

THE NEW YORK TIMES – 24 MARZO 2026

Trump Killed an Effort to Secure Our Technological Future

di German Lopez

The Trump administration has quietly killed an effort that would have helped secure America's future in the crucial semiconductor industry.

Semiconductor chips are what make modern life possible. They drive your phone, your laptop, your television and probably your car. Yet most of them are manufactured in Taiwan, whose independence [is under threat](#) from neighboring China. By undermining efforts to produce these chips domestically, President Trump is also undermining our nation's security and economic stability.

In August, Commerce Secretary Howard Lutnick announced that his department would effectively shut down a nonprofit entity called Natcast set up in the Biden administration. Natcast's job was to distribute billions in research and development funds focused on bolstering domestic chip making.

The administration has not offered a satisfying explanation for the decision. Mr. Lutnick claimed the previous administration's support for Natcast violated a federal law that limits the government's ability to establish a corporation. The Biden administration's lawyers had specifically structured the organization to comply with the statute. As the Trump administration [later acknowledged](#), the Justice Department signed off on Natcast's formation.

Mr. Lutnick also claimed, without evidence, that Natcast was a font of cronyism. Yet the current system — Mr. Trump and his team can hand checks to whomever they choose — is much worse, particularly given this administration's record of blatant self-dealing. Natcast, as a private entity, at least created an independent layer between the federal government and the awarding of grants.

The likeliest explanation is petty. The money that Natcast was charged with distributing came from the CHIPS and Science Act of 2022, Congress's ambitious effort

to bring back to the United States major pieces of the American economy. Mr. Trump is known to dislike the CHIPS Act because its passage was one of Joe Biden's biggest accomplishments.

While this is not the only time Mr. Trump has defunded our future (for example, his efforts to dismantle research funding for universities), the actions against Natcast carry an extra element of misfortune. The CHIPS Act was a genuine bipartisan accomplishment, with a 64-33 vote in the Senate. We don't have many of those anymore.

What Natcast was set to address has been a chronic problem in our technology ecosystem: When the federal government takes a hands-off approach, American innovations often wind up in other countries.

Take extreme ultraviolet lithography machines, which are used to make advanced chips. Much of the foundational research behind these very complicated machines was done in the United States. America didn't have an industry willing or able to invest in the work of finding practical applications for early discoveries — a process that took years and billions of dollars. Today, commercial extreme ultraviolet lithography machines are made by a Dutch company.

Coming off the supply shocks of the Covid-19 pandemic, lawmakers passed the CHIPS Act to resume making chips in America. The United States once dominated the semiconductor industry, but it lost its edge over the past several decades [to China](#) and other countries. With Natcast, the Biden administration wanted “to create something new and purpose-built — to create a major center for semiconductor research for the nation,” said Donna Dubinsky, a businesswoman who helped lead efforts to set up the organization.

It lasted only about two years, and the Trump administration has articulated no plans for a replacement. Instead, it has asked individuals and companies to apply for slices of the CHIPS Act's research-and-development funding. This could help some researchers get ideas off the ground, but scattershot grants are not going to build the sustained ecosystem of innovation that Natcast and Congress were hoping to create.

People involved with Natcast acknowledged that it was slowed too much by government bureaucracy. Some Republicans specifically criticized Natcast as politically motivated for its decision to support a research facility in Arizona, a swing state, over one in Texas. Yet even Republican officials in Congress conceded to me that such criticism would suggest reforming Natcast, not dismantling it altogether.

The Trump administration has continued carrying out other important elements of the CHIPS Act, with new grants and partnerships for major manufacturing plants. That's good. But the United States needs to make sure it can build not only today's chips but tomorrow's. Meanwhile, America continues to lose its technological edge to its economic and geopolitical rivals.