

FACT SHEET: Biden-Harris Administration Spurs Historic Renaissance for American Manufacturing

Because of the Biden-Harris Administration's commitment to domestic industrial revitalization, American companies are betting on the United States again. In just the last year, **companies have announced nearly \$200 billion in investments for semiconductor, electric vehicle, and battery manufacturing in the United States.**

- Just last week, Intel announced a new **\$20 billion** investment in semiconductor manufacturing in Ohio, capping nearly **\$80 billion** in domestic investment by the semiconductor industry since President Biden took office.
- This week, General Motors announced a **\$7 billion** investment in Michigan, its largest-ever investment. This adds to more than **\$100 billion** in announced investments from auto manufacturers to build electric vehicles and batteries since the beginning of 2021.

A vibrant domestic manufacturing and industrial base are critical for economic prosperity. The manufacturing sector—which employs 12 million workers and makes up 11 percent of national Gross Domestic Product—punches above its weight economically, accounting for 70 percent of business research and development expenditure, 35 percent of productivity growth, 55 percent of patents and 60 percent of exports. And investing in manufacturing pays off—for every dollar spent in manufacturing, nearly twice as much is spent in services and production, the highest economic multiplier of any sector. By making goods here at home and strengthening our domestic supply chains, we can prevent delays and disruptions, increase innovation in new products and industries, and lower prices for American consumers.

The United States led the world in manufacturing for decades. And while American manufacturing has long been a ladder to the middle-class and an engine of economic growth, trade shocks and corporate offshoring hollowed out the U.S. industrial base over the last 30 years, devastating communities across the country, particularly in the industrial Midwest. The U.S. share of global manufacturing has fallen to 17 percent from 25 percent in 1997. Today, manufacturing accounts for just 8 percent of total U.S. employment, compared to 22 percent in 1979. The COVID-19 pandemic only exacerbated these challenges, with the manufacturing sector shedding **more than 150,000 jobs** under the previous Administration, including **24,000 in Pennsylvania alone.**

Since his first day in office, President Biden relentlessly focused on an industrial strategy to revitalize our manufacturing base, strengthen critical supply chains, and position U.S. workers and businesses to compete and lead globally in the 21st century. This whole-of-government effort is leading to a renaissance in domestic manufacturing—during President Biden's first year in office, the economy added **367,000 manufacturing jobs** – the most in nearly 30 years. In Pennsylvania, more manufacturing jobs **were added last year** than in any other year on record. The U.S. economy grew at the fastest pace in nearly 40 years in 2021, and manufacturing as a share of U.S. GDP has **returned to pre-pandemic levels.** Manufacturing activity has seen a

[significant expansion](#) every month that President Biden has been in office, consistently above pre-pandemic levels.

Biden-Harris Administration Actions to Support Domestic Manufacturing

These announcements build off of the work the Biden-Harris Administration has done in its first year to rescue an economy in freefall and support American businesses, manufacturers, and workers. Specifically, the Biden-Harris Administration:

- Delivered more than **\$23 billion** in emergency relief through the U.S. Small Business Administration (SBA) to more than 200,000 small manufacturers in big cities and small towns all across America. In Pennsylvania alone, nearly 7,000 small manufacturers received more than \$1 billion in relief.
- Signed an [executive order](#) directing agencies to fortify our nation’s critical supply chains, including focused attention to semiconductors, advanced battery technologies, and critical minerals.
- Enacted the most transformative improvements to federal purchasing laws in almost 70 years, including a new Made in America office in the White House, ensuring that when the federal government spends taxpayer dollars, they are spent on American made goods by American workers and with American-made component parts.
 - Ensured these changes will support disadvantaged businesses by announcing a strategy for increasing the share of contracts awarded to small and disadvantaged businesses [by 50 percent](#) by 2025.
- Enacted the American Rescue Plan, authorizing the new **\$10 billion** State Small Business Credit Initiative (SSBCI), which will [catalyze more than \\$70 billion](#) in lending and investment in small businesses – including small manufacturers – across the decade. In the original SSBCI program established more than a decade ago during the Obama-Biden Administration, 24% of the \$8.4 billion in total [public and private dollars deployed](#) through the program supported manufacturing businesses through more than 2,000 loans and equity investments.
- Through the American Rescue Plan, created the Aviation Manufacturing Jobs Protection Program, which is protecting nearly 30,000 American manufacturing jobs in 41 states and Puerto Rico. In Pennsylvania, funds from this program are helping protect over 2,100 jobs.
- Secured a [landmark global corporate tax agreement](#) with 136 countries that will eliminate incentives to offshore jobs and profits and drive investment in American workers, small businesses, and the middle class.

- Enacted the historic Bipartisan Infrastructure Law that will serve as the backbone to American industrial strength – improving the capacity of U.S. supply chains through better roads, bridges, trains, airports, and ports; improving access to new job markets with better public transit; and connecting small manufacturers to new customers globally through universal broadband. According to one estimate, the Bipartisan Infrastructure Law will support [nearly 175,000 manufacturing jobs](#) per year across the decade.
- Delivered more than **\$3.5 billion** in flexible, low-cost SBA7(a) loans to more than 4,000 small manufacturers including more than \$125 million for more than 150 small manufacturers in Pennsylvania. SBA also delivered more than **\$1.5 billion** in long-term, fixed rate SBA loans to help more than 1,500 small manufacturers purchase major fixed assets, including more than \$50 million for more than 30 small manufacturers in Pennsylvania.

The Biden-Harris Administration has also made historic investments in regional economic revitalization, particularly for deindustrialized communities and energy communities:

- Through the American Rescue Plan, the Economic Development Administration will invest **\$1 billion** for the [Build Back Better Regional Challenge](#), which will fund transformative plans from regional coalitions across the country. \$100 million of these funds will be dedicated to coal communities. Of the 60 first round finalists, at least 18 are focused on manufacturing and two are located in Pennsylvania.
- The President established the [Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization \(IWG\)](#) to pursue a whole-of-government approach to create good-paying union jobs, spur economic revitalization, remediate environmental degradation and support energy workers in coal, oil and gas, and power plant communities across the country.
 - Southwest Pennsylvania was designated one of [25 priority coal communities](#), and since 2021 the federal government has invested more than **\$7.3 billion** in grants, loans, direct payments, and other income to advance manufacturing and clean energy in Southwestern Pennsylvania.

There is still more to be done. To build on these investments and spur more private-sector investment in the U.S., the President is committed to passing comprehensive competitiveness legislation like the bills put forward in the House and the Senate to strengthen our supply chains, grow domestic manufacturing, and help us outcompete China and the rest of the world. This legislation, combined with the critical investments included in the Build Back Better Act, will help to deliver on the President’s mission to expand the productive capacity of our economy and lower costs for families.