

# Empty buildings, empty promises: Foxconn con job continues in Wisconsin

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Confirming earlier reports, Wisconsin's Democratic Governor Tony Evers announced last Wednesday, April 17 his administration's intentions to "renegotiate" the now estimated \$4.5 billion contract between Foxconn Technology Group and the state of Wisconsin.

Foxconn is the world's largest electronics manufacturer, employing as many as 1.3 million workers in highly exploitative conditions across the globe, raking in more than \$4.3 billion in profits in 2017.

The much heralded deal was initially announced as a subsidy of between \$1 billion and \$3 billion, with the Taiwan-based company promising up to 20,000 manufacturing jobs to a heavily deindustrialized part of the Midwest, just 30 minutes south of Milwaukee and 10 minutes west of Racine. The proposal has been drastically altered over the last two years.

At the initial announcement at the White House in July 2017, President Donald Trump, flanked by then Wisconsin Governor Scott Walker, Speaker of the House Paul Ryan, and Foxconn founder and Chairman Terry Gou, gloated that the proposed factory complex would become "the eighth wonder of the world."

From the very outset, however, this "wonder" was a mirage. The Foxconn Wisconsin project was a hedge bet in the increasingly volatile trade war between the US and China. In order to avoid tariffs, Foxconn could have parts manufactured in low-wage countries such as Mexico and shipped to Wisconsin for assembly, thereby circumventing additional costs brought on by the trade war.

First touted as a Generation 10.5 factory, the factory was touted as a campus enhanced by artificial intelligence where 13,000 blue-collar workers would be building large, ultra-thin, 4K-8K resolution TV screens. Renderings showed a gleaming city of the future

arising out of idyllic cow pastures, complete with autonomous vehicles shuttling employees from home to work and back. All that was missing were the jet packs.

Within six months this was scaled back to a Generation 6 factory, still allegedly employing 13,000 workers. The smaller and less sophisticated factory would focus on smaller LED screens and cell phone displays. This past January, expectations were reset yet again as reports swirled that Foxconn would instead "pivot" to a "technology hub," abandoning television production at the Mount Pleasant site altogether. However, Foxconn still insisted on its commitment to creating "13,000" jobs in Wisconsin.

This bald-faced lie, peddled by Foxconn for nearly two years, and abetted by both political parties, was put to rest this week with Evers' announcement of his intention to renegotiate the terms of the deal. Speaking to reporters at the Capitol in Madison on Wednesday, the governor finally admitted the obvious: "Clearly the deal that was struck is no longer in play and so we will be working with individuals at Foxconn and of course with the WEDC (Wisconsin Economic Development Corp.) to figure out how a new set of parameters should be negotiated."

Evers further clarified his comments in a television interview on Sunday, stating that the 13,000-job promise is "too expansive," and that "whether it's 1,300 jobs or 13,000 jobs, any governor of the state, including me, wants [Foxconn] to be successful and create as many jobs as possible."

Foxconn being "successful" does not mean it will "create as many jobs as possible" as the governor well knows. Despite Foxconn's well-documented history of pulling out of deals after securing tax incentives across the globe, from Pennsylvania to India and Brazil, Evers still insisted last year that he hoped the company would

be “good corporate citizens,” even as the company missed the first round of its hiring benchmarks and tax breaks.

While this new deal is negotiated behind the backs of the workers who will foot the bill, the fact is millions of public funds have already been diverted toward the multinational corporation.

An estimated \$300 million in road costs have been absorbed to provide transportation access for a nonexistent factory complex. These new roads are currently being built at the Mount Pleasant Foxconn site, which currently houses one “multipurpose” building, whose purpose remains a mystery.

While generous funding is made available for Foxconn’s roads to nowhere, Evers, in his latest budget proposal, has pushed to raise the gas tax to pay for much-needed road repairs throughout the rest of the state. This regressive tax will be an additional unnecessary hardship for farmers still recovering from a devastating winter, and currently combatting flooding throughout the state.

In addition to roads, Wisconsin bridges are also in state of disrepair. According to the American Road and Transportation Builders Association, 1,054, or 7.4 percent, of Wisconsin bridges are classified as structurally deficient. In total the state has identified 1,955 bridges in need of repair, at an estimated cost of \$1.4 billion. Evers has not detailed where funding for these repairs will come from.

As Wisconsin’s infrastructure continues to crumble, Foxconn is making piecemeal investments throughout the state, hoping to prolong the charade. In a report for *The Verge*, journalist Josh Dzieza traveled the state earlier this month searching for office buildings that were leased out by Foxconn. Dzieza found almost all the buildings, including a “headquarters” office in downtown Milwaukee, were virtually vacant. This scene repeated itself in office spaces leased by Foxconn in Eau Claire and Green Bay.

Perhaps sensing more positive public relations were needed this week, Foxconn announced the purchase of an office building in downtown Madison for \$5 million. This purchase, Alan Yeung, Foxconn’s director of US strategic initiatives stated, was made with an eye towards Foxconn’s partnership with the University of Wisconsin at Madison. As part of its “investing” in the state, Foxconn has signed intellectual property

agreements with the university that allow Foxconn to keep patents and revenues generated by students studying at the university in a Foxconn-sponsored lab or “innovation hub.”

This has drawn a backlash from students at the university who protested at a recent Board of Regents meeting. Dubbed the “Foxhounds,” students such as Sonali Gupta, a biophysics graduate student and member of the Teaching Assistants Association, have begun organizing against this corporate theft. “We want the Board of Regents to know that we know they are complicit in Foxconn’s involvement here,” Gupta told the *Daily Cardinal*, “this is the privatization of a public institution and we are here to stop it.”



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