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## **Assessing the effects of the Inflation Reduction Act of 2022 of the United States of America on international car manufacturers using Volkswagen as an example**

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The Inflation Reduction Act, passed by the U.S. Congress in 2022, is a major climate change investment plan that allocates nearly half a trillion dollars for climate initiatives and health care. A key aspect of the Inflation Reduction Act is subsidizing electric vehicles based on certain criteria that call for national production in particular. Only nine automakers, including one international one, namely Volkswagen, made it onto the list of carmakers approved for the subsidy. The exclusion of foreign manufacturers caused controversy. Volkswagen's inclusion gave it a massive competitive advantage. This case study examines the impact of the Inflation Reduction Act on international business related to the automotive industry, specifically Volkswagen, using a SWOT

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analysis. The eligibility criteria for electric vehicle subsidies are analyzed, showing the focus on U.S. production and components. The SWOT analysis examines Volkswagen's strengths, weaknesses, opportunities, and threats considering the IRA.

**Keywords:** Inflation Reduction Act, international car manufacturers, Volkswagen, case study

## Introduction

The IRA, short for Inflation Reduction Act, passed by the US Congress in August 2022, is associated with the largest direct and indirect climate change investments in the history of the USA (Bernoth, Meyer, 2023: 54). The IRA is expected to spend almost half a trillion dollars on climate initiatives and health care (Paravano, 2022: 3). The IRA thus has a lasting impact on numerous industries, but especially the automotive sector. The IRA defines the conditions under which the purchase of an electric vehicle will be subsidized by the state. Government funding is provided through tax credits and is up to 7,500 US dollar. This creates massive incentives for end consumers to buy a purely battery-electric vehicle. For automobile manufacturers, the eligibility to apply can therefore have a major impact on sales figures, which is why many manufacturers eagerly awaited the publication of the final list. In the end, only nine manufacturers made it onto the list for new registrations from April 2023, and only one foreign manufacturer, namely Volkswagen (*Federal Tax Credits for Plug-in Electric and Fuel Cell Electric Vehicles Placed into Service on or after April 18, 2023*, 2023). China and the European Union in particular were outraged by this extensive exclusion of foreign car manufacturers from the subsidy (Bown, 2023:1–4).

As a result, Volkswagen was able to achieve massive competitive advantage over other international car manufacturers. This case shows how complex and dynamic international business is today. Global trade to gross domestic product as an indicator of the degree of globalisation has declined over the last ten years by an average of 0.6% per year (*Trade (% of GDP)*, 2023). Trade conflicts such as the current one between the US and China have immense economic costs (Belke, Gros, 2021: 238). Dynamically adapting the business model to changing external factors is therefore of crucial importance, especially for internationally active companies. Besides the direct impact on sales, it is essential to understand how US political decisions influence Volkswagen's management decisions. In response to the IRA, Volkswagen's management system underwent significant adaptations. Volkswagen's strategic planning had to anticipate the IRA's eligibility criteria, with potential impacts on sales projections and market strategy forming a core component of their business forecasting. The adaptation to the IRA necessitated revisions in Volkswagen's planning systems, ranging from production planning to supply chain management. These included changes in corporate strategies, decision-making processes, and organizational structures, re-

flecting the dynamic nature of international business and regulatory compliance. All this for navigating legal challenges, ensuring compliance, and adapting corporate strategies to align with regulatory requirements. This case study therefore examines the impact of the IRA on the automotive manufacturing industry and how Volkswagen was the only international manufacturer to make it onto the list of subsidies. A Strengths, Weaknesses, Opportunities, and Threats Analysis, or SWOT Analysis for short, is applied, focusing on Volkswagen and the IRA. The findings contribute to an understanding of how global companies can navigate complex legal landscapes for competitive advantage.

### **Overview of the International Automotive Sector, the Volkswagen Group and the Inflation Reduction Act (IRA) of 2022, including its Goals, Provisions, and Impact on the Automotive Sector**

In 2021, the car manufacturer market generated sales of more than the equivalent of 1.5 trillion euros. The USA is the second largest sales market for motor vehicles after China (Preiss, 2022: 8, 20). Since fully electrically powered vehicles are still associated with higher acquisition costs, numerous nations around the world are providing additional incentives for customers to purchase them. Subsidies have already proven to be a very effective tool for giving a market the momentum it needs to establish (Springel, 2021a: 356–357). Building on existing literature, Springel's 2021 study in Norway serves as a foundation for understanding the positive correlation between government subsidies and electric vehicle sales. This correlation forms a backdrop for evaluating the effectiveness of similar initiatives, such as the IRA. The effect was even stronger in combination with government subsidies for charging stations (Springel, 2021b: 425–426). And although the market for electric vehicles is growing dynamically and numerous countries offer subsidies for the purchase of purely electric vehicles, profitable production still poses a major challenge for established manufacturers. At the end of the first quarter of 2023, Ford became the first large traditional car manufacturer to publish financial figures for its electric car business. Accordingly, Ford is expected to lose three billion US dollar in the current year with the sale of electric vehicles. Ford's goal is to achieve a pre-tax margin of 8% (Lienert, Gomes, 2023).

The Volkswagen Group is a leading global automobile manufacturer headquartered in Wolfsburg, Germany. The company got its start in the middle of National Socialism in Germany. The aim was to build a car for the people. The hour of birth was an expose that Porsche published in 1934 on the construction of the later Beetle. It was a lightweight vehicle which became a great success (Schneider, 2016: 33–50). Today Volkswagen Group includes several well-known brands such as Volkswagen, Audi, Porsche, Skoda, SEAT and Lamborghini, and has established itself as one of the largest and most successful car manufacturers in the world.

In order to counteract rising inflation rate and especially man-made climate change, the IRA was passed in the USA last year. The entire package aims to reduce emissions by almost 40% from 2005 to 2030. In particular, the IRA provides most measures in the form of tax credits. The largest part flows as tax credits in the area of sustainable energy production, for example through wind parks or photovoltaic parks. Almost two-thirds of the entire package is conditional on production within the US or within countries with which free trade agreements exist (Bernoth, Meyer, 2023: 55–56). The tax liability of a person or company at the end of the year is offset against the amount of the respective tax credit that was granted. Normally if the promised tax credit exceeds the tax liability at the end of the year, the outstanding amount of the research allowance will be paid out to the recipient (Bunel, Hadjubeyli, 2021: 115). However, the IRA does not provide for reimbursement of any outstanding amounts. If the tax liability is less than the approved tax credit, the outstanding amount is forfeited (*Credits for new clean vehicles purchased in 2023 or after*, 2023). While the IRA provides simplifications in many funding areas, there are numerous requirements attached to the funding of battery electric vehicles (Gardner, Welch, 2023: 45).

### **Analysis of the Eligibility Criteria for Car Manufacturers to Receive Subsidies for Electric Vehicles under the IRA, and how this Impacted the Industry**

A number of conditions must be met in order to receive the maximum grant of 7,500 US dollar. The following criteria apply to all vehicles registered on or after April 28, 2023. The first criterion is that the battery must have a capacity of at least seven kilowatt hours which can be recharged from an external source of electricity. This criterion is basically met by all electric cars on the market. Even plug-in hybrids, which also have a combustion engine and therefore have significantly lower battery capacities, usually meet this criterion. Most electric cars have mid double-digit to low three-digit battery capacities in kilowatt hours (*Ladedauer und Reichweite von Elektroautos*, 2023). In addition, the applicant must purchase the car new, use it primarily in the USA and the car must have at least four wheels and be built to be used primarily on public roads and highways. There is also the criterion that the gross vehicle weight rating must be less than 14,000 pounds, i.e. less than around 6.35 tons. This criterion is also basically met by all currently available electric cars. The average weight is currently around 1.9 tons. One of the heaviest electric cars currently available is the Mercedes EQV with a gross vehicle weight rating of 3.5 tons (Mariasiu et al., 2023: 9–11). In addition, there are limits with regard to the manufacturer's suggested retail price depending on the vehicle type. Vans, sport utility vehicles and pickup trucks may not have a suggested retail price greater than 80,000 US dollar. All other vehicles must not have a suggested retail price of more than 55,000 US dollar. The average purchase price of electric vehicles has increased in recent years and was

66,000 US dollar at the end of 2022. The price was more than a third higher than the average purchase price for non-electric cars (Pritchard, 2022: 22). This means that the average price is already above the first limit for funding. In fact, out of a total of 51 models currently eligible for funding, only eight fall below the 55,000 US dollar limit. These eight models come exclusively from General Motors and Tesla and therefore from no foreign car manufacturer (*Federal Tax Credits for Plug-in Electric and Fuel Cell Electric Vehicles Placed into Service on or after April 18, 2023*, 2023). The primary focus of funding is therefore on vans, sport utility vehicles and pickup trucks. This focus of funding is in line with the current trend in the US toward larger vehicles. As a result, drivers of comparatively small vehicles have a significantly higher risk of personal injury in the event of a collision, for example with a sports utility vehicle (Saylor, 2022: 497–498). The final assembly must take place in North America (Gleason, 2022: 72). As a last general criterion, there are upper limits for the modified adjusted gross income. This is the gross income calculated for tax purposes. The modified adjusted gross income is of great importance in the USA for, among other things, tax credits and also eligibility for certain subsidies, as in this case (Czajka, 2013: 1–7). For married or widowed applicants, the limit is 300,000 US dollars. If an applicant is unmarried and another US citizen lives in the household for whose livelihood the applicant is largely responsible, one can be considered the so-called head of household (Hopkins, 2011: 42). Then the limit is 225,000 US dollars. For all others, the limit for the modified adjusted gross income is 150,000 US dollars (Kess, 2022: 6–7). The median household income in the US was 70,784 US dollars in 2021. Applying the lower limit of 150,000 US dollars to the percentile of average household income in the USA, more than 80% of all households are eligible to apply. If the upper limit of 300,000 US dollars is taken into account, more than 95% of all households are eligible to apply. The proportion of those eligible to apply is therefore likely to be between 80 and slightly more than 95% of US households. However, the tax-relevant modified adjusted gross income was not queried here, which is why the actual values may differ (Semega, Kollar, 2022: 30).

If all of these criteria are met, then two groups of requirements are relevant. They can each be fulfilled individually, which would then justify the entitlement to half the funding. If both requirement groups are met, the applicant is entitled to full funding.

The first requirements relate to the critical minerals. At least 40% of the battery's critical minerals must have been extracted or processed in the USA or a country with which there is a free trade agreement. Alternatively, this criterion is met if at least 40% of the battery's critical minerals have been recycled only in North America. This rate increases by ten percentage points every year up to 80% for all electric car registrations after 2026 (Harden, 2023: 13). Starting in 2025, subsidies for electric cars that contain critical minerals from "foreign entities of concern" will no longer apply, regardless of the proportion. This includes Russia, Iran, China and North Korea (Luscombe, 2023: 37).

The second area of requirements relates to the battery components. The requirement is met when at least 50% of the battery components are manufactured or assembled in North America. This quota also increases by ten percentage points every year up to 100% for all electric car registrations after 2028 (Gardner, Welch, 2023: 46). Starting in 2024, subsidies for electric cars that contain battery components manufactured or assembled by “foreign entities of concern” will no longer apply, regardless of the proportion (Luscombe, 2023: 37). The conditions that vehicles must be assembled in the USA and critical metals must also be mined locally or in the country of a free trade partner have met with international criticism (Lee, 2023: 182–184). In addition, national mines, and mines in countries with which a free trade agreement exists, of rare earth elements receive support in the form of additional tax credits of 10% of their operating costs (Lavrakas, 2023: 23). Overall, there is a massive focus on the national production of the most important components of electric cars.

### **SWOT Analysis of Volkswagen and the IRA, assessing the Strengths, Weaknesses, Opportunities, and Threats facing the Company**

The analysis of opportunities and risks is an important part of every business plan and is also of great importance for every company on a rolling basis. An established tool for this is the so-called SWOT analysis. It has proven to be very useful for condensed presentation and has established itself as an instrument for analyzing opportunities and risks (Nagl, 2020: 12; Schinnerl, 2018: 48). The great advantage of the SWOT analysis is the internal and external consideration (Krings, 2019: 56). Internal strengths and weaknesses are compared with external opportunities and threats, and strategies and measures are then developed from them.

As an example David et al. judged the increased need for healthier nutrition in the population as an opportunity for the donut chain Dunkin Donuts. Nevertheless, from the point of view of a fast food restaurant, the trend towards healthier eating could be viewed more as a risk, since donuts are ultimately not seen as “clean food” (Hennessy, 2017: 20). From the opportunity together with the internal strength that Dunkin Donuts recorded a strong increase in demand, the so-called SO strategy was derived that artificial colors must be removed from the products (David et al., 2019: 33). Four fields with SO, ST, WO and WT strategies can be obtained from all four internal and external factors. A SWOT analysis related to Volkswagen against the background of the influence of the IRA could therefore look as follows.

		Inflation Reduction Act – External Environmental Factors	
		Opportunities	Threats
Volkswagen – Internal Company Factors		<ul style="list-style-type: none"> <li>– Price reduction</li> <li>– Competitive advantage</li> <li>– Selling point</li> </ul>	<ul style="list-style-type: none"> <li>– On-site production</li> <li>– Production costs</li> <li>– Dependency</li> </ul>
	Strengths	<p>→ <b>Early Mover</b></p> <p>First and currently only foreign manufacturer with funding approval</p>	<p>→ <b>Extensive investments</b></p> <p>Extensive development of production capacities on site</p>
	Weakness	<p>→ <b>Segment expansion</b></p> <p>First and currently only foreign manufacturer with funding approval</p>	<p>→ <b>Fail fast, learn fast</b></p> <p>Adjust business mode flexibly to environmental aspects</p>

Fig. 1. Schematic representation of a possible SWOT analysis related to Volkswagen in regards of the IRA

Source: Authors' representation in the style of Schinnerl, 2018: 49.

## Derivation of a possible S/O strategy from the strengths and opportunities

The Volkswagen Group is the second largest car manufacturer in the world after Toyota by vehicle sales and, according to the cash flow statement, had cash and cash equivalents of 39.1 billion Euro in 2021 (*Finanzlage – Volkswagen Konzern Geschäftsbericht 2021, 2022*). To put that in perspective, the current market cap of General Motors, the world's fourth-largest automaker by vehicle sales, is just under 39 billion Euro (*General Motors Co, 2023; Größte Automobilhersteller nach Fahrzeugabsatz 2022, 2023*). Assuming that share prices remain the same, the Volkswagen Group could theoretically acquire all of General Motors' shares and take over the competitor in a hostile takeover. However, constant share prices are not realistic and in practice it is already sufficient if the acquiring company owns more than half of the shares, often even fewer shares are sufficient. Volkswagen's substantial liquidity empowers agile decision-making and rapid adaptation in response to policy changes, a capability engendered by advanced financial planning and cash flow management. Leap investments, takeovers and adjustments to the business model can be implemented within a very short time due to the high reserves, credit financing or even the sale of existing assets is not necessary.

The 2015 Volkswagen emissions scandal revealed deficiencies in Volkswagen's ethical and environmental management systems, prompting an overhaul of internal controls and planning procedures to rebuild trust and prevent future misconduct (Trump, Newman, 2017: 219–220). This clearly shows the reach and importance of the Volkswagen Group brands for the entire industry and internationally. Numerous well-known and established brands belong to Volkswagen, both in the passenger car sector and in commercial goods transport. In addition to the brands in the vehicle construction sector, other areas also belong to the group, such as a software company, a company for local public transport and its own bank. As a result, the Group has a very broad base and has great advantages over start-ups and newcomers. In terms of financing, logistics and procurement, Volkswagen can combine its brands in order to reduce the costs per unit (Williams, 2019: 7). As a result, Volkswagen can also have a very broad, international network of suppliers and can access them at any time.

The IRA related to electric cars places numerous requirements on the producers in order to be eligible for funding. However, this also results in numerous opportunities that manufacturers can make use of if they meet the requirements. A clear advantage is the price reduction. The maximum grant is 7,500 US dollar. As already stated, the average purchase price of electric vehicles was 66,000 US dollar at the end of 2022 (Pritchard, 2022: 22). The IRA also limits the suggested retail price to either a maximum of 55,000 US dollar or 80,000 US dollar. This means that if the maximum subsidy is granted and the lower purchase price limit is reached, a price reduction of at least 13.6% is granted. In times of rising purchase prices for electric cars, this is a considerable price reduction. This discount is borne by the state of the US and therefore offers significant competitive advantages to eligible automakers. Because the IRA is also a law, the requirements are the same for all automakers wanting to benefit from the subsidy. The additional costs that arise from meeting the requirements are therefore similar for all manufacturers who want to be eligible for the subsidy. A requirement of the IRA, local production of key parts and raw materials is also a selling point. Patriotism is strong in the USA especially compared to European countries (Kleinig, 2021: 393–395). The fact that essential parts of a vehicle come from local production fits as a sales argument for that patriotic mindset.

An early mover strategy can be derived from these strengths of Volkswagen and the opportunities created by the IRA. Volkswagen is the first and currently the only international automaker not headquartered in the US. This gives the group a considerable lead over international competitors. Structures can now be built up more and aligned with the IRA. As a result, Volkswagen enjoys a significant price advantage over the competition and can thus meet higher demand. The brand perception is positively strengthened locally and the network of suppliers could be used to obtain approval for the promotion. The high liquidity reserves are also a great advantage since the local production capacities could be expanded within a very short time (“Volkswagen returns to the U.S. with a state-of-the-art auto plant,” 2020: 10–11).



Latecomers first have to build up these structures and can only subsequently serve increased demand due to the price reduction. In addition to the expected price leadership compared to other international manufacturers, Volkswagen has also succeeded in raising a unique selling proposition through regional production through its early mover strategy.

### **Derivation of a possible S/T strategy from the strengths and threats**

However, the aforementioned strengths of Volkswagen in relation to the IRA also apply to threats. An essential part of the IRA is local production in the USA or at least in countries with which there is a free trade agreement. China's dominant share of battery production is significant, with Chinese producers accounting for about 60% of world exports (Bowman, 2022: 30–31). The costs of the final car are currently being driven in particular by the price of the battery. Because most structures for rare minerals and battery production already exist in China, the production costs are among the cheapest there. As a result, considerable additional costs can be expected in the USA, particularly in the ramp-up phase. Volkswagen was able to counteract this with its capital strength in particular. A high level of investment activity to set up the structures on site helps to meet the requirements. Thanks to the very broad and well-developed network of automotive suppliers, Volkswagen can already fall back on parts that meet the requirements or urge suppliers to set up local structures as well. However, this creates a very large dependency. On the one hand, considerable investments have to be made. The car manufacturer is tied to these production facilities in the long term and can only postpone production again with difficulty or at least with considerable damage. In addition, due to the increased production costs, Volkswagen is dependent on the one hand on the subsidy from the IRA itself and on the other hand on the willingness of Americans to buy. If they are not willing to bear the additional costs for local production, if these are not fully absorbed by the funding, sales could suffer. Accordingly, the strategy of extensive investments in production capacities is necessary, but also associated with considerable risks. Volkswagen possesses substantial supply chain agility to pivot towards compliant US suppliers rapidly, a core competency nurtured through continuous supplier relationship management.

### **Derivation of a possible W/T strategy from the weaknesses and threats**

The reach of the Volkswagen Group brands is also a major weakness. As already briefly mentioned above, the emissions scandal in 2015 showed that wrong decisions can have massive effects on the entire group and even the industry. The meaning

and relevance of “Made in Germany” has suffered greatly as a result of the scandal, although it is assumed that there will be a long-term recovery and that the label will continue to be equated with high-quality products (Aichner et al., 2021: 186). A major strength of Volkswagen is its size. The Volkswagen Group had over 675,000 employees in 2022, making it one of the largest employers in the world (*Geschäftsbericht 2022, 2023*: 2). The headquarters is also in Germany. On the one hand, this is associated with comparatively high production requirements and thus also increased costs. On the other hand, this is a significant disadvantage in relation to the IRA, which is based on local production in the USA. Although Volkswagen was founded with the aim of producing an affordable car for the masses, the group is a long way off, especially when it comes to electric cars. Vehicles such as Dacia Spring have significantly lower purchase prices (Marcu, Radulescu, 2021: 139). For example, the Volkswagen ID.4 that made it on the eligible vehicle list has a manufacturer’s suggested retail price of between 39,000 and 55,000 US dollar (Nishimoto, 2023). All of these weaknesses at Volkswagen also apply to the threats of the IRA. The group’s slow pace, which is due to its size, must be compensated for. One possible strategy to counteract this would be to fail fast and learn fast. In order to meet the requirements of the promotion, extensive measures are required. Naturally, this also leads to misjudgments and wrong decisions. It is therefore all the more important to quickly identify errors and then adjust the business model accordingly. If, for example, suppliers are not in a position to meet the requirements of IRA, the business relationships may have to be terminated.

### **Derivation of a possible W/O strategy from the weaknesses and opportunities**

However, the weaknesses of Volkswagen also meet the positive sides. Volkswagen currently only has a very limited range of low-priced electric cars. This can be countered by Volkswagen expanding its segment. If more cars fall under the subsidy, Volkswagen can extend the competitive advantages it has already achieved. With cheaper vehicles on offer, a larger market can be opened up. The subsidy can ideally also increase the margin, which increases the overall profitability of the group. Volkswagen is already tackling this strategy and is currently working intensively on the ID.2. It is said to be one of the group’s cheapest electric models, with a manufacturer’s suggested retail price of less than 25,000 euros at least in Germany (*Der neue ID. 2all, 2023*). To what extent this version will also be offered in the USA is still unclear. With a similar sales price on site, the purchase price minus the US government subsidy would be very low.

## **Contribution, Critical Appreciation and Recommendations for further Studies**

The IRA of 2022 has very far-reaching consequences for the global auto industry and also downstream and other sectors. Through quick action, consistent investments in the considerable and extensive network, Volkswagen was able to achieve a special unique selling proposition in the USA.

This case study contains a complete SWOT analysis as a result, but numerous limitations apply. The analysis was carried out using publicly available data. Extensive data on suppliers, their contracts and structures are not available. Volkswagen has over 59.000 direct suppliers (*Lieferkette und Menschenrechte*, 2023: 112). An in-depth analysis was therefore not possible due to the scope of the public data, which was also insufficient. In addition, selected strategies were presented in the SWOT analysis. The facts in connection with the IRA are highly complex and require numerous measures, which are also not fully publicly accessible. Volkswagen also had to wait to the end to find out whether they would receive the funding (Holtermann, 2023). An analysis of the other areas and the effects they have on international business would therefore be of great interest for further studies.

### **Summary**

The IRA of 2022, one of the largest government measures in the USA, has very far-reaching consequences for numerous industries. The focus towards a more sustainable economy and in particular on electric vehicles and the batteries as well as critical minerals is spurring on national production and supply chains. Various countries already offer purchase price subsidies should an applicant purchase an electric vehicle. The measures taken so far have been very successful, which is why this IRA can also be expected to have far-reaching consequences. The production of electric cars is still challenging for car manufacturers but is steadily gaining momentum. The automotive industry is one of the largest and therefore a significant growth engine and employer worldwide. The restriction of funding linked to national production of essential components of electric cars is therefore understandable, although it has also been heavily criticized internationally.

Numerous requirements are linked to the purchase price promotion for electric cars under the IRA, such as a restriction to new cars for use in the USA. The requirements for the weight, the battery capacity, and the possibility of charging the vehicles should not have a major impact, since the industry standard satisfies these values sufficiently. The income limit should also have little effect, since between 80% and around 95% of households are eligible to apply. However, the limitation of the manufacturer's suggested retail price has a stronger impact. Since many currently available electric car models are priced above these limits, carmakers will have to further

reduce their prices if they want to be eligible for additional models. However, the biggest impact is the limitation of battery production and the critical minerals in it. In perspective, neither of these may come from a “foreign entities of concern”, which currently affects Russia, Iran, China and North Korea. In addition, most of these steps in the supply chain must take place in the USA or a country with which there is a free trade agreement. This puts the focus clearly on regional production.

A well-established tool for the clear analysis of opportunities and threats related to a company is the SWOT analysis. Volkswagen was the only international auto-maker not headquartered in the USA that managed to make the list of eligible vehicles. This was due, in particular, to the early mover strategy. Volkswagen was able to use the liquidity and brand strength as well as the extensive supplier network to meet all the requirements of the IRA. This required extensive investments to be able to produce locally, which also increases the dependency on the production facilities and the extraction itself. Due to the sheer size of the Volkswagen Group, the Group generally has a reduced speed and currently no low-price segment. However, this is the aim of the segment expansion strategy which may lead to further models eligible for funding under the IRA. The fail fast and learn fast approach will be of great importance in the future. The requirements necessitated numerous adjustments in production and supply chains, which will probably not be without friction losses. The quick adjustment to the changed circumstances and at the same time ensuring that the criteria are met is therefore of great importance. Volkswagen has managed to gain a massive competitive advantage in the USA and thus set an example for other international car manufacturers. It has been shown that globalization is literally on very shaky ground, which is why dynamic adjustments to the business model are more important than ever in international business. This importance is also likely to increase significantly in the future. In conclusion, the comprehensive analysis presented in this case study underscores the multifaceted impact of regulatory changes on global businesses. The findings prompt further inquiry into how similar regulatory shifts may influence diverse industries.

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### Streszczenie

#### Ocena wpływu ustawy o ograniczaniu inflacji Stanów Zjednoczonych z 2022 r. na międzynarodowych producentów samochodów na przykładzie Volkswagena

Ustawa o redukcji inflacji, uchwalona przez Kongres USA w 2022 r., to główny plan inwestycyjny dotyczący zmian klimatycznych, w ramach którego przeznaczona jest prawie pół biliona dolarów na inicjatywy klimatyczne i opiekę zdrowotną. Kluczowym aspektem ustawy o ograniczaniu inflacji jest dotowanie pojazdów elektrycznych w oparciu o określone kryteria, które wymagają w szczególności produkcji krajowej. Tylko dziewięciu producentów samochodów, w tym jeden międzynarodowy – Volkswagen, znalazło się na liście producentów samochodów zatwierdzonych do dotacji. Wykluczenie zagranicznych producentów wywołało kontrowersje. Włączenie Volkswagena dało mu ogromną przewagę konkurencyjną. W niniejszym studium przypadku za pomocą analizy SWOT zbadano wpływ ustawy o ograniczaniu inflacji na biznes międzynarodowy związany z branżą motoryzacyjną, w szczególności na Volkswagena. Przeanalizowano kryteria kwalifikowalności dotacji na pojazdy elektryczne, koncentrując się na produkcji i komponentach w USA. Analiza SWOT bada mocne i słabe strony Volkswagena, szanse i zagrożenia w kontekście IRA.

**Słowa kluczowe:** ustawa o ograniczaniu inflacji, międzynarodowi producenci samochodów, Volkswagen, studium przypadku

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