable products each and every time.

Indeed, when consumers eat an American steak, they know exactly what they are getting. Worldwide trust in the American brand is unmatched from farm to table, as we might say.

We also have the highest quality because of our free-market system. Companies value their brand in a market-based economy and work to protect that reputation. Competition and choice cause people to play by the rules.

Indeed, we have an entire ecosystem – some of them are standing in the back – an entire ecosystem of reporters, investors, food safety experts, consumer advocates, and nongovernment organizations that keep an eye on our companies and our markets. And our fair-minded justice system punishes law-breakers.

The vibrancy of our agricultural sector shows that America's economic dynamism is not confined to Manhattan or to Silicon Valley or to Cambridge, Massachusetts. The American heartland is vibrant with economic potency.

And good things are happening here too in Des Moines, no less than they are in Palo Alto. There are even wineries in the Hawkeye State, or so I'm told. (Laughter.) So look, you're more similar to California than you want to believe. (Laughter.)

And President Trump's low-tax, regulation-cutting agenda is ensuring that our ag industry, along with all the other sectors of our economy, have room to continue to grow and thrive, that our countries continue to innovate without undue burden, that our farmers will be able to bequeath their rich piece of earth to their children.

Unfortunately, China has taken a different approach. It has a state-led set of economic practices that threaten the health of the American agriculture industry that you've all worked so hard to develop.

When we hear the stories of China stealing sensitive technologies, we often think of the technology powers – that powers our fighter jets, our smartphones, and our medical devices. But Americans should know that China has targeted intellectual property and technology essential to farming, too.

A few years ago, an Iowa farm security guard saw something suspicious in a field and stopped to investigate. He caught a Chinese national digging in the dirt, trying to steal genetically engineered corn seed that took years of research and development to create and which had cost a lot of money to

build. That individual later pled guilty to stealing seed from Monsanto, DuPont Pioneer, and LG Seeds.

There's another story, a different Chinese national, who stole hundreds of genetically engineered rice seeds produced by his employer. He stored them in his residence. He then passed the seeds to representatives of a Chinese crop research institute when they came to town, and it wasn't until the Customs and Border Patrol, our CBP officers, searched their bags before a flight that he was caught.

And then, of course, there's the theft that takes place in the robotics and industrial technologies that form the backbone of our agriculture industry as well. Every time there's a theft of this kind, it eats away at the history, it eats away at the seed corn of the industries upon which you and your children and grandchildren depend.

And you should know too it's not just big companies that suffer. As one farmer said, quote, "What no one seems to understand is that they're stealing from people like me. They're stealing the research that farmers pay [for] each time they buy a Monsanto seed."

IP theft too isn't the only problem that China presents. It's an economic model that has for years survived on protectionism, rule-breaking, and state subsidies. China denies American companies access to its market through tariff barriers and non-tariff barriers, and they deny us the ability to compete on a fair and reciprocal basis.

I've been around enough businesses here in the heartland to know we don't fear competition. But to compete successfully, you have to have a real shot. You have to have a relatively level playing field. And China's protectionism has for decades tilted it, tilted the field against our farmers and agricultural companies.

You should know too that American agriculture exporters aren't the only folks that are the victims of China's state-dominated economy. As Ambassador Branstad reminds me, it is the Chinese people who suffer as well. Think back to 2008, when tens of thousand of Chinese children got sick from contaminated milk and baby formula, with several of them dying. Even today, many Chinese travel abroad to buy baby formula, and Chinese expatriates make big bucks shipping it back home for profit.

A few years ago, *Time Magazine* investigated fake Chinese eggs and came up with this list of scrumptious ingredients: resin, starch, coagulants, pigments, sodium alginate. I'm going to stop there.

Today in China, counterfeit goods, counterfeit products, the overuse of pesticides, reprocessed cooking waste all remain persistent problems.

And just as China has guarantees of human rights written into its constitution, China boasts plenty of food safety laws. It's not about writing down one more regulation or one more rule. But enforcement is weak or nonexistent, and as we see so often in socialist countries, the prevalence of

corruption in China's state-commanded economy frequently allows this kind of fraud to go undetected and almost always unpunished. And even when it's uncovered, the incentive to cheat remains unchanged. The Chinese people deserve better.

The good news is this: Help is on the way. American producers and Chinese consumers will both be better off. The outcome of President Trump's trade negotiations currently underway will pay dividends for people in each of our two countries.

The President is taking a very hard line on stopping the theft of intellectual property. For our ag producers, President Trump is fighting to level the playing field to which I earlier referred so there will be greater market access for each of them.

This is great news. But opening up markets for new businesses isn't just a pet project related to China. It's one of the core missions of the State Department which I lead, and it has been for more than 200 years, but we're doing so today with a renewed focus.

Many Americans look at the State Department and wonder what it does for them. They see the Secretary travel to far-off places and they ask the question, "Is America, are Americans, the first client of the State Department?" You should know that you are. For one thing, we have 1,700 economic officers serving all across the globe. A huge part of their work on behalf of families in Iowa or Kansas or any other state is to create opportunities for American businesses to sell their products abroad. And when it comes to international commerce, I guess you could say that the art of diplomacy goes hand-in-hand with getting deals done.

This brings me to a quick detour. I would be remiss if I didn't spend a few minutes. Economic diplomacy is certainly a central mission of what it is that I do. It's one of the State Department's many missions. But if you're an American looking for one of the most rewarding, challenging careers possible, consider the U.S. State Department. There are opportunities to represent the American flag in everything from counterterrorism to ensuring food security to fighting human trafficking. My colleagues are incredibly proud patriots serving all across the globe. They're smart and they're mission-driven.

The State Department has spent a lot of money and energy over the years to make sure we have a diversity, a diverse workforce. I want to make sure that we have people from the heartland serving in the Foreign Service as well. We need that geographic diversity. Our mission is, of course, to represent all of the American people in all corners of the globe, so the makeup of our workforce matters. And if you want to keep America safe and strong and advance our values, we've got great opportunities. You can literally change the world. Okay, infomercial over, but please, you or your kids, come check it out. It is a great place to work. It is a noble calling. The people who work with Ambassador Branstad and I are true patriots serving our great nation.

I'll close here. Under President Trump, our diplomats have been especially

busy opening up markets around the world for all kinds of American agriculture. And along with our colleagues at USDA and the Trade Representative's office and the Department of Commerce, this administration has opened up a path for dairy and poultry to Canada, lamb and goat meat to Japan, beef and pork to Argentina, poultry to India, lamb to El Salvador, beef and poultry to Morocco, eggs to South Africa, dairy to Turkey, and handfuls of others. We hope that the EU too will soon lower its trade barriers and grant expanded access for American goods.

Where China is concerned, new market access must come, and we must do so in a way that creates systems that are enforceable. It doesn't do any good to sign one more agreement, one more document, if a mechanism to enforce those commitments that the Chinese make to us doesn't have the capacity to create a set of rules and processes that are enforceable.

One final point of importance related to keeping the American ag sector prosperous. Our abundance has always been an incredible blessing to the world. We have to extend that legacy. The promise of land and the rich soil stretching into the horizon in a better life drew innumerable settlers to our shores. After World War I, Herbert Hoover helped quarterback our efforts to feed tens of millions of Europeans, a project that depended substantially on American foodstuffs. And in the years immediately following World War II, American farm output again helped feed a continent ravaged by war and continuing to suffer from the threat of famine.

There are many programs today – you all are part of them – that help satisfy and provide food for the world's neediest. That need has only grown and will only continue to grow. Today, the United States is the world's number one exporter of food and ag products, and our generosity is legion. Our USAID bought 1.4 ^[1] metric tons of food from American farmers in 2017 and fed 70 million people across 53 countries.

But frankly, the greatest blessing – the greatest blessing from American agriculture to the world isn't due to any government program. It was the work of Nobel Prize winner Norman Borlaug, the founder of this great institute. He devoted his life to feeding the world's population and bringing it out of starvation and malnourishment. And by breeding new species of wheat that yielded once unthinkable harvests, it's estimated that he helped save billions of lives.

The explosion of agriculture productivity he triggered became known as the Green Revolution, and you should know that it was an American revolution and an American innovator who did that. I am confident that the next billion, and the billion after that of people who will be fed around the world, will also be fed by American innovation, creativity, and hard work.

And we too know that to do that, we have to make sure that American businesses and people prosper. Earlier today I met with some young people in the FFA. It's an impressive group. I remember my time representing south central Kansas. These are great young leaders of the future. They have firsthand knowledge of agriculture that is unparalleled anywhere in the world by young people.

I mentioned earlier the farm in Winfield, Kansas. It's where I spent my summers. It's now where we go for family holidays to just hang out and get away. There is in that farm on the fence on the southwest corner a century farm sign, a hundred years in the family. It's proudly staked right there. It took hard work by my Uncle Jim to keep this family farm in the family and to continue to make it prosperous and successful. I get that. America's State Department gets that and President Trump gets that as well. I know this: Farm life is the best of what America has to offer. We're committed in the administration to making sure that those young people that I met with today can pass on that noble way of life to their children. I hope that God will bless them. I hope that God will bless each of you and Iowa and the United States of America. Thank you, and I am happy to take a handful of questions. (Applause.) Thanks.

QUESTION: I have a question.

SECRETARY POMPEO: Yes, sir.

QUESTION: First I would like to thank you and the ambassador for coming to visit us, and we'd like to thank you for all your hard work on our behalf. And we know its hard work out there, and I'd like to thank you for men of integrity working on our behalf. Thank you for that.

SECRETARY POMPEO: Thank you.

QUESTION: My question is this: What are some of the major obstacles left in the trade negotiations with China?

SECRETARY POMPEO: So I won't – so I can't give away the details of where they're still working or the exact details of what's going on, but it won't surprise you what's really difficult. The issue of opening up markets and access is a hard one for sure but not the hardest of the issues. I think we'll actually get to a place where the Chinese will put this in a place where they'll buy more soybeans, buy more American products. I think we'll be successful on that.

The more complicated issues are around the structural challenges, structural challenges that not only impact agriculture but manufacturing services, frankly all sellers of goods and services inside of China. This risk of IP stealing, forced technology transfer, about which I spoke in my remarks, is real and difficult, and not something the Chinese are going to give up easily. And you attach on the back side of that that you need more than just a promise to undo those structural things. You need a mechanism by which those commitments can be enforced, and that's the focus. It's where Ambassador Lighthizer, Secretary Mnuchin, and the trade team are fully engaged. They have made progress on every one of those components of the agreement. They truly have. I've seen that and I know Ambassador Branstad has seen that as well. So real progress on every one of those elements. But if you ask what the hurdles are that remain, it's those last couple items that will inevitably prove tricky but which I'm very, very hopeful we'll be able to wrap up and get a truly successful outcome for the United States and for American ag.

Yes, sir. Go ahead, I'm sorry. Yes, sir.

QUESTION: Secretary Pompeo, I also want to thank you for coming here to Iowa and visiting. My grandfather in 1932 left Clearwater, Kansas to come to Iowa because it would just get too dry down there for him. (Laughter.) Life was better in Iowa. And I'm a lifelong –

SECRETARY POMPEO: I'm going to tell the people of Clearwater you said that. (Laughter.)

QUESTION: Well, I've still got relatives down there. I have my great-great aunt still living in Wichita as well. I'm a big farmer here in central Iowa. Our family has been involved in pork production, corn, soybeans as well. We're still dealing with retaliatory tariffs, not only from China but also from Mexico. The pork industry is very important to the state of Iowa and really the whole Midwest, and we've really taken a double whammy. And so could you address maybe the Mexican issue as well, please?

SECRETARY POMPEO: So this risk of retaliatory tariffs – you've seen it in pork, we've seen it in other places as well – is real. The President is deeply aware of this. The trade teams are all aware. We're working – when we get a comprehensive agreement – we now have a relatively comprehensive agreement in the USMCA. We are working to clean up all of these issues alongside of that.

And I hesitate to get too far out over my skis, but I'm optimistic that we'll get that, that we'll get resolution and get pulled back some of these risks from retaliatory tariffs. But I do want to emphasize those commitments are as good as the paper they're written on if there's not a mechanism that permits the United States to respond in a way that doesn't require us going into court someplace in a country that doesn't have the rule of law, that doesn't have an advanced justice system. We have to make sure that when we sign up for those things and we pick them, that we really have.

There's a long history – you would probably know this history better than I do – a long history of us having celebrations, having signing ceremonies, everyone thinking, boy, we've put this problem to rest, only to find that in relatively short order we didn't really solve much. And we are trying not to – we're trying to make original mistakes, not repeat the past ones. We're trying to make sure we don't fall the same trap that American trade negotiators have done so many times. We're deeply aware of these retaliatory tariff issues. We know how they much impact you and companies – businesses like yours. Know that they're in the front of our mind and we're working our way to put America in a place where our businesses don't suffer them.

QUESTION: Yeah, Mr. Secretary, thanks for being here. We appreciate it. As soybean farmers, you know, have been hit particularly hard with the tariffs. We – the market facilitation provided much-needed relief. And my question would be: We've heard comments that maybe tariffs could be dropped on certain products or commodities. I – and I know in the negotiating process you can't show your cards, but is there a chance that tariffs on soybeans could be dropped in exchange for something else, make some concessions, and then some

of these more tricky issues like intellectual property that take a lot of time and a lot of work could be put off or worked on – continued to be worked on while there's some relief for some of the ag products?

SECRETARY POMPEO: Yeah. It's a good question. You saw the President make the request that the Chinese do that. I think it was on Friday of last week he asked the Chinese, given the status of the negotiations and the fact that he made the decision on the 1st of March not to increase tariffs – something that he had previously said that he would do – he picked a date certain – he'd asked them to reduce some piece of their tariffs as well. The best I know, we haven't received a formal response to that.

Beyond that, I don't really want to comment too much, for rest that Ambassador Lighthizer and Secretary Mnuchin will kill me. (Laughter.) So it is a good question. It's something I know they're giving due thought to.

Yes, sir.

QUESTION: Ambassador, thank you – or Mr. Secretary, thank you for being here today, and Ambassador Branstad. And the work you're doing on our IP, protecting that, you've heard it from everyone else around the room. And I'm a corn farmer in northeast Iowa. You've heard from hog producers, cattle producer, perhaps, and some soybean farmers. And we all invest money in our checkoffs, commodity checkoffs that help build these markets, and we rely heavily on investing in these markets and building them over time. They – we build great relationships. They are important for sending our products. You know all of this, I'm certain.

SECRETARY POMPEO: Yeah.

QUESTION: Mexico right next door is important to all of us, Canada also. We dearly need to see USMCA signed and done. One of the hurdles for that is the steel, aluminum tariffs, and – from getting that signed. What are the thoughts on getting those removed and helping this – that agreement move forward?

SECRETARY POMPEO: Fair question. Let me say this: I am very confident that there are enough votes to pass – to get the USMCA moved through our government, through the United States Government. And without getting in the business of other sovereign nations' decision-making processes, I am confident that those countries too will conclude that this deal is their best outcome and they'll move forward. I truly believe that. How we'll handle these 232 tariffs as part of that, I think, remains to be seen, but as I've engaged with my – with Foreign Minister Freeland and the new foreign minister, Marcelo Ebrard, in Mexico, I think we're in pretty good place getting each of those two countries to move forward with this agreement. You never want to count your chickens or pigs or anything before they hatch or before they grow up, but I feel pretty good about that. Unless it becomes a real political football in Washington, I think we'll, come the end of this year, have an agreement.

Yes, sir.

QUESTION: John Maxwell (ph), eastern Iowa dairyman. Would you comment on any kind of timeframe? Because every day that marches on, it's getting tougher and tougher.

SECRETARY POMPEO: Yeah – no. (Laughter.) You remember how I said I'd answer almost anything? It's just – I'm not trying to be short or – I – or not take your question seriously. I do. I am – the President is too – is enormously sympathetic to what you all are going through, but I wouldn't want to predict a date or a week or how this is going to fall. I've been part of too many of these negotiations that truly – they look they're home, they look like you see a path forward, only to find that there was something buried somewhere. And that – there's risk that that happens here as well.

QUESTION: Thank you.

SECRETARY POMPEO: Yeah.

Yes. Get the microphone, yes. Yes, sir.

QUESTION: Secretary Pompeo, thank you for being here today. I would like to ask a question – yet another question on trade. With the loss of the TPP, do you see a bilateral trade agreement – I know there's been news on some work with Japan. Do you see that coming soon?

SECRETARY POMPEO: I do. (Laughter.)

QUESTION: (Off-mike.)

SECRETARY POMPEO: Yeah. Look, there's been some real progress made. There are – we – there's an enormous amount of focus on China and the trade negotiation with China. I completely get why that dominates the news, but we have efforts ongoing in China, there's work that's being done with the EU. Our task, the U.S. Government's task, the State Department's task, the trade representative's task isn't confined solely to the markets in China. We need to get market access – good, rules-based trade – with each of those countries.

And I will – I had an ambassador – our ambassador to the United Kingdom said the other day – he just – he said, look, they've been – in the EU, they've been smearing the quality of our food. They've been saying things about the quality of our food that just simply aren't true. We have an obligation too to make sure that facts are out there. We deliver consistent, stable, affordable, high-yield, high-quality food products all around the world, and boy, they – the folks use these myths to try and knock down our capacity to sell into their markets so that these countries can protect their farmers. The State Department has an obligation to fix that too, and that goes every place in the world.

QUESTION: (Inaudible) Vietnam?

SECRETARY POMPEO: Vietnam – we talked about trade on our trip to Hanoi. People forget we actually met with the Vietnamese as well in addition to the reason we departed there. I think Vietnam is going to make big steps forward

as well. They made a number of offers while there. I'm not at liberty to disclose them yet, but things that you all would be very happy with. It's a reasonable market, right – about 97, 100 million people in Vietnam. Not quite as wealthy as you see in other places, but certainly making real strides. A larger middle class there is inevitable and will be a very important market for you all here in Iowa.

QUESTION: Bilateral?

SECRETARY POMPEO: Yes, almost certainly a bilateral agreement with the Vietnamese. It may not even be a formal trade agreement. It may be just elements of what you would see in a normal trade agreement, full-on – full free trade agreement. And to your point on doing – it would – we could do this piecemeal and get a really good outcome, a really good quick hit, which I think would be great given the conditions we're in today.

QUESTION: Mr. Secretary, I just wanted to congratulate you and thank you for reducing the tension between India and Pakistan. I understand after their airstrikes, both foreign ministers spoke to you, and you spoke and the tension was reduced then. I want to congratulate you for your first diplomatic –

SECRETARY POMPEO: Thank you. I appreciate that. It's a place with great tension. I hope that the efforts that I made and others in the United States Government made did reduce the risk that we get escalation. It would be a bad thing for everyone. As with lots of these things, I think everyone knew that, but in times of high tension, it is often difficult, and so it requires sometimes someone else to come in and try and make sure that good reason and logic prevail in the midst of really challenging conflict that's been going on, as you well know, for an awfully long time.

And it's not certain. We certainly have reduced tension through the weekend and today. My team on the ground in each of those two countries is working diligently to help ensure that it stays there and that these – this conflict is resolved in a way at the negotiating table and through peace, rather than through armed conflict and the loss of lives. So thank you. Thanks for that.

Yes, sir.

QUESTION: Mr. Secretary, thank you so much for coming here. I really do appreciate it. It's always nice to see high-ranking members of U.S. Government coming and letting Iowans know that you are really working for us.

My question was actually just secondary based off of the last question. Does China use those third-party influences or auxiliary countries in the negotiating table? Specifically saying Pakistan is very important for U.S. militarily, but it's important for China economically. Does that ever come up regarding those trade negotiations, or do you guys just review it as one large, dynamic problem or isolated incidents?

SECRETARY POMPEO: Yeah. I will tell you that the – that's a good question because it is absolutely the case that every one of these trade negotiations

that I've referred to today takes place in the context of much broader set of relationships – security relationships, military relationships, diplomatic relationships, and broader set of economic relationships as well.

When it has come to the trade negotiations with China, it has been pretty compartmentalized. The focus has been on this. Neither of us has raised the specter of bringing outside things into this. It has been about trying to find a set of rules and incentives that will provide a lasting outcome that gives American businesses real opportunity to compete in China in a way that's fair and reciprocal, without the risk of losing the property that they've so heavily invested in. So it's been pretty squared off, which we thought at the beginning made sense, and the Chinese have honored that in good measure as well.

QUESTION: Thank you.

SECRETARY POMPEO: Yes, sir. Gordon, good to see you.

QUESTION: (Off-mike.)

SECRETARY POMPEO: I'm good, good. You never know where you're going to see an old friend.

QUESTION: Yeah, I had to come to Iowa to see you. And by the way, we'd take you back. (Laughter.) Believe me, we would take you back.

SECRETARY POMPEO: Don't – do not start that rumor. (Laughter.) You've got media in the back.

QUESTION: No, I know. I know.

SECRETARY POMPEO: There is no upside to that.

QUESTION: And hello to your better half, by the way. Mike did marry up, believe me. (Laughter.) She's a wonderful lady.

Mike, my question is kind of simple: What's it like working for Donald Trump?

SECRETARY POMPEO: Yeah. (Laughter.) It is really very simple. It's an enormous privilege. I mean, to stand here in front of you as America's most senior diplomat, trying to deliver on the promises that President Trump made during his campaign, right – 60-plus million voters wanted him to do things different, to fundamentally change some of the courses that America had been on. And to get a chance to serve for him is truly an enormous privilege. I've now done it twice. I'm on my second gig. I saw him almost every day when I was the director of the Central Intelligence Agency. I provided him with his daily brief. And now I talk to him almost every day, sometimes more than once.

He is the kind of leader that sets a direction, charts the course, gives guidance, says, Mike, this is the – these are the outcomes that I need you to deliver, and then allows me and my team to go implement and execute. I appreciate that. He then in turn holds us each accountable to achieve the

mission that he set out for us, and it's a wonderful thing to have this opportunity. And then you all get to read his Twitter account too, so. (Laughter.)

QUESTION: Thank you, Secretary, and thank you, Ambassador.

SECRETARY POMPEO: Yes.

QUESTION: Secretary, my name is Ben Renche (ph). I farm in northeast Iowa – Jesup, Iowa – and I just wondered if you could shed some light on when we might see our colleague, Indiana farmer Kip Tom, reach final confirmation on his post to UN ambassador for food and ag.

SECRETARY POMPEO: Oh my goodness, I should have you all sign letters on his behalf. I have at the State Department several dozen people pending confirmation, all of whom are highly qualified, capable people who have agreed to go serve America, and they're not on the battlefield. They're not on the playing field. They're not on the diplomatic field. That's most unfortunate.

If there are – if either of your senators are sitting in the back of the room, they're probably going to throw something at me here in a minute, but moving these confirmations forward for qualified candidates for which there is no objection seems like a basic underpinning of what the American people are owed. So it has proven enormously frustrating for me at the State Department and I know for my colleagues in the Cabinet who have people in various positions in Department of Agriculture, Department of Treasury, you name it, to not be able to get them out actively doing the task which they have so graciously agreed to accept.

I couldn't tell you. I don't know what these timelines are going to look like. I hope – at the State Department – I'm following that much more closely – we've got some 40-plus. I hope we get most of them done by the next couple months. There are qualified candidates for which no senator objects who have been sitting on the list pending confirmation for over a year.

Now I'm going to have to go testify in front of the Senate, so here we go. (Laughter.) I promise you I'll hear that sentence back.

Yes, ma'am.

QUESTION: Secretary, thank you so much for being here. As a Midwest farmer, you understand the power of a handshake deal. Being a former director of the Central Intelligence Agency and now in your current position, I'm sure you understand that facts really matter. And with the Chinese we see that there's some flexibility with facts.

I work for Iowa Select Farms. We're the largest pork producer here in the state of Iowa. African swine fever is a huge problem for the Chinese right now and across the world actually, and we're not getting good facts from them. So a twofold question: In your time there, did you see or hear anything about African swine fever you could share with us from a firsthand experience? And secondly, how does this flexibility with facts play into

trade negotiations with the Chinese Government?

SECRETARY POMPEO: So when I was there on the recent trip, it was raised. We talked about it some. Ambassador Branstad has been very engaged on this issue to try and understand the scope, the challenge, all of the various characteristics of the risk that is presented to that, and I'm – I think I'll just leave it at that.

With respect to being fact-challenged, you should know that there are many countries around the world that present fact challenge situations to the United States. Indeed, some of our friends from time to time. Our task is to separate the wheat from the chaff. How's that for a good analogy here in Iowa?

It's a real challenge, and one of the things that we have I think an absolute duty to do is provide the moral clarity around that. When countries are engaged in activities, sometimes so far as information campaigns – disinformation campaigns – we have an obligation to call it out from whatever voice that information is emanating. When we do that, I think we achieve some level of deterrence, but most importantly I think we protect America – that is, in the sense we remain a country that does act in ways that are very fact-based.

You should know I'm so proud to represent the 75,000 people of the United States Department of State. When I travel the world, I'll hear from our counterparts all over that, Mike, we learn a lot from the United States. You all help us. You provide foreign aid, whatever it is the assistance might be, but one of the things that you bring to my country is people of integrity. We see how your diplomats work. We see how hard they work. We see how they're honest. We see how they don't show up with paper bags full of cash to get a deal done. We see how it is that they interact with their colleagues, that they treat every human being with the dignity and respect that they deserve.

They see that. They see the representation of these core understandings of the United States of America, which are part of what you're talking about with respect to fact-based presentations. It's literally the case that when I enter a room to try and wrap up a negotiation, whether it's us trying to complete a trade deal or a arms weapon sale or getting permission for our embassy to have more people – whatever it is, our counterparts know that whatever it is I tell them will be truthful, that we won't be playing games, that we won't be engaged in a series of deceits. It's not that we don't make mistakes, it's not that we don't get things wrong, but we're showing up with a facts-based – a fact-based presentation on behalf of the United States of America, something you all should be incredibly proud of. And I wish it was the case that there were fewer – there were more countries that engaged in international activity in the same way that we do. (Applause.)

Looks like I've got time for one more. Anybody, or did I wear you all out? Yes, sir.

QUESTION: I'm a fifth-generation farmer from northwest Iowa, and I was kind of ready, positioned myself for these tradenegotiations, but I grew a really

good crop, so I haven't – I'm not all priced ahead. And I just – we're going to have big carryouts; at least, they're all predicting that we will. Do you have a plan B or whatever to peddle these things someplace other than China that – more reliable for us? I mean, I'm going to encourage you to sell all you want, we'll grow more. (Laughter.)

SECRETARY POMPEO: So there's been lots of ideas floated. I don't know that there's a concrete solution to the question that you raise. I wish I could tell you, yes, we've got them – markets identified, we know the price at which we can clear. I can't tell you that. But there are lots of ideas about how we might do that, ways that we might assist. I know there was some assistance, interim assistance that was provided, but I also know I heard from farmers in Kansas. They appreciated that, they thought it was great, but they'd rather just sell their stuff and run their business and pass it on to the sixth generation.

Yeah, one more. Yes, sir. I saw you had one. Yes.

QUESTION: Mr. Secretary, thanks for coming to Iowa. Ambassador Branstad, thanks for coming back. (Applause.) I wondered if you could touch on North Korea situation and maybe opening up a trade agreement with them, if something (inaudible).

SECRETARY POMPEO: I live in hope. (Laughter.) So a little bit of color on the President's trip to Hanoi perhaps would be of some interest. So I've been at this since the beginning. I took the first trip on behalf of the administration when I was the CIA director. I told a story that's not for repeating to your governor a little bit ago from the first trip. We've been engaged in the fundamental proposition of trying to convince Chairman Kim, who is 35 years old, that the historic strategy which said that absent nuclear weapons North Korea will fall, that the government will fall, that it was their only way of achieving security for the country – and they trust that. They're confident that that will protect them.

We've been trying to convince them with a fact-based presentation that says, actually, your best way – if your goal is tomorrow, you may well be right. But if your goal is two, five, ten, twenty-five years, then, in fact, those nuclear weapons will actually present risk to your country, that running a nation in the way that North Korea has been run is not a sustainable model for the next ten, twenty, thirty years. But it's going to require Chairman Kim to make that strategic decision.

We didn't get there this past trip. In spite of lots of hard work that was done by State Department team, DOD team, all the folks at the Department of Energy over the past weeks working with the North Koreans to try and outline what a real big deal would look like, we didn't get there. So I am hopeful, although I have no commitment yet, that we will be back at it, that I'll have a team in Pyongyang in the next couple weeks continuing to work to find those places where there is shared interest.

A team will also be out working with our partners, right. We've built an enormous coalition, right, all the members of the UN Security Council. People

think of these sanctions as being ours. They're not. They're the world's sanctions. Everyone understands the threat from North Korea. We think we still have everyone on board. We think the whole world still understands the threat, even after the deal that was proffered, which the President didn't think rose to the level of something that he ought to accept, and we're still working at it.

A big component of what we have presented the President refers to as a brighter future for the people of North Korea. A significant component of that brighter future is the economic opportunity that sits in North Korea. For any of you who have studied this, there are enormous structural challenges – infrastructure challenges, electricity challenges. There are many, but it's a pretty fertile place. It's a place with 25 million people, an economy that has enormous potential for growth, and we believe that there are resources and willing partners who will come if we can make it across the Rubicon on the nuclear weapons to build a brighter future for the people of North Korea. And there would almost certainly be an enormous opportunity for American business to serve that 25-million-person market as well. It'll take a while to build them out to a place where they have a significant, scalable middle-class economy, but we've seen other Asian countries do this in time periods that no one believed that it could be pulled off.

MODERATOR: Sir, we have time for one more.

SECRETARY POMPEO: All right, great. Thank you.

Yes, sir.

QUESTION: Do you think China's Belt and Road policy could eventually remove Africa and Europe and Southeast Asia from the American sphere of influence for markets?

SECRETARY POMPEO: No way. So the question is do you think China's Belt and Road is going to take down the United States of America – I summarize. No chance. As I travel the world, people are on to it. They get the shtick. These deals are, in fact, often too good to be true, and many countries have already begun to see that. They show up with products that aren't world-class, with Chinese labor and an enormous debt package which is almost certainly designed for foreclosure. And I think the world is beginning to see that.

And I think too America sat still for too long. We didn't respond to this economic activity, and we're determined to do it. And so you're now seeing American businesses, American diplomats showing up in these conversations, making sure that there's a fact-based discussion about what's really taking place and how it is the case that there are better alternatives than doing some of these deals with China.

I want to be clear: We're perfectly prepared and we welcome China moving around the world when competing. On a fair and level playing field, they have every right to go out and have Chinese companies go compete their brains out, work their tails off, and go compete with us. And if they show up with a

project that is an economically viable project and it is better than what the Europeans show up with or the Americans show up with or what the Japanese or the Australians show up, so be it. We want the Chinese Government to grow its economy and be successful. We see no problem with that.

Where we have a real problem is when they show up with deals that just not a soul in this room would do, that none of you would. How many bankers do we have in the room? Any financing folks? None of you would loan into these deals, and none of you would see the economic outcome that got you to the right place in that transaction. That means almost certainly that there's a political component to the investment.

And I'm very convinced that the world is waking up to this risk. I'm very convinced that America is responding to this risk. And I always believe that over a substantial period of time that markets always beat centralized government every place you find them. And I think that'll be what happens here with the China Belt and Road Initiative as well.

Well, look, thank you all. Thank you so much for your time today. Good luck and God bless you all. Thanks. (Applause.)

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