



2026 GLOBAL CONFERENCE LEADING IN A NEW ERA



DRIVING OUR ECONOMIC EDGE: A CONVERSATION WITH MICHIGAN GOVERNOR GRETCHEN WHITMER

Brian Sullivan 00:03

This is Gretchen Whitmer. She is the governor of the great state of Michigan. Let's give a big hand, please.

Gretchen Whitmer 00:07

Thank you. Thank you.

Brian Sullivan 00:10

Please have a seat.

Gretchen Whitmer 00:11

All right.

Brian Sullivan 00:12

The entire audience is from Michigan. It's amazing.

Gretchen Whitmer 00:16

That's why they look so happy.

Brian Sullivan 00:18

And they're so nice.

Gretchen Whitmer 00:19

Exactly.

Brian Sullivan 00:20

I actually—side note—married into the Midwest. I own a home on what's called the Upper Peninsula. Don't lie, has anybody here, raise your hand, been to the Upper Peninsula?

Audience 00:27

Woo-hoo!

Brian Sullivan 00:30

See, they are all Michigan. Oh, you don't need to raise your hand. All right. So, listen, I'm not going to lie, I'm biased. I'm a little bit of a homer for the state of Michigan. I got a lot of friends there. Great to meet the governor. I've never met her before. The state, I think, is just doing amazing. Before we kind of get into specifics, just give us a lowdown on where Michigan stands economically right now.

Gretchen Whitmer 00:53

I think, there are a lot of good things going on in Michigan, and certainly the auto industry is the backbone of our economy. Advanced manufacturing is who we are. We're still proud to be the home to the greatest concentration of engineers in the country per capita. There's a lot of wonderful strengths in Michigan. We know, though, with the auto industry, there is a lot of change happening at a very breakneck pace, and with, I think—some of the tariff policy out of DC and some of the challenges with making long-term investments in this environment—I think those are things that we've got to keep our eye on that impact the whole country. During the—World War II, we were known as the arsenal of democracy. We were able,

because we did advanced manufacturing, to pivot and to produce bombers and planes. And so we saw during the pandemic how important manufacturing is, and it's why I'm grateful that there is an effort to onshore, but I think some of our policies have to be predictable and strategic because it's important that manufacturing grows in this country, and we want to be on the forefront of it.

Brian Sullivan 02:02

I saw that movie "Ford v. Ferrari" and that scene, Edsel Ford is with Matt Damon, he's like, "See that factory, son? Two out of every five bombers came out of that. We won the war." It's not entirely untrue, but there is a war, I think, going on in the auto industry, and the war is happening in Europe right now. And it's EVs from China. I'm not picking on China, but I tell you one thing, I got a lot of friends in the auto industry in Michigan, you know that. It's going to be hard to compete with their cost of labor if we start to see a lot of BYDs and Chinese-made cars coming into Michigan. What's the right outcome here?

Gretchen Whitmer 02:40

Well, I think the right outcome is making sure that we renegotiate USMCA and get that to a place where everyone has predictability, and we know what the rules are going to be. Autos go back and forth over the border to Canada eight, nine times as an automobile is being produced, and all of those tariffs are adding up and making it more costly. I think that the pivot away from encouraging EVs is detrimental, frankly. Manufacturers can't just build a plant overnight, and so having that predictability, being able to make those longer-term investments, is really important. And there is still work being done in EVs from our domestic manufacturers and autos, but it's not at the clip, not nearly at the clip that they're doing in China. And I do worry about what has happened in Europe replicating itself in North America, with the adversarial relationship between the US and Canada at the moment. Michiganders love Canadians. We love Canada. We think that important—

Brian Sullivan 03:43

— You have a bridge that actually connects.

Gretchen Whitmer 03:44

— We do, and they paid for it.

Brian Sullivan 03:47

— I've been over it.

Gretchen Whitmer 03:50

Yes. Well, and there's the Gordie Howe Bridge that's going to open this summer. But we are so intertwined, and I think that really the president negotiated USMCA. He wants to make some changes. I hope that they are refining some things, but let's declare victory and—

Brian Sullivan 04:02

—Okay. What would you do?

Gretchen Whitmer 04:04

—make it predictable.

Brian Sullivan 04:05

You're in charge. What would you do with the tariffs for Michigan? What would be the perfect outcome? Because I also presume you want more manufacturing in the United States.

Gretchen Whitmer 04:13

Absolutely.

Brian Sullivan 04:14

And there's got to be some blockades to some of these cars coming in. I'm, again, not knocking China, but you can't compete with their labor costs.

Gretchen Whitmer 04:21

Well, you can't compete with the fact that they're underwriting all of the manufacturing. Let's be clear that the government is underwriting a lot of the manufacturing. That's how they're bringing down the cost, competing with Europe, and that's why the European auto market—we saw Volkswagen close a plant for the first time in company history. We don't want that to replicate here. So what would I do? Well, I would think of tariffs more like as a scalpel, not a hammer. Something that can be used as an important policy function, but not something that is used broadly without real strategy behind it.

Brian Sullivan 05:00

Yeah, you look at some of the impacts. Also, what's going on in the Middle East, the Strait of Hormuz, like for an example, the F-150, best-selling vehicle in the United States, best-selling truck certainly, made of aluminum. A lot of that aluminum comes from either Canada or parts for the F-150 come from Canada. Some of that aluminum might be smelted with ingredients coming from the Middle East. There are real challenges that Ford and GM and Stellantis, which is the parent company of Chrysler and Dodge and Ram, that they have right now. Is there a fix for all this, or is it just time and sort of easing the supply chains?

Gretchen Whitmer 05:32

Well, onshoring, when the president said that that was the motivation, I think we all were happy to see that. I think we can all get around the fact that we need to be doing more of this manufacturing. We need to shore up our supply chains. We do need access to critical minerals. All of these are important pieces as we think about the long-term health of our auto companies. But it's not just about companies, right? It's about doing this advanced manufacturing. It's about good-paying jobs that come with it. It is about making sure that the average person in America can afford to buy an American-made car. The Chinese are producing three times as many cars as we are right now. This is—

Brian Sullivan 06:10

— On the cheap.

Gretchen Whitmer 06:11

—Yeah, on the cheap. And I think that the fact that we've alienated our Canadian relatives—I always tell people Canadians are like the in-laws you like. And we've alienated—

Brian Sullivan 06:26

Weird accents, funny accents, though.

Gretchen Whitmer 06:28

Well, mine sounds like the ones from Ontario, but anyway. I think that it's the Mark Carney opening up to BYD, I think you would never have seen that if we'd kept the relationship very strong and not tariffed everything going between Canada, the United States, and Mexico. And I worry that these will have much longer-term consequences, because once you open up the door in North America, it makes it a lot more difficult.

Brian Sullivan 06:54

Well, the door is sort of—there was a Wall Street Journal article, I think, last week, where basically some of these BYD—again, not picking on any one company, but BYD is the biggest. And because they're legal in Mexico, some people in El Paso were starting to buy them, and they were coming over, sort of getting into the United States. Because the reality is, we go to buy a car, we go to a car dealership, and you say, "Okay, I want to get a Chevy Equinox or maybe an electric Equinox," and it's [\$]45,000, [\$]50,000, whatever the number is. And here's the BYD, which looks very similar, very similar, and it's 30 [\$30,000].

Gretchen Whitmer 07:24

Yeah.

Brian Sullivan 07:25

How does Mary Barra and GM compete with that? They can't.

Gretchen Whitmer 07:28

Well, it's a lot harder to compete with it right now, where the incentives and the supply chains are ever-changing, and I think that that's just made it—they had pivoted and really expanded the work around EVs. You look at what's going on around the world, EVs are the future, right? And I love an ICE vehicle. I'm a driver.

Brian Sullivan 07:50

We could argue about that.

Gretchen Whitmer 07:51

Well, just look at what consumers are buying around the world, right? We know that giving consumers choice is a good thing. I'm not saying that you have to buy an EV. I'm saying we have to produce EVs, though. You can buy an ICE vehicle. That's well within your choice. I want to make sure—I don't care which vehicle you drive—I just want to make sure that it's made in America, that it is built by Americans, that it is fueling the American economy, and that it is good-paying jobs and manufacturing.

Brian Sullivan 08:20

And it's also, we learned in COVID, the fragility of some of these supply chains, right? You look at semiconductors, right? Cars are computers with tires on them nowadays.

Gretchen Whitmer 08:27

Yep.

Brian Sullivan 08:28

And Toyota had a major semiconductor shortage issue. If you wanted to buy a Tundra pickup or whatever in 2021, it was good luck. I mean, they couldn't find some of these parts. Do you worry that what's happening in the Middle East will ultimately impact some of these supply chains in ways that maybe we're not—the media, it's the blame the media part of the program—maybe the media is missing?

Gretchen Whitmer 08:52

I don't know that the media is missing, but I do worry about it because I can see, just even during the pandemic. There's a big GM plant right near the governor's residence, between the governor's residence and the capital. We saw cars that were waiting for chips, and I think most people didn't know what a semiconductor chip was before the pandemic. We all knew afterward because there was so much in the economy that was stalled because we weren't producing chips in this country. People did not have access to it. So that's been a part of our strategy in Michigan is—we've been doing a lot of work, signing a lot of MOUs, bringing in investment into the state. We're proud to be the home to Hemlock Semiconductor, that produces the world's most pure polysilicon, which is a part of almost every device that we have. And so there are a lot of important components, but we have to do more in this country on all of those fronts.

Brian Sullivan 09:45

I thought your mansion was in a GM factory. It's just next to a GM factory?

Gretchen Whitmer 09:51

It is. But just right as the cars roll out.

Brian Sullivan 09:54

They just roll right through.

Gretchen Whitmer 09:55

They roll right by my bedroom, yeah.

Brian Sullivan 09:57

One, two, they're—go ahead—let's talk about semiconductors and supply chains and data centers, because they're connected. Data centers, again, they sound real fancy, but if you've seen them, I mean, they're basically just huge buildings, a lot of computers. They take a lot of cooling. A lot of cold, fresh water would be very helpful to build. I don't know if you guys have some lakes.

Gretchen Whitmer 10:17

We have more than Arizona.

Brian Sullivan 10:19

There's a couple lakes around on both sides of the hand. Talk to us about your data center strategy and also, I'm sort of the energy guy, Palisades Nuclear. What's the status? That's a lot of power.

Gretchen Whitmer 10:31

Yeah. So, we're really excited. We're doing some really kind of cool things. First, for the three of you who aren't from Michigan, I'll just let you know—

Brian Sullivan 10:39

—Get out.

Gretchen Whitmer 10:42

21 percent of the world's fresh water is in the Great Lakes, so it is an incredible asset. I think that there are a lot of Michiganders who don't appreciate what a huge deal that is. We all recognize the water. We love the water. We want to protect the water—but that is a massive strategic advantage for us—we've also got a duty to be responsible stewards of it. Data centers are going to be built. I recognize this—and I think that it's important for us as we see what is happening and how quickly the world's changing—that we do it in a way that is sustainable. And so, I'm really proud of some of the announcements we've been able to make in Michigan, where we have closed-loop water systems, where it is not going to be an additional drain or threat to consumers accessing energy. We have to build the data centers. They're going to get built. The only question is really how, in my mind, and that's why we want to do it the smartest way so it yields good jobs and we're good stewards of our natural resources. We are bringing—it will be the first state to bring back online a nuclear plant—the Palisades plant over on the western side of the state. This will power 800,000 homes, and once all of the attendant pieces are built, we'll be up to 1.4 million homes. It is a great additional asset with clean energy. And I think as a state that wants to achieve our clean energy goals, it's critical that we recognize the importance of nuclear as a part of all the assets that we need to reach those goals.

Brian Sullivan 12:14

And you mentioned Arizona because there's a fight over water, and a lot of politicians are saying, "Well, listen, we don't want data centers for three reasons. Number one, don't have the water." Now, you guys do. Arizona, struggling a bit. Number two, they're going to jack up electric bills. Now, I don't know. If you look at Loudoun County, Virginia, their bills have actually come down because the hyperscalers—the companies that build the data centers—they're feeding into it. That's a big deal. And then number three, of course, you just need the people to build them. There's tradespeople, electricians. You have those people because of the automobile supply chain. So, on the second point, the cost of the electricity, what is Governor Whitmer's strategy on getting—because if you know her, say hi to her and ask her this question—what is the strategy on making sure that the data center companies pay so that people in East Lansing and Flint and Sylvania don't?

Gretchen Whitmer 13:06

The way that we've structured the deals. They actually end up putting more resources into building out the electric needs. So, I think that it's—you can do this. You don't just write a blank check. You don't just say, "We'll supply everything that you need" and expect consumers to deal with access issues to power. But it can be done in a responsible way. I think that the work that we've done in our Saline Township data center that we're going to be breaking ground soon shows exactly that. Let's be a model. Let's not put our head in the sand and say no to data centers. Let's say, "How do we do it?" And let's do it right and show people that it can be done.

Brian Sullivan 13:47

What is the right thing, then? What are you doing in Saline? I don't know this project.

Gretchen Whitmer 13:49

So, it's an OpenAI project that we landed that is going to—I think it is a great collaboration with the University of Michigan, with Detroit Edison, and we're going to—the announcement's coming soon. You should come and see it.

Brian Sullivan 14:06

Well, you went to Michigan State, so are you okay with this whole Ann Arbor program?

Gretchen Whitmer 14:10

I am. I'm the mother of Wolverines, despite the fact that I'm a Spartan, so—

Brian Sullivan 14:13

—And as the governor, you got to kind of be nice to everybody, right?

Gretchen Whitmer 14:15

—I do, for the next eight months, anyway.

Brian Sullivan 14:19

And then we'll see after that. So, it is—well, listen, if I'm invited, I'm happy to come because it is a big deal. There's a lot of states that are competing for some of the same projects, so what are some of your plans and—bless you—and methods to win those deals? These are multi-billion dollar deals.

Gretchen Whitmer 14:40

Yeah, and we travel the world, and I think it's been kind of interesting, in the climate, that the opportunities are coming forward. So, the concentration of talent in Michigan really is unique. We know we take great pride in our work, and I hear from companies that have presence in many different states that we got a good gritty workforce who shows up and takes pride and does great work. I think that's first and foremost. But this ecosystem that we've built with our universities, our community colleges, we're ranked number four in the country for our regional workforce efforts that we are upskilling our population. There's a path into the trades or into a community college certificate or a four-year degree for everyone that we've made affordable, if not free for everyone in Michigan. And so that's been an important part of it, but I think the collaboration—we've been cutting red tape so we can move faster, we can get shovels in the ground quicker—and I think all of those things have been feeding the success that we've had around telling the Michigan story and earning investment in Michigan.

Brian Sullivan 15:51

Cutting red tape. So that's a regulatory issue. What are you most proud of in terms of what you've done in your terms for attracting business? If you're going to write the book of you.

Gretchen Whitmer 16:06

I think we move fast. I think we're creative, and when we need to move fast, we create strike teams amongst state government, where we've got the right people from each department, and we move quickly. We heard loud and clear that some of the frustration before was that it was too slow, it was unpredictable, and so I really believe we've addressed a lot of that. Is it perfect? No. It's never perfect, but we've made really important strides, and I think that's a testament to the people that I've put in place that when we say yes, it's go time—and that's something I think the business community has seen. I'd also say, we are—for the third year in a row—top 10 state for doing business, and I think a lot of these are pieces of it. But we've got great partnerships with our business community. I'm looking at Linda from Carhartt here. We've got an incredible business community that has really leaned in, and we've locked arms and worked together really well.

Brian Sullivan 17:02

The clothing company?

Gretchen Whitmer 17:04

Yes.

Brian Sullivan 17:05

We get a discount for coming to this panel? What about moderating the panel? Because I love your—I had no idea.

Linda (Audience Member) 17:09

I don't know that you're our core consumer.

Brian Sullivan 17:12

I'm probably not. Why? Because I'm tall?

Gretchen Whitmer 17:15

Maybe bougie. I don't know, Brian.

Brian Sullivan 17:18

I'm not, no. I live on the Upper Peninsula, Linda.

Gretchen Whitmer 17:21

Iron Mountain.

Brian Sullivan 17:22

I don't even change my pants. Like, the jeans—the same pair stay on all summer long, so it's fine. He laughs because it's true. That's the only reason. So, the panel's called "Driving"—yeah, I see what they did there—"Driving Our Economic Edge." You have eight months left.

Gretchen Whitmer 17:40

Yeah.

Brian Sullivan 17:41

Anything you really want to get done?

Gretchen Whitmer 17:43

Well, we've got a great opportunity in a part of our state not far from Flint that is maybe a premier site for a big investment. I'd love to land, whether it's a semiconductor fab or something else. I think that that's probably the best site in the country right now, and an opportunity for a business that's looking to do some big manufacturing.

Brian Sullivan 18:07

There might be some people in this room or conference that could help you with that. You've been to the Milken Conference, so how do you do that? Last question, how does a governor of Michigan—do you spend a lot of time on planes wooing CEOs? How does this work?

Gretchen Whitmer 18:23

Yeah. All of the above. It's telling the story. I think one of the things that I'm proud of being a Michigander is we're kind of humble. Have you ever met someone from Texas, Brian?

Brian Sullivan 18:35

Yeah. I have.

Gretchen Whitmer 18:37

Not so much. They tell their story very well, though, and I admire that, and I think that we've got to do a better job really showing what is possible in the state of Michigan, what's happening in the state of Michigan. Downtown Detroit is an exciting place right now.

Brian Sullivan 18:51

Ford just came back.

Gretchen Whitmer 18:53

Yeah.

Brian Sullivan 18:54

Built that new head—well, the old headquarters—

Gretchen Whitmer 18:55

—Central Station—

Brian Sullivan 18:56

—they redid the building into an amazing new headquarters.

Gretchen Whitmer 18:58

It's spectacular, and there's so much innovation and so many different companies that now have a presence there, and so it's this great concentration that is feeding and nourishing the kind of the creativity that made us leaders at one point, and to see it all coming back and growing and new entrepreneurs coming in, it's really exciting. So, I want to invite people to Michigan. That's part of it is bringing people to Michigan and showing what's possible.

Brian Sullivan 19:25

And see the world's longest airport. And as somebody that has to catch a flight to Iron Mountain from DTW, if you see a six-foot-four, 250-ish pound dude trying to run from one end to the other, that's me. Stop and say hi. Governor Gretchen Whitmer of the great state of Michigan, give her a big hand, please. Thank you.

Gretchen Whitmer 19:45

Thank you. Governor, thank you very much.

Gretchen Whitmer 19:47

Thanks, Brian.

Brian Sullivan 19:48

Amazing. Thank you all for coming. Have a great day and a good conference. Thank you.

Gretchen Whitmer 19:52

Thank you.

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