



BIDEN KILLS RESCUE PLAN FOR U.S. STEEL

Governor Shapiro fails to persuade Biden to save the Mon Valley from economic ruin

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As he exits the national stage, President Joe Biden has disgraced himself one last time as he corruptly kills off the incredibly generous rescue plan for U.S. Steel put forward by Nippon Steel and approved by U.S. Steel shareholders. Despite the enormous impact this decision will have on Pennsylvania's economic future, Pennsylvania Governor Josh Shapiro failed to publicly support the rescue plan and failed to convince Biden to relent, to the extent that he tried at all.

"President Biden's deeply misguided decision to kill Nippon Steel's rescue plan for U.S. Steel will have catastrophic consequences for workers, families, and taxpayers across western Pennsylvania," said David N. Taylor, President & CEO of the Pennsylvania Manufacturers' Association. "Governor Shapiro's failure to prevent Biden's action is especially disappointing, and his administration will have to deal with the aftermath as U.S. Steel's position in Pennsylvania erodes."

The review process under the Committee on Foreign Investment in the United States (CFIUS) is intended to prevent sensitive technologies or assets from being acquired by hostile powers. The proposed investment by Nippon Steel is the exact opposite of that: Nippon Steel is a company from a close ally that is bringing cutting-edge technology *into* the United States to upgrade American facilities.

"Biden's corruption of CFIUS will have serious consequences for the U.S. economy and our relationships with our allies," Taylor added. "If Nippon Steel's investment constitutes a 'national security threat', then so does every Toyota, Nissan, and BMW plant in America. Our leaders are undermining the trust of our closest allies and largest foreign investors, which can only lead to crisis later on."

President Biden is seeking to please the national United Steelworkers union leader, who is more concerned with leverage over a future employer than whether its member steelworkers in western Pennsylvania get to keep their jobs. Along with many local officials and community leaders, the USW local in Allegheny County supports the merger with Nippon Steel and welcomes the proposed investment to upgrade and expand the Clairton Coke Works and Edgar Thomson steel plant, and to rebuild the rolling mill. Without these investments, the Mon Valley Works will continue to age in place and become obsolete.

U.S. Steel CEO David Burrett has said that the failure of the Nippon Steel merger will result in the company leaving Pennsylvania and building a future in southern U.S. states where compulsory unionism is not legal. If that happens, Pennsylvania faces the loss of thousands of jobs, billions of dollars in value-added every year, and many hundreds of millions of dollars in annual wages for workers and tax payments to local, state, and federal government. Steelmaking has been Pittsburgh's identity for more than a century and losing its most famous corporate citizen will be an ominous sign for the city's future.

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