THE 2020 ELECTION EFFECT

Manufacturing is the Key to Economic Recovery and Essential to National Security
– Voters Are Seeing It That Way Too –

More than eight out of ten (eighty-one percent) of registered U.S. voters say a candidate's position on manufacturing will influence their choice for president this November, an increase of five percent since January, according to a new Morning Consult national poll released in August by the Association of Equipment Manufacturers (AEM).

Voters continue to recognize the sector's importance to the U.S. economy and the job market. Ninety-two percent of registered voters say that manufacturing is critical or important to the economy, while ninety-three percent say it is critical or important to the job market, a slight increase since January.

A strong majority, nine out of ten registered voters, say it is important for elected officials to support American manufacturers amid the unfolding economic crisis caused by the COVID-19 pandemic. At the same time, registered voters give both presidential candidates poor marks on their support for manufacturing. Fifty percent of voters indicate President Trump has done a "just fair" or "poor" job supporting manufacturing, while forty-four percent of voters believe Democratic candidate Joe Biden would do a "just fair" or "poor" job supporting manufacturing.

"Voters are increasingly understanding how important manufacturing is to U.S. national and economic security and are making that issue a priority in the upcoming election," said Harold King, president of the Council of Industry. "As our elected officials continue their work to rebuild the economy manufacturing will play a critical role. We need strong, pro-manufacturing policies to ensure that manufacturers are given every opportunity to succeed and we strongly urge both candidates this election year to make it clear to voters how they are going to support U.S. manufacturing in 2021 and beyond."

WHERE THE CANDIDATES STAND

To date neither candidate has been particularly detailed in their proposals to grow manufacturing; however there are some statements, policies, and clues.

ON TRADE

Both candidates say they want to boost domestic manufacturing.

Trump, who ran on the issue in 2016, stepped up verbal attacks on Beijing as his administration accelerates an initiative to remove industrial supply chains from China. He has also argued that America's difficulties in procuring medical supplies internationally during the pandemic is another reason to encourage U.S. companies to avoid offshoring.

Biden offered his own made-in-American manufacturing plan, pledging to spend $700 billion on American-made products and industrial research, which he said would give at least 5 million more people a paycheck during a job-killing pandemic.

He also proposed a 30.8% corporate tax rate on profits from products made overseas and sold in the United States and would provide incentives to companies that keep jobs in the country. Companies currently pay a 21% rate, which was lowered during the Trump administration.

As a senator, Biden voted in 1993 for the North American Free Trade Agreement (NAFTA), a trade pact that in part helped Mexican factories gain access to the U.S. market.

Biden has criticized Trump's tariff war with China as bad for U.S. consumers and farmers. However, in 2018, he called for "retaliation" on countries like China which he has said subsidize industries and allow intellectual property theft.

ON TAXES

Trump has touted 2017 tax cuts he signed into law as stimulating economic growth. He has attacked the idea of raising taxes while the economy recovers.

Biden said the cuts benefited the wealthy and corporations. He has pledged to reverse some of those cuts, raising the marginal tax rate on the highest income earners back to 39.6%, from 37%, while also lifting investment profit taxes. He also supports raising the national minimum wage to $15 an hour from $7.25 and expanding some tax credits for lower-income workers.

ON INFRASTRUCTURE AND GREEN INVESTMENTS

Biden wants to spend $2 trillion over four years to improve infrastructure, create zero-emissions public transportation, build sustainable homes, and create clean-energy jobs.

Trump advocates more spending on U.S. roads, bridges, and airports, too, but has signaled little appetite for making "green" investments.

According to the poll, the pro-manufacturing policies U.S. voters believe candidates should most support include: prioritizing investing in our nation's infrastructure (seventy-nine percent), including roads, highways, bridges and other critically-needed projects; focusing on better preparing the next generation of America's workforce (seventy-nine percent); and supporting efforts to bolster rural and agricultural economies (seventy-six percent).

The national poll also included oversamples of registered voters in manufacturing-heavy states Michigan, Ohio, Pennsylvania, Wisconsin, and Texas. The equipment manufacturing industry supports nearly 1.2 million jobs across these five states and 2.8 million across the country. At least half of registered voters in Michigan, Ohio, and Wisconsin say they either work in the manufacturing sector or know someone who does, ten percentage points higher than the national average. At the same time, one out of every four (twenty-four percent) of registered voters in Michigan and one out of every five (eighteen percent) of registered voters in Ohio say they have either lost a manufacturing job or know someone who did.

ABOUT THE POLL

These polls were conducted by Morning Consult from July 7 – 9, 2020. The national sample consisted of 2,000 registered U.S. voters, while the five additional state surveys were comprised of 300 registered voters in Michigan, Wisconsin, Pennsylvania, Ohio, and Texas – states largely recognized as important swing states heading into the 2020 elections. The interviews were conducted online, and the data were weighted to approximate a target sample of registered voters based on age, race/ethnicity, gender, educational attainment, and region. Results from the national survey have a margin of error of +/- 2%, while each of the state-level surveys have a margin of error of +/- 6%.