



Why Do We Need to Onshore Manufacturing of Clean Energy Goods?

Some people ask why we need to revitalize U.S. manufacturing to produce more of the solar panels, wind turbines, heat pumps, electric vehicle (EV) batteries, and other clean energy goods that climate action requires. Can't we just import these things on the cheap? Here are six reasons that clean U.S. manufacturing growth is vital for our climate, jobs, and justice goals.

1. To ensure workers and communities capture the economic gains of clean energy. The growing demand for clean energy goods creates enormous potential to create quality manufacturing jobs that tend to have higher pay and stronger union density than other available jobs. By harnessing that potential to create clean energy manufacturing jobs in deindustrialized communities, we can boost economic security and [build broader support](#) for the climate action we need.

2. To reverse economic and racial inequality. Numerous [studies](#) find that the decline in U.S. manufacturing under unfair trade policies has contributed to income inequality. Laid-off manufacturing workers have been forced to compete for lower-paying service sector jobs, putting downward pressure on middle class wages across the economy. Less reported is the fact that the manufacturing decline and resulting pay cuts have [disproportionately impacted Black workers](#). Black manufacturing employment has fallen more than 30% since the late 1990s, contributing to the Black-white wage gap. Targeted manufacturing growth can help to reverse these trends in support of a more equitable economy.

3. To build reliable supply chains. The pandemic has painfully exposed the dangers of relying on vulnerable overseas supply chains for critical goods—from N95 masks to infant formula. Depending on imports for our clean energy needs similarly exposes our climate goals to shipping bottlenecks and the whims of multinational corporations. To secure the clean energy transition, we need to make more of clean energy's nuts and bolts.

4. To counter worker exploitation. Right now, many of our clean energy goods are made in countries with lower labor standards, where [children mine cobalt](#) for our electric vehicle batteries or [coerced workers](#) assemble components for our solar panels. The clean energy economy cannot be built on the backs of exploited workers overseas. By onshoring clean energy manufacturing, we can stop feeding such labor abuses and start to counter them.

5. To reduce pollution. When imported, many clean energy goods are ironically made with higher-than-average pollution. That's because overseas corporations tend to be more emissions-intensive than U.S. factories in producing the aluminum, steel, and cement that goes into wind turbines, solar panels, and other goods. Producing the average ton of steel in China, for example, causes [twice as much climate pollution](#) as in the U.S. Onshoring clean manufacturing would help to reduce such emissions.

6. To make clean energy affordable over the long term. Right now, global production of clean energy goods and their raw materials is highly concentrated in a tiny handful of countries. This is not a recipe for long-term price stability. Just like a corporate monopoly, when one country controls most of the supply of a critical clean energy good, they gain the power to increase the price of that good. This would force all other countries, including the United States, to endure higher costs for clean energy, jeopardizing both climate action and energy security. Instead, growth in clean energy manufacturing in multiple countries, including the United States, helps to promote the global competition and innovation that are needed to continue driving down clean energy costs.