



The Daily Dish

State of Confusion

DOUGLAS HOLTZ-EAKIN | MARCH 3, 2022

The president's State of the Union (SOTU) address contained all sorts of baffling and annoying claims. Things like: "Our economy created over 6.5 million new jobs just last year, more jobs created in one year than ever before in the history of America;" and "Our economy grew at a rate of 5.7% last year, the strongest growth in nearly 40 years, the first step in bringing fundamental change to an economy that hasn't worked for the working people of this nation for too long." These are annoying because they are the economic equivalent of claiming credit for gravity. After the economy lost 20 million jobs in April 2020 – 10 times more than in any single prior month – *of course* it was going to snap back dramatically. Such statements are misleading at best.

Then there's "The only president ever to cut the deficit by more than one trillion dollars in a single year." This is laughable. The president spent 2021 fixated on passing Build Back Better, which would have blown an enormous structural hole in the budget.

But one of the real bafflers was this passage:

If you travel 20 miles east of Columbus, Ohio, you'll find 1,000 empty acres of land. It won't look like much, but if you stop and look closely, you'll see a 'Field of Dreams,' the ground on which America's future will be built. This is where Intel, the American company that helped build Silicon Valley, is going to build its \$20 billion semiconductor 'mega site.'

Up to eight state-of-the-art factories in one place. 10,000 new good-paying jobs. Some of the most sophisticated manufacturing in the world to make computer chips the size of a fingertip that power the world and our everyday lives. Smartphones. The Internet. Technology we have yet to invent. But that's just the beginning. Intel's CEO, Pat Gelsinger, who is here tonight, told me they are ready to increase their investment from \$20 billion to \$100 billion. That would be one of the biggest investments in manufacturing in American history. *And all they're waiting for is for you to pass this bill.* (Emphasis added.)

"This bill" is known as the America Creating Opportunities for Manufacturing, Pre-Eminence in Technology, and Economic Strength (COMPETES) Act in the House and the United States Innovation and Competition Act (USICA) in the Senate. These [bills](#) share a common title regarding "support" for semiconductor manufacturing in the United States.

Now, given that this bill stands between the present and a glorious future, one would assume that it has some unique provision that would allow construction to begin. Perhaps there is a fast-track provision to streamline the regulations and permitting for the facility? No.

A commitment to a skills-based curriculum in Ohio colleges to ensure the workforce needed is in place? No.

Any other ingredient in a secret sauce? No.