



Press Release

How Buy American Could Affect Federal Government Purchases

ALLISON EDWARDS | JANUARY 26, 2021

Yesterday President Biden signed an executive order that strengthens current rules requiring government purchases of goods made in the United States. In a new analysis, AAF's Data and Policy Analyst Tom Lee examines the executive order's impact and calculates the percent of foreign-made products bought by federal agencies. He notes: **"It is difficult to imagine that 'Buy American' will have a large impact on U.S. manufacturing since U.S.-made goods already account for 96 percent of purchased goods."**

His central points:

- The rules would increase the domestic content rules, or the number of U.S.-made goods federal agencies must purchase; it also removed some of the exemptions and waivers that allow agencies to purchase foreign-made goods; and
- In practice, the new rules may have little impact as in fiscal year 2019 only 3.5 percent of federal purchases were foreign products.

[Read the analysis.](#)