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Report: Exposing Project 2025's Plans for Undermining Business Innovation and Growth

Project 2025 is on the ballot this fall. The Heritage Foundation's 900-page playbook consists of detailed plans that an anti-democratic president could take starting on day one of his presidency and throughout the first 180 days of his term. From dismantling the entire Department of Education to using federal power to restrict abortion and birth control even further, Project 2025 is a how-to guide to break our democracy. But in addition to veering far right of most Americans on these social issues, Project 2025's proposals also spell trouble for businesses and all of us who rely on a strong and stable economy. Indeed, economists and scholars warn that the far-right movement in our nation is so extreme that it threatens to undermine our entire economic system.

As a senior fellow at the Carnegie Endowment for Peace [told](#) the *New York Times*: "The business community here doesn't understand what is about to hit them."

Project 2025 poses an extreme threat to the strength and stability of the American workforce and the American economy. This report details Project 2025's various attacks on democracy, the American workforce, and the American economy, all of which threaten the conditions that allow businesses to thrive.

Democracy is A Leading Economic Issue – One That Project 2025 Undermines

In 2021, [the United States was added](#) to the list of [backsliding democracies](#) and the nation has stayed on this list in the years since. Last year, thirteen U.S. Presidential libraries—from Hoover to Obama—[warned](#) of the fragile state of democracy in the United States. The backsliding of democracy has harmful consequences for people and communities, but it also has negative implications for business and economic conditions that promote business growth.

Strictly speaking, democracy is the most important economic issue of them all. Authoritarianism leads to endemic corruption, sky-high inflation, and a closed society that discourages innovation. In other words, anti-democratic movements are bad for capitalism. Corruption does not encourage investment. Globally, there is a [strong correlation](#) between economies that support human rights and democracy and conditions that are good for businesses to innovate, thrive, and flourish. (Scholars have [noted](#) that the correlation between democracy and pro-business capitalist conditions holds, even when considering China's recent period of economic development amidst a restrictive anti-democratic government.)

In many societies, especially those that achieved some level of democratic norms and then backslide, anti-democracy actors, such as extreme politicians or political movements, often rely on populism and a type of [grievance-filled appeal](#) to build their own power. For right-leaning anti-democracy actors, this can take the form of sowing discontent over racial or religious divisions and/or targeting certain populations

(such as immigrants) as the “core” driver of a broader social problem such as a lack of economic prosperity for the working class. According to [studies](#) of countries with active anti-democracy populist movements, such as Hungary, Brazil, and India, “populist governments significantly increase volatility and risk by using their regulatory power to tilt markets or outright take control of businesses,” putting the “comfort and stability of the neoliberal orthodoxy” at risk.

Often, by the time business interests fully realize these wholesale threats to democracy it is too late for them to meaningfully mobilize to prevent destructive further backslide. Indeed, experts have [observed](#) that “***decisions made by conservative, business-oriented parties not to respond to the far right have been not just significant but decisive in the consolidation or failure of democracies in Europe.***”

Project 2025 Will Weaken America’s Strong Workforce

Our economy is only as strong as our workforce. Without a sustained supply of capable workers, our economy can’t function. Project 2025’s pages include scores of policy proposals that would drastically undermine our ability to maintain a strong workforce.

1. Project 2025 Will Deny Opportunities for Qualified Workers

Many of Project 2025’s plans involve restrictive immigration policies that would go so far as to restrict or chill even legal immigration. Restricting pathways to immigration restricts business’ ability to grow and thrive. Indeed, the [Congressional Budget Office](#) has attributed recent economic growth and has projected new growth due to increased economic output partly as a result of more people working, with higher net immigration being a core driver of this trend.

The first Trump administration imposed [highly restrictive immigration policies](#); however, Project 2025 and other proposals circulating go much further and recommend a series of intricate policies across numerous federal agencies that, if implemented, could radically alter the country’s workforce and strain businesses across many industries.

Project 2025 will deny opportunities for qualified workers and hurt American businesses by:

Suspending or limiting who is eligible for H-2A and H-2B temporary worker visas. This will lead to critical gaps in the agricultural, construction, hospitality, and forestry sectors.

- Terminating the legal status of 500,000 Dreamers by eliminating staff time for reviewing and processing renewal applications. Without legal status, Dreamers will be unable to fill critical positions in the workforce.
- Drastically expanding a process called expedited removal, which allows low-level immigration officers to remove certain people from the U.S., sometimes without a hearing.

From pages 138, 142, 145, and 611 of the Mandate for Leadership.

2. Project 2025 Will Threaten Public Education’s Ability to Create A Strong Workforce

Project 2025 undermines a quality workforce by seeking to erode public education and diminishing educational opportunity. A strong and qualified workforce depends on access to quality education. Numerous [studies](#) demonstrate that public education has a range of social and economic benefits.

Project 2025 will undermine access to quality education in the United States by:

- Eroding schools serving students with low incomes by eliminating Title I, which provides \$18 billion in funding for students.
- Eliminating the Department of Education and the baseline standards it upholds.
- Scaling back the federal government’s ability to enforce civil rights laws in schools, threatening students of color, LGBTQ students, disabled students, and more from being able to take full advantage of educational offerings.

From pages 319 - 360 of the Mandate for Leadership.

3. Project 2025 Will Make It Harder for Businesses To Attract a Diverse Workforce, Hurting Business Growth

Greater diversity and inclusion in the workforce is [good for business](#). So are [anti-discrimination protections](#). Project 2025 takes issue with Diversity, Equity, and Inclusion (DEI) initiatives across the board – including in the boardroom and in the break room. Their policies fundamentally undermine efforts to make the workforce more representative and more effective.

Project 2025 will hinder businesses’ ability to attract and maintain a diverse workforce by:

- Stripping the words “diversity, equity, and inclusion” from every federal regulation, policy, and program – including government grants and contracts.
- Dismantling federal government DEI offices.
- Ending the collection of data on discrimination by race and gender, making it harder to find ongoing patterns of prejudice.
- Empowering the Department of Justice to investigate and prosecute all state and local governments, higher education institutions, and private employers with DEI initiatives, diminishing efforts to counter and reduce discrimination.

From pages 4, 5, 103, 258, 352, 580 - 585, and 708 of the Mandate for Leadership.

Project 2025 Will Impair the American Economy

- 1. Project 2025 and related proposals will threaten America’s monetary stability.**

Keeping prices stable and inflation rates low preserves the value of money over time. Project 2025's proposals risk dramatic swings in the valuation of our currency, harming both consumers and the economy.

Economists, including [Larry Summers](#), have recently warned that plans to politicize the Federal Reserve could lead to negative economic consequences, including inflation or even [stagflation](#). Traditional free-market champions have also [explained](#) that a politicized Federal Reserve would be harmful, citing, as but one example, the negative consequences of when President Nixon pressured the Federal Reserve Chair during his administration.

Project 2025 will disrupt America's monetary stability by:

- Abolishing and/or politicizing the Federal Reserve system.
- Eliminating or reducing the role of the Federal Reserve as a lender of last resort.
- Advocating for the consideration of a “free banking” system.

From pages 736 - 737 of the Mandate for Leadership.

2. Project 2025 and related protectionist proposals will restrict trade, increase the price of goods, and limit foreign investment.

Project 2025 contains protectionist policy proposals, although there is some split in the document's discussion of trade. This mix of proposals may indicate that more traditional free-trade voices are seeking to influence President Trump, who is highly protectionist. Trump has said he is [considering levying a flat 60% tariff](#) on all Chinese imports, has promised to limit China's most favored nation trade status, and that he would impose a four-year plan to phase out all Chinese imports on essential goods. As recently [highlighted](#) by the Washington Post, while “much of Trump's economic agenda requires congressional approval, including his plan to expand the 2017 tax cuts enacted during his first term...there is little doubt he could substantially raise tariffs on China, or place aggressive tariffs on specific imported products like steel, without fear of judicial intervention.” Goldman Sachs [recently found](#) that a win for Mr. Trump was among the top concerns for Chinese investors.

From pages 765-790 of the Mandate for Leadership.

3. Project 2025 will compromise business conditions by making the government less effective and limiting government data collection.

Expertise and competence are at the core of effective government. Without sufficient subject matter expertise and governance, decisions about finance, health care, national security, and science will be less sound, leading to worse conditions for businesses.

Moreover, a key function of government is collection and maintenance of large national data sources that provide information regarding trends in our nation—from everything regarding the [weather](#)

to the [workforce](#). Eradication of or manipulation of major data sources used for a range of economic forecasting and other social modeling could have significant deleterious impacts on the economy.

Project 2025 will make the government less effective by:

- Reinstating a prior Trump administration executive order (“Schedule F”), which could purge more than 100,000 nonpartisan merit-based civil servants and replace them with partisan loyalists.
- Halting the government’s collection of wage and labor data (such as EEO-1 data regarding workforce demographics), which are needed for accurate economic forecasting.

From pages 80, 81, and 583 of the Mandate for Leadership.

4. Project 2025 will undermine the social safety net, which is critical for a robust economy.

While issues concerning the social safety net are not always front of mind for businesses’ bottom lines, research suggests that a reliable social safety net is [good for the economy](#) as a whole and can boost conditions good for business and [increase economic mobility](#). Without money in their pockets, consumers are not able to purchase goods and services.

Project 2025 will undermine the social safety net by:

- Increasing the prices of prescription drugs.
- Cutting Medicaid.
- Eliminate or reduce key programs like Head Start and food assistance (SNAP).

From pages 299, 300, 463, 465, and 482 of the Mandate for Leadership.

Conclusion

Our founders recognized that American democracy and our constitutional republic would only be as strong as those who seek to advance and fight for it. Businesses and business leaders have a critical role to play and will help define the future of the project of American democracy.

Read our full report on Project 2025 [here](#), including [additional research](#) on how extremists intend to roll back the clock on workplace protections, labor rights, and more.

To speak with us about this report or how our team of legal experts will challenge the people and organizations behind Project 2025, email dgrahamcaso@democracyforward.org.