

Macro Roundup Article

Headline: [Raimondo Says Commerce Needs More Money to Halt China Chip Drive](#)

Article Link: <https://www.bloomberg.com/news/articles/2023-12-02/raimondo-says-commerce-needs-more-money-to-halt-china-chip-drive?sref=U3dOGIDF>

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Tweet: Commerce Secretary Gina Raimondo expressed frustrations with Nvidia's redesign of chips to in order to access the China market. She said, "If you redesign a chip around a particular cut line that enables them to do AI, I'm going to control it the very next day."

Summary: Raimondo said American companies will need to adapt to US national security priorities, including export controls that her department has placed on semiconductor exports. "I know there are CEOs of chip companies in this audience who were a little cranky with me when I did that because you're losing revenue," she said. "Such is life. Protecting our national security matters more than short-term revenue." Raimondo called out Nvidia Corp., which designed chips specifically for the Chinese market after the US imposed its initial round of curbs in October 2022. "If you redesign a chip around a particular cut line that enables them to do AI, I'm going to control it the very next day," Raimondo said. "I have a \$200 million budget. That's like the cost of a few fighter jets. Come on," she said. "If we're serious, let's go fund this operation like it needs to be funded." Related: China AI & Semiconductors Rise: US Sanctions Have Failed and US Restricts Nvidia Made-for-China Chips in New Export Rules and Chinese Scientists Create Chip That Can Perform AI Task 3,000 Times Faster Than Nvidia's A100: Study

Primary Topic: Security

Topics: China, GDP, News article, Security, Trade (not deficits)

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