

## Intel Agrees to \$8.9B U.S. Government Stake

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Intel Corp. confirmed Friday that it will sell a 10% stake to the United States government in a deal valued at \$8.9 billion. The announcement, released by both the White House and the company, marks one of the most significant government investments in the domestic semiconductor industry to date.

President Donald Trump, speaking from the Oval Office, said the agreement strengthens America's position in chip manufacturing. "This investment shows confidence in American

technology leadership and ensures the U.S. remains competitive in one of the most vital sectors of our economy,” he stated.

Intel reflected that sentiment in its official statement, noting the government’s move “reflects the confidence the administration has in Intel to advance key national priorities and the critically important role the company plays in expanding the domestic semiconductor industry.”

Semiconductors are increasingly seen as central to national security, economic strength, and technological independence. With global supply chains under strain and China advancing rapidly in chip technology, U.S. policymakers have emphasized the need for greater domestic production.

Analysts highlight that Washington’s direct equity stake represents a significant step beyond traditional industrial support, such as subsidies and tax incentives. “This is not just about supporting one company,” said Robert Caldwell, a senior fellow at a Washington-based think tank. “It’s about ensuring that critical technology does not fall into the hands of adversaries and that the U.S. can continue leading in innovation.”

The agreement follows recent tensions between President Trump and Intel Chief Executive Lip-Bu Tan, whom lawmakers scrutinized over connections to Chinese entities, including companies tied to Beijing’s military sector. While the White House did not address those concerns in the context of the stake purchase, the deal signals that Intel’s strategic importance outweighs leadership controversies. Tan has not issued personal remarks regarding the government investment but has emphasized Intel’s commitment to U.S. national security in prior statements.

The transaction could set a precedent for other major American chipmakers. Companies such as Advanced Micro Devices (AMD) and Nvidia have discussed ways to strengthen domestic production, although no similar equity stakes have been announced.

Market analysts predict that government ownership in private technology firms may spark debate. Proponents argue it secures critical supply chains and infrastructure, while critics caution against potential overreach.

For now, Intel stands at the center of a new era in U.S. industrial strategy, with the government’s 10% stake signaling a deepening public-private partnership in one of the

nation's most critical industries.