

# David Bowen: Taxpayers shouldn't have to bribe Foxconn to come to Wisconsin

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Wisconsin Republicans are failing the people of our state and are unabashedly putting political gain over the needs of its people. While they have managed to push the Foxconn bill to the Assembly Floor for a vote in just one month, they are 7 weeks late on our state budget. Just this week, Milwaukee Public Schools were forced to start classes without knowing how much money they count on for our children's education. Many schools throughout the state will be soon to start with this same uncertainty. Governor Walker's relentless attacks on Wisconsin workers have left us struggling to help our future generations by taking away desperately-needed funding from their education, to protect our threatened natural environment through deregulation, and to pay for our roads through poor budget priorities. Walker's decisions have left Wisconsin in a mess that will take years to clean up, and this Foxconn one will take decades.

When I first heard the news that Foxconn, a Taiwan-based multinational electronics manufacturing company, was looking to build a plant in Wisconsin, my reaction was to be cautious, but optimistic. As Foxconn is a company that is known for being a large contractor in the tech industry, I knew the idea of them setting up shop in Wisconsin to hire Wisconsin workers could be a lift for our economy and could result in the genesis of an emergent high-tech sector of our state.

However, my cautious optimism slowed when I learned about the impending deal between Foxconn and our Governor. Governor Walker wants to doll out a \$3 billion taxpayer-funded bribe in order to get the company to do business in our state. Last week, the nonpartisan Legislative Fiscal Bureau calculated that Wisconsin would not receive a return on investment for Governor Walker's deal until the year 2042. Walker's deal seemed like a horrific deal for taxpayers, so my next question was, is it normal for Wisconsin to offer such a deal to a large company?

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As of the year 2017, Wisconsin is home to nine Fortune 500 companies: Northwestern Mutual (revenue ~\$28.799 billion), ManpowerGroup (\$19.654 billion), Kohl's (\$18.686 billion), American Family Insurance (\$8.829 billion), WEC Energy Group (\$7.472 billion), Oshkosh (\$6.279 billion), Harley-Davidson (\$5.997 billion), Rockwell Automation (\$5.880 billion), and Fiserv (\$5.505 billion). As one can see from looking at the numbers, Wisconsin is already home to a number of companies that generate billions of dollars in revenue each year. These large companies contribute a great deal to Wisconsin's economy, through hiring workers and paying taxes, and culture, such as Harley-Davidson which attracts bikers to Milwaukee from all over the United States. In the same way of these companies, Foxconn also has the potential to have a positive effect on our quality of life. However, these companies did not need a \$3 billion bribe from Wisconsin taxpayers. Wisconsin has companies that are comparable in size to Foxconn, and we can see that it definitely isn't normal for Wisconsin to offer such a deal to a large company.

Furthermore, my cautious optimism went from a slow pedal to a screeching halt upon examining Foxconn's recent history of deal making with other state and national governments in and out of the United States. According to research done by CNN Money:

In 2011, Foxconn promised \$12 billion in investment for production of cell phones, tablets, and TV screens in Brazil. It still hasn't happened.

In 2013, Foxconn promised to build a \$30 million high-tech factory in Harrisburg, PA. It still hasn't happened.

In 2014, Foxconn signed a deal with Indonesia that it would invest at least \$1 billion over 3-5 years. It still hasn't happened.

In 2015, Foxconn signed a Memorandum of Understanding with India that it would invest \$5 billion and employ at least 50,000 new workers. The project still has not yet identified a construction spot.

Why are we working so hard to give away billions, which we usually say we can't

find, to a foreign company with a sketchy history than our own Wisconsin companies and business owners who are already committed to our state?

I want to be very clear, everyone wants to create more jobs and bringing a large company like Foxconn to our state could have the potential to be great for our economy, but we as legislators have a fiduciary responsibility to ensure this is an actual deal for Wisconsin. Unfortunately, the numbers reported to me not only fail to add up, they're based on assumptions that Foxconn will never automate these jobs and hire all Wisconsin workers. If Foxconn fails to produce the 13,000 jobs they claim or workers in other states take these jobs because Wisconsinites aren't prepared for them, the numbers go from questionable to no way in heaven. Governor Walker's giveaway leaves taxpayers on the hook for decades, diverting away money that could have been spent on our budget-strapped public schools, crumbling roads and bridges, and struggling rural and urban communities – not to mention his deal threatens our clean water and air with special exclusions to our environmental protection laws.

If it is really true that Foxconn wants to come to Wisconsin because it believes in the potential of Wisconsin manufacturing and the value of the Wisconsin marketplace, then Wisconsin taxpayers do not need to bribe Foxconn with the largest corporate welfare give away in the history of our state. Foxconn should not have to become a line item on the Wisconsin State budget for the next 25 years.

That is why I have no choice but to oppose the Foxconn bill in its current form and, when it reaches the Assembly Floor, I will be voting against this give away and encourage my colleagues to do the same so we can reexamine how to really invest \$3 billion for guaranteed jobs and growth.

— *Bowen, D-Milwaukee, represents the 10th Assembly District.*