

# PROMISES MADE, WORKERS BETRAYED: TRUMP'S BIGLY BROKEN PROMISE TO STOP JOB OFFSHORING

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200,000 MORE AMERICAN JOBS OFFSHORED DURING TRUMP PRESIDENCY WITH INVOLVED FIRMS AWARDED \$400 BILLION-PLUS IN GOVERNMENT CONTRACTS



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Donald Trump became president by winning Midwestern states with pledges to end job offshoring. Firms that offshored would be denied U.S. government procurement opportunities, he promised. To keep billions in lucrative government contracts, firms would be forced to bring jobs back to America.

Instead, as Trump seeks reelection, 311,427 American jobs have been government-certified as lost to trade during Trump’s presidency, with 202,543 explicitly listed as offshored. And, eight out of the top 10 firms receiving government contracts during the Trump administration have been government-certified as having offshored jobs.

## FINDINGS

- **At least one of every four taxpayers’ dollars spent by the federal government on procurement contracts during the Trump administration went to the pockets of companies that offshored American jobs during his administration.**
- **At least \$425.6 billion in U.S. tax dollars has gone to firms that have been certified by the U.S. government as having offshored jobs *during* the Trump administration.** (A list of the top contractors and jobs offshored is available in Appendix A on page 6).
- **Half of the top 10 recipients of Trump-era contracts were certified by the U.S. government as offshoring jobs *during* the Trump administration.**
- **Boeing, General Electric and United Technologies have been among the largest recipients of government contracts during the Trump era even as they all offshored jobs.** During the Trump administration, Boeing offshored 5,800 jobs; General Electric offshored 2,046; and United Technologies offshored 1,572 jobs – including many from its **Carrier** division, the firm whose workers Trump promised to save.
- **Of the top 50 commercial federal contractors, by dollars awarded in FYs 2017, 2018 and 2019, 28% were government-certified as having engaged in offshoring** during the Trump administration, and of the top 100, 25% had offshored American jobs during his term.
- **Many of the top 100 firms to which the Trump administration awarded government contracts offshored jobs during his administration and were notorious chronic job offshorers certified by the U.S. government for tens of thousands of job losses.**

### Percentage of Top U.S. Government Contractors During Trump Presidency that Engaged in Offshoring

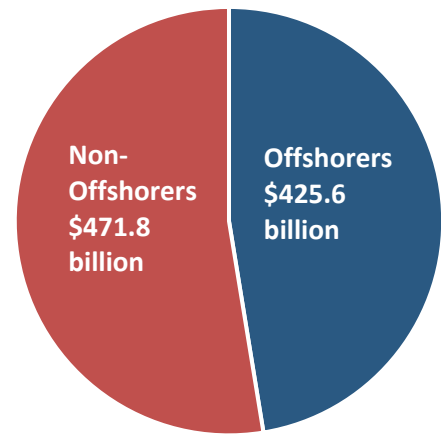
	Offshored During Trump Era	Offshored Previously <sup>1</sup>
Top 10	50%	80%
Top 30	33.33%	50%
Top 50	28%	44%
Top 100	25%	40%

Source: Department of Labor and USA Spending

<sup>1</sup> Offshoring data are from the Department of Labor’s Trade Adjustment Assistance (TAA) program database, which began tracking offshoring versus other causes for trade-related job loss in 2003. The TAA figures undercount total offshoring. They only include workers approved for TAA, which is a voluntary program that workers must know about and then successfully apply for, including by proving that trade caused their job loss in order to receive assistance. The database is available at: <https://www.dol.gov/agencies/eta/tradeact/data/petitions-determinations>

- **Campaigning in 2020, Trump is pledging he would ban government contracts to firms that offshore to China, yet as president he awarded \$113.9 billion to corporations that offshored to China while he was president.** Top-100 government contract recipients, Boeing, General Electric, Dell, Honeywell and Merck collectively offshored 6,038 jobs to China during the Trump administration and were awarded \$113.9 billion in government contracts starting in FY 2017.
- **The Trump administration awarded on average 2.5 times the amount, or \$10 billion more, in contracts to firms that offshored during his term than to those that did not.**
- **207,060 Americans that worked with the top-100 commercial contractors have lost their jobs because of trade since 1994. At least 84,150 of these jobs were offshored by these companies since 2003.**

**Amount of Dollars Awarded in FYs 2017, 2018 and 2019 to Top-100 U.S. Firms Grouped by Offshorers and Non-Offshorers**



*Donald Trump, 2016: “A Trump administration will stop the jobs from leaving America.”*

*Reality: More than 300,000 jobs have been government certified as lost to trade during the Trump administration with more than 200,000 specifically certified as lost to offshoring.*

### **Top 10 Federal Contractors by Number of TAA-Certified Offshored Jobs Under Trump Administration**

Rank	Company Name	Total Jobs Certified as Offshored Under TAA Under Trump Administration	Total Jobs Certified as Offshored Since 2003	Total Jobs Lost to Trade Since 1994	FYs 2017, 2018 and 2019 Contract Award
1	Boeing	5,800	9,342	81,757	\$81,792,685,765.00
2	General Electric	2,046	10,038	17,091	\$9,412,909,176.00
3	United Technologies	1,572	11,459	16,981	\$15,150,283,970.00
4	Accenture	1,080	1,584	1,958	\$5,276,991,047.00
5	Securitas	711	4,304	15,609	\$1,632,583,059.00
6	AT&T	629	2,507	2,634	\$2,438,855,339.00
7	Honeywell	612	6,777	11,724	\$14,913,928,673.00
8	Hewlett Packard	452	9,498	11,883	\$1,501,736,182.00
9	AECOM	404	430	602	\$13,321,443,431.00
10	IBM	307	4,968	9,596	\$3,613,369,179.00
	Total	13,613	60,907	169,835	\$149,054,785,821.00

Source: Department of Labor and USA Spending

## United Technologies Was a Top Recipient of Trump Era Government Contracts, Even as It Offshored Carrier Jobs

As president-elect, Trump attracted national attention with a highly publicized intervention against United Technologies' plans to offshore more than 2,000 jobs to Mexico from the Indiana-based manufacturing plants of its subsidiary, Carrier. The fact that United Technologies gets billions of dollars in federal contracts annually played a major role in the public debate, even though the Carrier jobs at issue were not themselves related to these contracts.

President-elect Trump announced he had made a deal to save the jobs. But almost 600 of the union workers at Carrier's Indianapolis plant lost their jobs, while 700 remained employed. All 700 jobs at Carrier's Huntington Indiana plant were offshored to Mexico in 2017. During the Trump presidency, the U.S. Department of Labor has certified United Technologies as offshoring a total of 1,572 jobs. It was previously certified for offshoring 11,459 jobs among the 16,981 American jobs lost to trade at United Technologies. Despite this, during the Trump administration the firm was granted \$15.1 billion dollars from FY2017 to FY2019.

## The Trump Administration Has Rewarded, Not Punished, U.S. Companies That Offshore U.S. Jobs

Not only have offshorers been awarded billions in contracts during the Trump presidency, they also have been celebrated. **For instance, on September 2, 2020, Trump bestowed the "Pledge to America's Workers Presidential Award" to Northrup Grumman and Textron, firms that offshored jobs since 2017.**

And, President Trump has failed to use any of the expansive authorities over procurement policy that all presidents have and that past presidents have employed to deliver on their policy commitments and goals. Despite authority under the Procurement Act of 1949 to enact "policies and directives" for federal contracting, Trump failed to exclude offshoring firms from qualifying for federal contracts. Nor did he use his authority to ban altogether government purchase of goods from countries such as China under the Trade Agreements Act of 1979, nor his explicit authority to unilaterally revoke<sup>2</sup> the Buy American waivers that products and firms from 60 countries<sup>3</sup> now gain thanks to various trade pacts.

## OFFSHORING U.S. CALL CENTER JOBS

Over the past few decades, major federal telecom contractors, including **T-Mobile, Verizon** and **AT&T**, have closed call centers from Oregon to Florida and Maine to Texas.

By shipping call-center jobs overseas, these companies have affected 6,250 working families and destroyed communities that depended on these jobs.

**Together, these companies that offshored call center jobs received \$4.6 billion in federal contracts in FYs 2017, 2018 and 2019.**

In an effort to reverse this trend, in February 2017, a group of lawmakers sent a letter to President Trump urging him to sign an executive order that would ban federal contractors from offshoring call center jobs. After receiving no response from the White House, the lawmakers have introduced several pieces of legislation, which would create a preference in contract awards to companies that have not offshored call center jobs. The latest bill, the End Outsourcing Act of 2020, is sponsored by Rep. Mark Pocan (D-Wis.).

<sup>2</sup> See 19 USC Section 2511(c): "The President may modify or withdraw any waiver granted pursuant to subsection (a) or designation made pursuant to subsection (b)."

<sup>3</sup> See Public Citizen's Global Trade Watch, "How Overreaching "Trade" Pact Rules Can Undermine Buy American and Other Domestic Preference Procurement Policies," available at: <https://www.citizen.org/article/how-overreaching-trade-pact-rules-can-undermine-buy-american-and-other-domestic-preference-procurement-policies/> Products from and firms in these 60 countries now are treated as if they were American and are provided waivers from the Buy American Act and similar domestic preference programs by merit of being a signatory of the WTO's Agreement on Government Procurement or a U.S. FTA: Armenia, Aruba, Australia, Austria, Bahrain, Belgium, Bulgaria, Canada, Chile, Colombia, Costa Rica, Croatia, Cyprus, Czech Republic, Denmark, Dominican Republic, El Salvador, Estonia, Finland, France, Germany, Greece, Guatemala, Honduras, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Latvia, Liechtenstein, Lithuania, Luxemburg, Mexico, Moldova, Malta, Montenegro, Morocco, Netherlands, New Zealand, Nicaragua, Norway, Oman, Panama, Peru, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, South Korea, Spain, Sweden, Switzerland, Taiwan, Ukraine, and the UK.



# METHODOLOGY

We combined data from [usaspending.gov](https://www.usaspending.gov),<sup>4</sup> which lists the firms that obtain federal contracts and the dollar value of those contracts, with petitions certified by the Trade Adjustment Assistance (TAA) program of the U.S. Department of Labor (DOL)<sup>5</sup> since 1994. TAA is a relatively narrow program administered by the DOL that provides extended unemployment benefits and retraining funds to certain categories of American workers that the DOL finds to have lost their jobs to offshoring or increased imports.

For this study, we could only provide the job offshoring data for companies from 2003 to the present because, prior to 2003, the DOL certification process did not specify job loss caused by the offshoring of work to non-U.S. locations. In some of the tables, we included the figures for all trade-related job loss since 1994 to provide information on companies' records since the start of the 1994 North American Free Trade Agreement and the 1995 World Trade Organization.

We identified companies listed in both [usaspending.gov](https://www.usaspending.gov) and the TAA databases and also manually checked the TAA database for listings of the top-100 commercial<sup>6</sup> government contractors employing significant numbers of workers in the United States for fiscal years 2017, 2018 and 2019 (This search enabled us to identify matches when the firms' names were listed differently in each database.) Then we constructed a list of the top-100 commercial government contractors at the federal level for the Trump administration by merging the list each year.

TAA certifications provide only a partial accounting of American jobs lost to offshoring, thus, our analysis likely undercounts the offshoring activities of major government contractors. TAA is only available to certain categories of workers. Until 2009, TAA did not include service sector workers, thereby excluding, for instance, call centers and other “back office” functions. And for many years, TAA covered only workers involved in direct manufacturing activities. So, for instance, even if an entire auto assembly plant closed because the operation was relocated to another country, TAA was only available to the “direct” manufacturing workers at the plant. Also, TAA has no affirmative reporting requirement. Thus, a worker, union, company or state labor department must know about TAA to apply for the program and then must choose to do so. Then, a potential applicant must obtain the information required to file a petition and make the case that the jobs were offshored, rather than lost to other factors. Finally, as noted above, the DOL only started differentiating petitions' causes in 2003. Hence, a substantial proportion of the trade-related jobs lost between 1994 and 2002 were offshored, but are not reflected in the figures. For these reasons, TAA data do not capture the full number of jobs that have been lost to offshoring by American corporations in general, and by federal contractors in particular.



<sup>4</sup> USASpending.gov, last accessed September 29, 2020. Available at: <https://www.usaspending.gov/>

<sup>5</sup> U.S. Department of Labor, “Petitions and Determinations Data”, last accessed September 30, 2020. Available at: <https://www.dol.gov/agencies/eta/tradeact/data/petitions-determinations>

<sup>6</sup> Thus, we excluded governmental entities, contractors operating only outside the U.S., non-profits and firms that contract with the U.S. government under special preference programs, including Alaskan Native Corporations.

# APPENDIX A

## Top 100 FYs 2017, 2018 and 2019 Commercial Federal Contractors by Total Contract Amount and Jobs Certified as Offshored and Lost to Trade Under the Trade Adjustment Assistance Program

Rank	Company Name	Total FYs 2017, 2018, 2019 Federal Contract Amount	Jobs Certified as Lost Due to Trade Under TAA		Jobs Certified as Offshored Due to Trade Under TAA	
			Trump Administration	1994 - Present	Trump Administration	2003 - Present
1	LOCKHEED MARTIN CORPORATION	140,684,829,952	55	1,429	55	624
2	BOEING COMPANY, THE	81,792,685,765	15,764	81,757	5,800	9,342
3	GENERAL DYNAMICS CORPORATION	53,932,338,208	0	445	0	243
4	RAYTHEON COMPANY	49,538,386,732	13	574	13	574
5	NORTHROP GRUMMAN CORPORATION	39,688,627,998	0	147	0	33
6	MCKESSON CORPORATION	27,424,600,444	10	91	10	91
7	HUNTINGTON INGALLS INDUSTRIES, INC.	22,285,516,025	0	0	0	0
8	LEIDOS HOLDINGS, INC.	19,038,489,112	0	0	0	0
9	BAE SYSTEMS PLC	18,805,896,086	70	514	70	427
10	HUMANA INC.	15,992,736,389	0	2,161	0	1,082
11	UNITED TECHNOLOGIES CORPORATION	15,150,283,970	1,572	16,981	1,572	11,459
12	HONEYWELL INTERNATIONAL INC.	14,913,928,673	725	11,724	612	6,777
13	BOOZ ALLEN HAMILTON HOLDING CORPORATION	14,165,008,893	0	0	0	0
14	AECOM	13,321,443,431	404	602	404	430
15	BECHTEL GROUP, INC.	12,584,589,250	0	81	0	42
16	HEALTH NET INC.	11,364,770,329	0	1,143	0	393
17	SCIENCE APPLICATIONS INTERNATIONAL CORPORATION	11,188,191,701	0	0	0	0
18	L3HARRIS TECHNOLOGIES, INC.	10,691,341,910	0	0	0	0
19	CENTENE CORPORATION	9,460,969,280	0	0	0	0
20	GENERAL ELECTRIC COMPANY	9,412,909,176	2,096	17,091	2,046	10,038
21	GENERAL ATOMICS TECHNOLOGIES CORPORATION	9,269,443,245	0	0	0	0
22	NATIONAL TECHNOLOGY & ENGINEERING SOLUTIONS OF SANDIA LLC	9,234,662,061	0	0	0	0
23	BATTELLE MEMORIAL INSTITUTE INC	8,515,582,596	0	0	0	0
24	CACI INTERNATIONAL INC	8,073,387,702	0	0	0	0
25	TRIWEST HEALTHCARE ALLIANCE CORP.	7,776,192,045	0	0	0	0
26	CONSOLIDATED NUCLEAR SECURITY LLC	7,565,650,673	0	0	0	0
27	ATLANTIC DIVING SUPPLY INC.	7,427,541,455	0	0	0	0
28	JACOBS ENGINEERING GROUP INC.	7,180,820,964	140	299	140	140

29	AMERISOURCEBERGEN CORPORATION	6,885,743,124	0	0	0	0
30	LOS ALAMOS NATIONAL SECURITY LLC	6,823,805,783	0	0	0	0
31	BELL BOEING JOINT PROJECT OFFICE	6,669,333,200	0	0	0	0
32	KBR INC.	6,565,438,582	0	909	0	304
33	OSHKOSH CORPORATION	6,024,419,021	0	314	0	227
34	FLUOR CORPORATION	5,957,535,332	0	374	0	0
35	CERBERUS CAPITAL MANAGEMENT, L.P.	5,935,023,195	0	194	0	0
36	LAWRENCE LIVERMORE NATIONAL SECURITY LLC	5,871,703,297	0	0	0	0
37	UNITED LAUNCH ALLIANCE L.L.C.	5,624,317,449	0	0	0	0
38	DELOITTE LLP	5,580,458,937	0	91	0	91
39	UNITEDHEALTH GROUP INCORPORATED	5,503,169,013	38	117	38	117
40	TEXTRON INC.	5,401,018,062	206	4,717	105	2,589
41	ACCENTURE INC.	5,276,991,047	1,080	1,958	1,080	1,584
42	UT-BATTELLE LLC	5,267,841,792	0	0	0	0
43	MERCK & CO. INC.	4,841,988,642	233	830	233	830
44	CHEMONICS INTERNATIONAL INC	4,763,062,132	0	0	0	0
45	MITRE CORPORATION, THE	4,722,387,634	0	0	0	0
46	LEONARDO SPA	4,487,616,197	0	0	0	0
47	PAE HOLDING CORPORATION	4,484,790,761	0	0	0	0
48	CSRA LLC	4,441,824,313	0	0	0	0
49	SIERRA NEVADA CORPORATION	4,285,221,367		0	0	0
50	B.L. HARBERT HOLDINGS L.L.C.	4,141,606,022	0	0	0	0
51	TRIAD NATIONAL SECURITY LLC	4,006,042,723	0	0	0	0
52	ALLIANT TECHSYSTEMS INC.	3,751,539,262	0	196	0	0
53	IBM	3,613,369,179	324	9,596	307	4,968
54	AUSTAL LIMITED	3,525,816,926	0	0	0	0
55	SAVANNAH RIVER NUCLEAR SOLUTIONS LLS	3,454,233,299	0	0	0	0
56	VECTRUS, INC.	3,399,854,488	0	0	0	0
57	SPACE EXPLORATION TECHNOLOGIES CORP.	3,341,273,218	0	0	0	0
58	PFIZER INC.	3,261,786,435	124	6,946	111	5,411
59	PERSPECTA INC.	3,224,045,211	0	0	0	0
60	THE AEROSPACE CORPORATION	3,066,361,641	0	0	0	0
61	BP P.L.C.	3,056,279,761	60	1,255	60	644
62	ROLLS-ROYCE HOLDINGS PLC	3,014,345,494	0	810	0	810
63	FEDEX CORPORATION	3,006,784,722	0	0	0	0
64	ARCTIC SLOPE REGIONAL CORPORATION	2,995,808,651	0	0	0	0
65	GLAXOSMITHKLINE PLC	2,916,208,817	0	543	0	434
66	NANA REGIONAL CORPORATION, INC.	2,909,952,479	0	0	0	0
67	PARSONS CORPORATION	2,896,322,862	0	0	0	0

68	DELL TECHNOLOGIES INC.	2,895,131,806	51	3,700	51	2,770
69	CDW CORPORATION	2,740,283,391	223	223	223	223
70	MANTECH INTERNATIONAL CORPORATION	2,691,133,497	0	0	0	0
71	ALION SCIENCE AND TECHNOLOGY CORPORATION	2,559,495,297	0	0	0	0
72	AT&T INC.	2,438,855,339	660	2,634	629	2,507
73	ROCKWELL COLLINS INC.	2,293,524,559	0	1,832	0	443
74	ROYAL DUTCH SHELL PLC	2,292,686,206	0	529	0	0
75	MACANDREWS & FORBES HOLDINGS INC.	2,267,060,829	0	0	0	0
76	THE GEO GROUP, INC.	2,209,196,088	0	0	0	0
77	CARASOFT TECHNOLOGY CORPORATION	2,184,958,955	0	0	0	0
78	VERIZON COMMUNICATIONS INC.	2,096,576,209	0	636	0	399
79	CARDINAL HEALTH INC.	2,051,560,841	15	1,480	15	1,400
80	CGI TECHNOLOGIES AND SOLUTIONS INC.	2,046,434,467	0	40	0	12
81	HENSEL PHELPS CONSTRUCTION CO	2,029,428,502	0	0	0	0
82	PATRIOT TEAM	2,022,940,750	0	0	0	0
83	SERCO GROUP PLC	2,012,324,591	0	0	0	0
84	SANOFI	1,988,820,884	0	818	0	768
85	ENGILITY HOLDINGS, INC.	1,982,984,792	0	0	0	0
86	EXPRESS SCRIPTS HOLDING COMPANY	1,945,004,737		405	0	405
87	TETRA TECH, INC.	1,871,502,527	0	0	0	0
88	GREAT LAKES DREDGE & DOCK CORPORATION	1,830,835,447	0	0	0	0
89	M1 SUPPORT SERVICES L.P.	1,794,279,087	0	0	0	0
90	CADDELL CONSTRUCTION CO. INC.	1,769,391,200	0	0	0	0
91	BROOKHAVEN SCIENCE ASSOCIATES LLC	1,756,822,257	0	0	0	0
92	ANHAM FZCO	1,698,322,781	0	0	0	0
93	SOUTHWEST VALLEY CONSTRUCTORS CO	1,645,275,200	0	0	0	0
94	SECURITAS CRITICAL INFRASTRUCTURE SERVICES INC.	1,632,583,059	1,130	15,609	711	4,304
95	UNISYS CORPORATION	1,614,050,761	14	1,270	14	654
96	IRON BOW HOLDINGS, INC.	1,600,073,277	0	0	0	0
97	CH2M HILL COMPANIES LTD.	1,571,696,683	111	2,092	111	1,063
98	WORLD WIDE TECHNOLOGY HOLDING CO., LLC	1,513,475,979	0	20	0	0
99	HEWLETT PACKARD ENTERPRISE COMPANY	1,501,736,182	452	11,883	452	9,498
100	CROWLEY HOLDINGS INC	1,453,089,718	0	0	0	0