

Foxconn in Wisconsin: The \$10 Billion Factory That Never Was

13,000 Promised Jobs, More Than \$4 Billion in Pledged Taxpayer Support, and the Field in Mount Pleasant Where Microsoft Now Builds Instead

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Key Facts

Cost: >\$4B pledged taxpayer support; \$62.9M credits actually earned by end-2024

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Executive Summary

In July 2017, Foxconn stood beside President Trump at the White House and promised a \$10 billion LCD factory in Racine County, Wisconsin, creating 13,000 jobs in return for what became more than \$4 billion in pledged state and local taxpayer support. The factory was never built. What followed was a procession of scaled-back plans - a smaller fab, research centres, an 'AI 8K+5G ecosystem' - before a 2021 renegotiation cut the state's exposure to \$80 million against \$672 million of investment and 1,454 jobs. By the end of 2024, WEDC had verified \$717 million invested and 1,242 jobs. Much of the land cleared for Foxconn is now being developed by Microsoft as a \$7.3 billion data-centre campus. This investigation reconstructs America's most notorious trophy deal.

Executive Lessons

- Announcements Are Not Investments

Foxconn's \$10 billion was a press-conference figure that the company never contractually guaranteed at that scale. Track committed capital, verified payroll and permitted construction - not podium numbers. Wisconsin's own WEDC verification eventually supplied the honest metrics, eight years late.

- Speed Is the Enemy of Diligence

The incentive package moved from memorandum to signed legislation in roughly two months. Deals compressed to fit political calendars systematically transfer risk to taxpayers, because the deadline - not the analysis - is what gets managed.

- Check the Counterparty's Global Pattern

Foxconn had a public record of announcing mega-projects elsewhere that shrank or vanished. A one-week review of its history in Brazil, Indonesia and India would have repriced the Wisconsin promise. Counterparty track record is the cheapest due diligence there is.

- Pay for Performance, and Mean It

The one structural success of the saga: credits were (eventually) paid only against verified jobs and investment - \$62.9 million against \$717 million and 1,242 jobs by end-2024 - and the 2021 amendment added 100 per cent clawback on default. Incentives that pay on delivery fail small instead of failing catastrophically.

- Local Governments Cannot Hedge State-Level Bets

Mount Pleasant and Racine County borrowed hundreds of millions for land assembly and infrastructure, cleared homes under eminent-domain pressure, and were left carrying risk the state could walk away from. When a state negotiates a trophy deal, its smallest municipalities absorb the downside.

- Stranded Infrastructure Can Be the Real Legacy

The roads, water and power built for Foxconn became the foundation for Microsoft's \$7.3 billion data-centre campus. Public money spent on genuine, reusable capacity can outlive a failed anchor tenant - money spent on the promise itself cannot.

Timeline

- 2017-07-26: Foxconn and President Trump announce a \$10 billion Wisconsin LCD plant with up to 13,000 jobs at a

White House ceremony.

- 2017-09: Wisconsin passes a \$2.85 billion state tax-credit package; with local incentives and infrastructure, total taxpayer support exceeds \$4 billion. WEDC contract signed in November.
- 2018-06-28: Groundbreaking in Mount Pleasant attended by Trump, who calls the project 'the eighth wonder of the world'; home demolitions and land clearance are already under way.
- 2019-01: Foxconn signals it is reconsidering LCD manufacturing in Wisconsin, citing US cost economics; plans begin shifting to smaller fabs and research uses.
- 2019-10: The Verge publishes 'Inside Foxconn's empty buildings, empty factories, and empty promises in Wisconsin', documenting the gap between claims and reality.
- 2020-10: WEDC finds Foxconn short of the contract's job thresholds and declines to award tax credits for 2019 activity.
- 2021-04-20: Governor Evers announces a renegotiated contract: up to \$80 million in credits for \$672 million investment and 1,454 jobs by end-2025 - saving taxpayers \$2.77 billion against the original deal.
- 2021-12: Foxconn receives its first state credits - \$28.8 million for verified 2020 investment and jobs - under the amended agreement.
- 2023: Microsoft begins acquiring Mount Pleasant land originally assembled for Foxconn, eventually controlling more than 1,900 acres.
- 2024-05-08: President Biden announces Microsoft's \$3.3 billion AI data-centre campus on the Foxconn site, contrasting it with the failed factory promise.
- 2024-12: WEDC verifies \$717 million invested and 1,242 jobs at Foxconn's Mount Pleasant operations as of 31 December 2024, qualifying for \$62.9 million in credits.
- 2025-09-18: Microsoft announces a further \$4 billion second data centre, taking its committed Racine County investment to about \$7.3 billion.
- 2025-11-25: WEDC approves a second Foxconn amendment: \$569 million additional investment, 1,374 further jobs, and up to \$96 million total credits through 2029.

Sources

- Gov. Evers Announces Renegotiated Foxconn Contract to Save Taxpayers \$2.77 Billion (Office of the Governor, State of Wisconsin, 2021-04-20)
- WEDC, Foxconn announce additional \$569 million investment in Racine County (Wisconsin Economic Development Corporation, 2025-11-25)
- Gov. Evers, President Biden, Microsoft Officials to Celebrate Historic Investments in Mount Pleasant (Wisconsin Economic Development Corporation, 2024)
- Biden lauds new Microsoft center on the same site where Trump's Foxconn project failed (Associated Press, 2024-05-08)
- Inside Foxconn's empty buildings, empty factories, and empty promises in Wisconsin (The Verge, 2019)
- Foxconn's showcase Wisconsin LCD factory becomes aspirational 'manufacturing ecosystem' (The Register, 2021-04-21)
- Josh Dzieza wins November Sidney for Exposing The Great Foxconn Con (Sidney Hillman Foundation, 2020-12)