Introduction

The Obama Administration suppressed clean natural gas production—otherwise known as fracking—increased regulations, slashed the defense budget, failed to renegotiate bad trade deals like NAFTA, and raised taxes. President Trump has pursued just the opposite policies, following an “all job creation is local” approach to stimulating economic growth. Let’s see how this strategy is working for the farmers, frackers, miners, steelworkers, and families of Pennsylvania.

Pennsylvania Fracking Helps Drive America’s Strategic Energy Dominance

America’s strategic energy dominance boosts American competitiveness while insulating the United States from the strategic blackmail of entities like the OPEC cartel. America’s prolific energy production also provides cheaper prices at the gas pump and lower electricity rates, saving the average family of four $2,500 per year.¹ In pursuit of such strategic dominance, President Trump has strongly supported the development of our petroleum industry, including the use of a process known as hydraulic fracturing or fracking.

On April 10, 2019, President Trump signed an executive order² making it easier to build oil and gas pipelines; and under the President’s deregulation leadership, America has emerged as the world’s largest oil and natural gas producer.³⁴

Under President Trump’s watch, a cumbersome Obama-era rule that placed onerous and unnecessary burdens on fracking was rescinded on December 29, 2017, enabling this industry to push forward, providing both energy and jobs across Pennsylvania and the Marcellus Shale formation. The deposit sweeps from Greene County and Washington County in the southwest, north to Butler County and Armstrong County, and over to Bradford County and Susquehanna County in the northeast. Nearly 8,000 active fracking wells from Waynesburg, Washington, and Zelienople all the way up to Mansfield and Towanda help drive the Commonwealth’s number two export—exceeding $1.4 billion in 2019.

**NATURAL GAS IN PENNSYLVANIA:**
- $44.5 BILLION Economic Output
- Directly Employs 26,000 Workers
- Supports an Addition 332,600 Jobs
- Supplies Half of Pennsylvania Homes
Pennsylvania’s proud frackers help drive the Commonwealth’s number two export – exceeding $1.4 billion in 2019. Pennsylvania’s natural gas and oil industry alone drives $44.5 billion in economic output, employs approximately 26,000 workers, and supports nearly 322,600 jobs in total. And nearly half of Pennsylvania homes get their natural gas from in-state producers.

Fracking doesn’t only mean jobs and lower energy costs. Royalty payments have sustained what once were struggling family farms, whose owners can now not only afford new equipment but also can send their children and grandchildren to college. Today, however, both the petroleum industry and fracking is under siege policy initiatives like the Green New Deal. Such opposition poses a significant threat to the Pennsylvanian economy – from the communities of Towanda, Mansfield, and Wellsboro to Washington and Waynesburg. The loss of this industry to the opponents of fracking would be a significant blow to Pennsylvania’s communities and families dependent on this critical industry.

**Deregulation Supports Pennsylvania Coal**

Likewise, on the energy front, no group has benefited more from President Trump’s efforts to eliminate unnecessary regulations than Pennsylvania’s coal miners.

On March 28, 2017, President Trump signed an executive order directing an immediate review of all agency rules that burden the safe and efficient development of domestic energy resources. A series of sweeping deregulatory actions have since ensued.

On June 1, 2017, the President withdrew the United States from the Paris Climate Accords. This redundant and needless international agreement would have bridled the power of American coal and devastated Pennsylvania – the Nation’s third-largest-coal-producing state in 2018 – even as Communist China and other large polluters such as India would have had free reign to pollute for years to come.

**President Trump Addressing Energy Workers and Miners in Pennsylvania**
Since President Trump took office, coal mining jobs in Pennsylvania have topped 5,000 and increased by more than 6 percent. In 2018 alone, more than 58 million tons of bituminous and anthracite coal were extracted from nearly 300 mines in 27 counties from Clearfield, Somerset, and Indiana to Schuylkill, Northumberland, and Luzerne.

On July 17, 2020, the Trump administration removed punitive and unbalanced limits on mercury emissions from coal-fired plants. This unnecessary regulation cost the industry $9.6 billion every year. A month later, additional regulations on coal discharges were rolled back, allowing plants to use less expensive technology to clean up wastewater, thus saving the industry $140 million a year.

President Trump’s deregulation efforts are also helping to boost government infrastructure projects in Pennsylvania. Consider the National Environmental Policy Act of 1970 (NEPA). It requires federal agencies and communities to weigh environmental impacts prior to project approvals.

On August 15th, 2017, President Trump issued an Executive Order streamlining NEPA’s review processes. The impacts in Pennsylvania have been immediate and profound. Permitting time for repairs on the Pittsburgh lock and dam, for example, was reduced from five years to two years. This change will save Pennsylvania tax payers an estimated $38 billion and deliver safer infrastructure sooner.

**Increased Defense Spending Supports Pennsylvania’s Arsenal of Democracy**

While the Obama Administration slashed the defense budget by 16% at great cost to America’s combat readiness, President Trump’s dramatic increase in defense spending has both strengthened America’s defense industrial base and been a boon to Pennsylvania manufacturing. Department of Defense investments alone employ more than 57,000 Pennsylvanians, and more than $2.8 billion in payroll is injected into the state economy annually. The Keystone State truly does hold up the arch that is our defense industrial base.

There has been no better success story in the defense sector than the rebirth of the Philly Shipyard. This shipyard was once the Philadelphia Naval Shipyard, and during World War II, it repaired and churned out hundreds of warships in World War II.

**U.S. Coast Guard Member Inspects a Ship Built at the Philly Shipyard**
Through a special White House project led by the Office of Trade and Manufacturing Policy, the Philly Shipyard was saved from the brink of closure after the Trump Administration first found additional repair work for the yard and then invested more than $630 million to build new training ships for the United States Merchant Marine Academy.

Today, the future of the Philly Shipyard looks bright. From a low of 80 employees during the dark days of the Obama administration, the Philly Yard is expected to grow to more than 1,200 jobs, and it will be operating at full capacity until 2024, which could extend to 2028, if all contract options are exercised.21

Consider also BAE Systems, a weapons and combat vehicle manufacturer in York. On the verge of closing under the Obama administration, the York plant was likewise saved with an infusion of more than $5 billion into the plant – a 120 percent increase in its budget from the Obama years.22 The Result: 530 new jobs and a one-third increase in employment at the plant.23

This was a perfect example of the Trump maxim that economic security is national security: Pennsylvania gained hundreds of jobs – economic security – and the Army received a new line of Amphibious and Armored Multi-Purpose Vehicles – national security.

**Trump Trade Policy and Tariffs**

In 2009, the Obama Administration broke an important promise to the American people when it announced that it would not seek to renegotiate NAFTA, one of the worst trade deals in American history.24 In contrast, President Trump kept his promise to renegotiate NAFTA and the result is the new United States–Mexico-Canada agreement – the USMCA.

The USMCA is great news for Pennsylvania’s farmers, frackers and other energy producers, and manufacturers. On the farming front, Pennsylvania is one of the Nation’s leaders in dairy farming and milk production. More than 5,730 farms25 produce 10.6 billion pounds of milk annually.26

**President Trump Signs the USMCA with Mexican and Canadian Delegations**
Under President Trump’s USMCA, Canada has greatly expanded its market access for American dairy farmers and eliminated an unfair pricing system that disadvantages American dairy exports. As a result, Pennsylvania’s dairy farmers in counties like Bedford, Fulton, and Adams will be able to sell more to Canadian markets than they ever have before.

Additionally, the USMCA will help protect Pennsylvania’s turkey industry, which is one of the largest in the country. Companies like Plainville Farms, which employs more than 650 people in Adams County, will benefit from a more robust trade relationship with Mexico, the turkey industry’s largest export partner, and the opening up of new export opportunities to Canada.

The USMCA will also benefit Pennsylvania’s manufacturing and petroleum industries. Canada and Mexico currently purchase 40 percent of what Pennsylvania exports to the world. As a result of such activity, the USMCA will support more than 42,000 Pennsylvanian manufacturing jobs in the chemical, electrical equipment, and fabricated metal products sectors.

Additionally, Mexico’s reliance on Pennsylvanian natural gas has nearly doubled in the last decade; and the USMCA ensures that United States-Mexico trade in natural gas is strengthened.

Finally, on the tariff front, President Trump’s bold trade actions have been invaluable in protecting Pennsylvania’s steel industry. In 2018, President Trump imposed a 25% tariff on imported steel to protect the domestic steel industry from the predatory trade practices of the Chinese Communist Party and other foreign actors, and further secure the United States defense industrial base.

As a direct result, steel manufacturers such as U.S. Steel experienced a $350 million increase in sales, and also made large investments in domestic steel production. In May 2019, U.S. Steel announced a $1.2 billion investment to upgrade its Braddock facility, to ensure the domestic production of 2.9 million tons of steel annually and decrease particulate matter by 60% to reduce emissions.

In cities like Newcastle, companies such as Ellwood Group and Scot Forge have invested $100 million to manufacture steel ingots and components like propellers for naval submarines, supporting more than 2,100 jobs. While the deadly virus from Communist China has led to a slowdown in steel production in the short run, President Trump’s support for an industry vital to Pennsylvania will pay great dividends in the long run.
Tax Cuts Boost Pennsylvania Income

Critics of President Trump’s historic Tax Cuts and Jobs Act of 2017 have tried to fool the American people into thinking these were tax cuts for the rich. But nothing could be further from the truth. Consider that real, inflation-adjusted median household income in Pennsylvania increased by more than $6,000, or 10.43%, in just two years following the passage of the Trump tax cuts.42

More broadly, at $70,582, Pennsylvanians are enjoying the highest real median household income level since 1984, prior to Communist China entering the World Trade Organization and decimating the defense industrial base of Pennsylvania.43

President Trump’s tax cuts also happen to be family-friendly. More than 800,000 Pennsylvanian households are benefitting from the doubling of the child tax credit, and 4.4 million Pennsylvanian households are benefitting from doubling the standard tax deduction.44

Key provisions in the Trump tax bill have resulted in higher take-home pay, increasing homeownership in Pennsylvania by nearly 1.5 percent.45 Compare that to the eight years of the Obama Administration, during which the homeownership rate contracted by nearly 3.7 percent.46
Opportunity Zones Help Pennsylvanian’s Depressed Communities

On the opportunity zone front, Pennsylvania is home to 300 such zones, 289 of them being in low-income communities where the poverty rate is as high as 35 percent. These include communities such as Oil City and York, which has a poverty rate of 43 percent and is where POTUS successfully reinvigorated the BAE Systems military vehicle manufacturing plant, creating hundreds of jobs.

The greater Philadelphia and Pittsburgh areas alone are home to half of the state’s opportunity zones. These communities are ethnically diverse. A third of the population is African-American, and the residents of these opportunity zones are burdened with a 13.5 percent unemployment rate and less than a 45 percent homeownership rate, which is nearly 25% below the state average of 69.2 percent.

To date, more than $790 million have been invested in major projects ranging from residential developments and new office buildings to greenhouses and farms. Investments in these Trump opportunity zones are literally providing great new opportunities to create good, high-paying jobs in the communities of Pennsylvania most in need.

Take Frontier Railroad Services, which is constructing its new headquarters in Alta Vista to support its work making railroad tracks for Alta Vista Business Park. This new building will house corporate offices, a repair and maintenance facility, and approximately 11,000 square feet of operating space. Once the building is complete, it will support 20 new permanent jobs.

Or take Brightfarms, which is building a brand new greenhouse in Snyder County, and will provide two million pounds of salad greens and herbs per year for Pennsylvania’s supermarkets.

The Defense Production Act

Let’s turn now to a final driver in President Trump’s “all job creation is local” strategy. This is the strategic use of the Defense Production Act, and DPA-related actions, to simultaneously defend the American people from the deadly Chinese Communist Party virus, onshore the production of our essential medicines, create good paying jobs, and sustain our highly-skilled defense industrial base workforce.

Consider, for example, the communities of New Castle and Coatesville, home to two companies vital to America’s shipbuilding capabilities, North American Forgemasters, and ArcelorMittal. In July, North American Forgemasters was granted a $31 million award under Title III of the Defense Production Act to increase production of ultra-large iron and steel forging in support of the United States Navy Naval Nuclear Propulsion Program. This award supports 500 jobs.

Within that same month, ArcelorMittal was awarded $56 million, also under Title III of the Defense Production Act, to expand its alloy steel plate production, sustaining more than 630 jobs.
President Trump Speaks with America’s Workers and Builders

Summary

You can see then from this tour of the Pennsylvania economy just how productive President Trump’s “all job creation is local” strategy has been. While the deadly virus from Communist China has hit America and the American economy hard, the Trump economic team, led by the greatest jobs President and trade negotiator in history, is bringing prosperity back to the Commonwealth of Pennsylvania and to the American people.

So as we fight this Communist China Virus together, please always remember this: by January 2020 – before the plague from Communist China attacked our shores – the success of President Trump’s worker-focused strategy was undeniable. We had strong economic growth, historically low unemployment, and rising wages, particularly for blue-collar America and our black and brown communities.

Together, we WILL get back to that pinnacle of Trump success as we pursue the twin missions of building a strong economy and defeating the deadly Chinese Communist Party virus.
Endnotes


See also: “2018 Anthracite Statewide Production Summary.” http://files.dep.state.pa.us/Mining/BureauOfMiningPrograms/BMPPortalFiles/Annual_Reports/AnthraciteAnnualReports/2018/2018AnthraciteStatewideProductionSummary.pdf


19 Internal CEA estimate. Methodology available upon request.


21 Internal Data from Philadelphia Shipyard, Inc.


