

AS PREPARED
Remarks of U.S. Senator Elissa Slotkin
A New Economic Vision for the Democratic Party
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Thank you, Neera, for that introduction.

And thanks to the Center for American Progress for having me.

I wanted to come here because, frankly, we haven't always agreed on every issue. So I'm really grateful for the opportunity.

It's a coincidence of scheduling that I find myself giving this talk a few days after the United States took military action in Iran, two days after elections in New York, and the day before the Senate votes on President Trump's "Big, Beautiful" bill.

But all that helps clarify why I feel the need to do this speech in the first place.

Put plainly: As a CIA officer and Pentagon official by training, I believe that the single, greatest security threat to the United States is **not** coming from abroad. It's the shrinking middle class here at home. I believe deep in my bones that, if we lose our middle class and, by association, the American Dream – we will lose our democracy, and eventually our country.

This is the existential threat. And as a national security professional, what do you do when there's an existential threat to your country? You get to work on a war plan. You face up to what's not working, change course, and ruthlessly pursue the economic security that's critical to our survival. In short, leaders have a responsibility to respond, and to chart a path forward – and not just complain from the sidelines.

Earlier this year, I had the opportunity to give the rebuttal to the State of the Union. I said that most Americans share three core priorities: a strong economy, a strong national security, and a resilient democracy. Those are three of our most basic tenets as Americans.

Later this year, I'll give two other speeches, one on security and one on democracy. But today, what I want to lay out is an Economic War Plan. Because any successful vision of America must start with an economy that works for everyone.

Okay, so back during my war planning days at the Pentagon, the first thing we did was lay out the specific problem we're trying to solve. The middle class is shrinking. That's not a political statement, it's a fact. In the years after WWII, the middle class exploded. But over the last 50 years, the share of Americans in the middle class has fallen by nearly 20 percent. And the total wealth and power held by the middle class has been cut in half. Add to this inflation and it is clear why people are so frustrated.

In 2025, money and opportunity is skewed towards those who already have it, not those who are striving for it. Middle-class families, blue-collar folks, young people -- we can all feel that something's off. We're all questioning whether the American Dream will be an American reality for us and our kids.

This core issue unites moderates, progressives and everything in between. And that unity is critical if we ever hope to succeed.

Things aren't off because Americans have stopped working hard. It's because government hasn't lived up to its side of the Great American deal. That deal, which we're all automatically signed up to, is this: Government has the responsibility to set the conditions for success, and the American People have the responsibility to work hard to achieve it.

That deal is failing because politicians from both parties strayed from ruthlessly expanding the middle class. They've been lured by special interests, their own re-elections, and niche issues that have more to do with themselves. And it's been compounded by the bitter fighting between Democrats and Republicans. The result

being that, even as the economy has changed since World War II, our government hasn't kept up. The things you need to succeed—your job, your school, your health care—are outdated and broken. And if the election in November told us anything, it's not just Trump voters who are frustrated with government. It's Americans across the board.

As the Senator from Michigan who just won on the same ballot as President Trump, I've seen this frustration firsthand. Michigan invented the middle class: the very basic idea that you could work in an auto plant and afford the car you were building. But today, Michigan is also a place where people feel like it's harder and harder to get in, and stay in, the middle class.

Let's take my town of Holly, Michigan. It's full of people who aren't doing as well as their parents and grandparents. They can't provide for their kids what was provided for them. Dad worked at the Ford engine plant and could afford a fishing cabin up north, but his son can't afford one. Dad could take the kids to Disneyland, but the son can't take his kids on vacation. Down the street from Holly is Flint, where it's gotten harder to get in the middle class in the first place.

And this is the thing that many Democrats have lost touch with—when you can't provide for your kids, you feel anger. You feel shame. You lose your dignity. And you look for something—or someone—to blame.

That anger, that suspicion among Americans — that right there is what I mean when I say an existential threat. Because in a multiracial, multiethnic democracy like ours, when people don't feel like they can get ahead and the system is rigged against them, they start blaming people who look different, or sound different, or pray different. It's how we begin to tear each other apart from the inside.

So in order to attack the threat, we need to get government back to the basics of what it was designed to do.

And to me, those fundamentals are the following:

Jobs that pay enough to save every month.

Schools that prepare our kids for those jobs.

A home you can call your own.

Safety and security from fear.

Energy to power our lives, and an environment to pass on to our kids.

And health care you can actually afford.

This Economic War Plan aims not just to “fix” these systems or nibble at them around the margins – but to rebuild them. And, as a Democrat, if we have to slaughter some sacred cows to do so, then so be it.

Ok, let's get to it.

At the Pentagon, once you identify the problem you're trying to solve, you lay out how you're going to attack it. For this Economic War Plan, there are 5 lines of effort we should pursue.

First, jobs. We need to help every American who is willing to work for it, achieve economic security.

Imagine the middle class is like a ship at sea. For the better part of 30 years, it's been taking on water as the middle class has shrunk. And now, it's about to get hit with a Category 5 hurricane in the form of artificial intelligence.

Artificial Intelligence has the potential to change our economy more than the internet did. Think about that. Productivity will go up and jobs will be gained—but jobs will also be lost. And that's going to start with entry level jobs where college graduates cut their teeth.

The skilled trades—plumbers, electricians—may be more resilient. Jobs like nursing or teaching—where people-skills are important—might be safer, as well. But jobs where you're summarizing information, like a brand-new paralegal or an accountant, will be more at risk.

Certainly, in the Midwest, we're used to being the first to go from economic change—bad trade deals, automation. This time, we may not be first on the list. But change is coming, and we need to get our ass in gear.

So any discussion of jobs must focus on job creation for the middle class.

That starts with supporting small businesses.

Small businesses employ nearly half the private workforce in America. So if we want to grow the middle class, we need to radically realign policy to support small businesses. We need to invest more in helping businesses get off the ground and grow their operations in America. And we need to give entrepreneurs their time back —simplifying taxes, licensing, patents, and regulations that distract from creating more jobs.

The flip side of this is the first sacred cow I want to slaughter: Too often, Democrats fail to make the distinction between small businesses and the largest multi-national corporations. And because of that, many Americans hear us as plainly anti-business.

And while we're on that subject: Too often, as Democrats, we have a habit of vilifying success. Yes, we want everyone in America, including the President of the United States, to play by the same set of rules. Yes, we need a fair tax code to ensure ALL Americans are paying their fair share. But this is America. No matter who you are or

where you come from – black, white, Latino, first-generation – if you play by the rules, we want you to be wildly successful.

Next on job creation, we need to get serious about bringing our critical supply chains home.

We need an aggressive 10-year plan that prevents any foreign nation from having a veto over America's economic security.

This is what we call good old-fashioned industrial policy. Because we need to answer one, single question: "What critical items should we always make—at least in part—here in the United States?" Things like our military hardware, of course—but also our food, pharmaceuticals, and items like microchips that millions of Americans depend on.

We're never again going to make Rubik's Cubes and ladies razors here in America – and that is fine. But it is not fine for China to control the rare earth minerals or batteries that our auto industry relies on. It's not fine if a single pharmaceutical plant going down in India means a shortage of cancer drugs in Michigan.

To make sure these critical products are made at home, we should use a combination of tools: targeted tariffs, yes, but also incentives, and a shared plan where we tag-team with our partners and allies.

And just to be clear, sloppy and chaotic tariffs are not a substitute for an actual plan.

Finally, if you truly want to deal with our economy, we must acknowledge that our immigration system is broken. It's not working for anyone – not our employers, not our border officials, and not for the immigrants themselves, who are simply looking to live the American Dream that my family did.

We need an immigration plan that is keyed to our economy. Immigrants fill critical labor shortages on our farms, in our factories, in our hospitals and in our firms. And in Michigan alone, one in four of our small business owners are immigrants.

So we need a system that brings legal, vetted immigrants into our country. That means talking directly with employers. Setting up a completely new system that automatically sets visa caps to the needs of our workforce. Some years, we'll need more workers. Other years, less.

And no immigration plan exists without a clear plan on border security. As a former CIA officer, every country in the world deserves to know who, and what, is coming across its borders, and no one should be here illegally. As a border state, Michigan lives this every day.

But both parties have been a mess on this issue. Republicans think border security should substitute for an immigration policy, and are rounding people up in a way that goes against American values. And Democrats are scared to impose real rules.

So let me slaughter another sacred cow: We need to move past the talking point of "comprehensive" immigration reform. For the past 20 years, politicians in both parties have abandoned immigration deals—either because they were good but not perfect, or because they preferred to use the immigration issue as political ammo. We need big, bold change to fix a broken system—but at this point, that can be in one bill, or spread across five. I will work with any adults I can find who are actually interested in making some kind of progress on immigration.

But it doesn't matter how many jobs we create if those jobs don't pay enough to allow you to save a little each month and make it into the middle class. All across the country, people are working two or more jobs just to make ends meet.

We need an economy where every American can work at one job, full time, with good benefits, and live a stable life.

As workers increase their productivity, employers should make sure they share in the wealth of the good years. And there should be consequences for corporations if they don't.

If a global company is paying its full-time workers so little that they need federal benefits, like Medicaid or food stamps, that's not a living wage—and that company should lose eligibility for tax incentives. The government shouldn't give tax breaks to big companies and then have to pay again to keep their employees from going hungry. That's double-dipping—it makes the taxpayer pay twice for corporate greed. And it's got to stop.

And while we're talking employers and employees, I've heard some people cast union labor as a problem or a roadblock to progress. Those folks are dead wrong.

Unions were invented because of corporate exploitation. And every worker in America should have the right to join a union if they want. It's not by accident that we're back in an era of increased interest in unions.

Now, our unions need to become more nimble and they can't live in the past. But if you're a large corporation worried about unionization, I suggest you focus a bit more on taking care of your workers with good wages and good benefits.

Okay, so I've talked about jobs in this brave new world.

Next, and our second line of effort, is we need schools that prepare our kids for the jobs of the future. The middle-class won't mean much if Americans with a public-school education can't get in.

We've mentioned how AI is going to radically change our world. It's therefore a good time to radically change our schools — from community college and trade schools, to four-year colleges, to K-12 schools.

Let's take those one by one—starting with killing another sacred cow. In America, you don't have to go to college to be successful. I see this every day in Michigan, where our skilled trades – Operating Engineers, Pipefitters – in many cases are making more than our college graduates.

Making a living using your hands is a worthy path. Some Democrats give that idea lip service, but it's time to put our money where our mouth is: We need to invest heavily in certification programs, community colleges, trade schools and apprenticeships.

Key to that is taking a stick of dynamite to our federal workforce training programs. Right now, workforce training is spread across 40 different programs in 14 different agencies. We have to align all those programs around one goal: training and retraining people for a future economy.

In that future economy, four-year colleges and universities will still play an important role. We want America to be the world's leader in research and development. America should be the country inventing the next GPS or the cure for cancer—and spin off a million different businesses in the process. And by the way, if we don't, China will. So we need to do the opposite of what President Trump is doing, and strategically invest in university research.

But if we're going to do that, our universities have to hold up their end of the bargain and keep their education accessible. Because for many middle class Americans, these universities have crossed the line from expensive to not worth it. That means guardrails on costs and student loans to make college more affordable.

But this all starts with our K-12 schools. Let's state the obvious: we need to recruit and pay teachers better and reduce class sizes. We need to drastically update our curriculum, especially in science and math. And we need to thoughtfully introduce AI into schools, balancing the need to prepare young people with the need to develop good, old fashioned critical thinking skills.

But as we increase technology in schools, we also have to acknowledge where technology is already harming our kids. Too many students are lagging in the people

and problem-solving skills that will be even more valuable in a future economy—and that's largely because of social media and cell phones.

To that end, we should ban cell phones in every K-12 classroom in America. Congress and the courts should hold social media companies accountable for using algorithms that get kids addicted to extreme content. Rules of the road for AI are absolutely vital. Because if we've learned anything from the internet revolution, the tech industry simply won't police itself.

Next line of effort? Housing.

There is nothing more foundational to being an American than owning a home. When my great-grandfather immigrated to this country, owning property was how he judged whether or not he had achieved the American Dream. But today, that dream is less affordable than ever. In 2005, the average price of an American home was \$140,000. Today, it's over \$500,000.

The problem started in the 2008 Recession, when builders stopped building as many homes. A decade later, COVID hits and everyone wants to move, spurring demand. Add inflation to that and, voilà: Americans of all stripes can't buy a first home or a bigger home for their growing families. Today, the average American doesn't buy their first home until they are 40, if they're lucky.

That's not a good story. But there is something we can do: We need to declare a housing emergency and spur the building of about 4 million homes to catch up with need.

If our political system was healthier, we'd all be talking about this issue. But we're not. In the President's State of the Union in March, there wasn't a single word about any kind of housing policy. And there's not any significant proposal on home ownership in his "Big, Beautiful" bill.

The single biggest thing holding us back is overlapping and outdated housing regulations. Individual rules may have been enacted with good intentions. But when they pile on each other, those rules make it nearly impossible to build homes – especially single-family homes for the middle class.

So we need to slaughter another sacred cow and take responsibility for how over-regulation can halt work on critical issues. We need to streamline regulations that hold back builders from constructing homes. Federal and state programs, but also incentives for communities to change zoning laws that prevent construction. I know this concept of over-regulation is now being discussed in Democratic circles. This is good. But the Economic War Plan needs to measure concrete success by the number of homes built – not the process we use, or as we say at the Pentagon, to admire the problem.

Next, let's take energy. We need an all-of-the-above energy plan—and we need to pursue it now.

We all know we're using more and more energy. Modern life is demanding it.

In the last three years, electricity prices have risen by 13 percent, faster than inflation. It's a crisis that is sparing no one, and I hear about it constantly back home. And AI is only going to cause demand to spike.

If we don't plan now, in a matter of years, we're going to see things like rolling brown and black outs because we don't have enough energy. And more and more Americans simply won't be able to afford their utility bills.

What's the point of having a house if you can't keep the lights on?

What we need is not a renewable plan or a fossil fuel plan. It's an all-of-the-above energy plan. Natural gas, since it's not feasible to meet growing demand without it. But also other forms: Nuclear. Batteries. Renewables like wind, solar, and hydropower. New stuff that's still in development—from fusion to biofuels. We need it all. And anyone who tells you that we should scrap certain types of energy because it's 'woke' doesn't

actually care about your costs. They care more about scoring political points and funding their own re-election.

Last. Climate change is upon us. Even my Republican colleagues will admit that, behind closed doors. And we need to expand the coalition of citizens working to mitigate it. But here I need to slaughter another sacred cow: The way some Democrats approach climate change is elitist -- you're either with us or against us. In the 2000s, climate change was a theoretical thing. But today, it's here -- in the form of extreme weather that is disproportionately hitting middle class pocketbooks.

By continuing to use climate change as a purity test, we're excluding people who are now inclined to join the cause. We need to meet people where they are. People get that extreme weather is a pocketbook issue. Let's start from there and try to bring as many Americans into the cause as we can.

Finally, the last line of effort is healthcare. Few things are as fundamental as providing for the life and health of your family. But there are few systems as broken in 2025 America as health care. The whole country knows that our health care system is not working for anyone -- not the doctors and nurses, not the admin staff who work in the system. And definitely not the patients. Is there a single American who thinks healthcare is working well?

I know this issue better than most. When my mother was diagnosed with ovarian cancer, she didn't have insurance. She had let it lapse because she couldn't afford it. And while she was fighting for her life, we were fighting the insurance companies just to get her care.

In the most powerful country in the world, all people deserve access to care. It's a core reason I ran for office. Tomorrow, President Trump and the Republicans are going to try to finish the job they started during Trump's first term: cutting your healthcare. This time around, they're trying to hide it better. They know it's not popular. But the result is this: every single American is at risk of either losing their health care or having the price of their health care go up by January 1st. Keep book on that.

And it begs the question: what should we be for on healthcare?

Put me down as a supporter of a true public option. That means any American, at any age, has the ability to buy into a nationwide public insurance plan. You want to stay on your private insurance? No problem. But if you want to leave your job, move between states, start your own business, or retire early – there's a reasonable option there for you at a reasonable price.

Don't let anyone tell you that this plan would be incremental. It would change the face of health care in America. And that's good, because we're at a breaking point. Because the life and health of your mom or your kid – there's nothing you won't do. And elected leaders ignore that anger at their own peril.

Then, we need to take a battle axe to the whole way we do prescription drug pricing. It's also broken. America should always be the place where we invent the new miracle drug. But in the system we have, drug companies, and a million middlemen in between, jack up the prices however they want. And treatments and cures only work if you can afford them.

Democrats made some progress on this issue in the last few years. But it's not enough. Medicare and this new public insurance plan should have the ability to negotiate prices for all drugs. This is the Costco model, and every American understands it: You buy in bulk, you get a cheaper per unit cost.

We also need a little sunlight, a little transparency on prescription pricing. There is no other product in your life where you don't get to know the price until you hit the register. That's crazy, and it's purposefully done.

Which leads me to my final point. We have to go after the special interests that keep our health care prices high. In my six years in Congress, I have seen no issue more influenced by lobbyists and political donations than healthcare.

If you want to know why all Americans are furious about the price of healthcare and nothing ever changes, it's because of this very ugly reality: lobbyists and corporate PACs donate a lot of money, and then Members of Congress feel beholden to protect those industries. And that has real consequences for middle-class Americans, on healthcare, and everything else.

That's why a key part of my Economic War Plan, which undergirds all of it actually, is taking action to regain trust with the American people.

We need a full-on ban on corporate PAC money. I'm one of six U.S. Senators who has never taken corporate PAC checks. Six out of 100. Beyond that, we also need to ban Members of Congress from trading stocks and cryptocurrencies, so Americans know politicians aren't personally profiting from their access.

The middle class doesn't have a lobbyist. They don't have a super PAC. They don't have a corporate PAC. But they should have the Democratic Party.

You want to re-focus elected leaders, both Democrats and Republicans, on middle class issues? Own up to the role that money plays in politics, and GUT it.

None of this is radical. This is getting back to basics. And as we know from sports, if you can't get the basics right, no one cares about your trick plays.

So that's my vision for getting back to the basics: the Economic War Plan for America.

Frankly, it's what most Americans want their government to be focused on. And it's how government can hold up their end of that great economic bargain — where government sets the conditions for success, and the American people work hard to achieve it.

Look, I know it's a fractious time. In our economy and in Washington. It seems like we can't move forward. Democrats are stuck playing constant defense against what's coming out of the White House. But defense is simply not enough. No team in history -

- on the field or in DC – ever won a game without going on offense. We need to offer a different vision, and demonstrate our affirmative, positive plan for the country. That's our responsibility and what the moment demands of us. And given the stakes – and the existential threat of a shrinking middle class -- an Economic War Plan is what I know how do. We need to treat the moment with the seriousness it deserves. And be relentless in protecting the country we all love.

Thanks so much.

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