

# CLARION CALL FOR COMPETITIVENESS EMERGING TRENDS AND ONGOING CHALLENGES



## WHY THE CLARION CALL

Since 2012, the Clarion Call has laid out a competitiveness agenda for policymakers, a roadmap to follow based on nearly three decades of research and the insights of the nation's leading corporate executives, academic and labor leaders, and national lab directors. The Clarion Call highlights key emerging trends and ongoing U.S. competitiveness challenges. And for the first time, the Council offers letter grades on policymakers' progress (or lack thereof) on core recommendations.

## CALL TO ACTION

## GRADE

### TALENT

Staple a green card to the diplomas of high-skilled immigrants who acquire an advanced degree in the United States.

C

### TECHNOLOGY

Implement a national network of advanced manufacturing clusters and smart factory ecosystems.

A

### INVESTMENT

Double the investment in federal research and development.

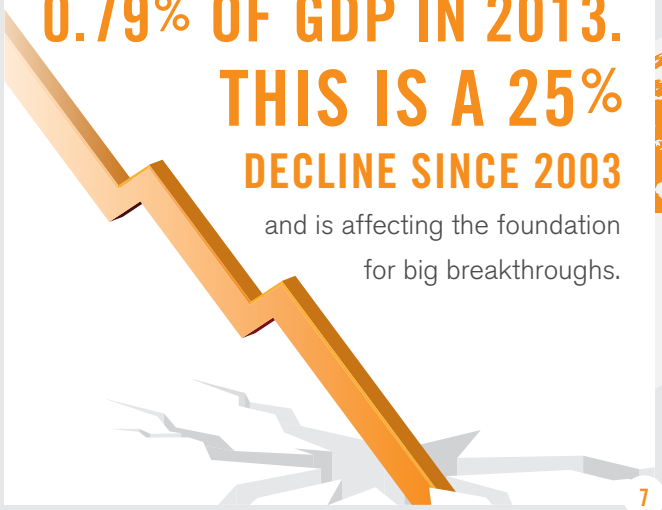
D

### INFRASTRUCTURE

Deploy and update a modern and resilient infrastructure across the United States.

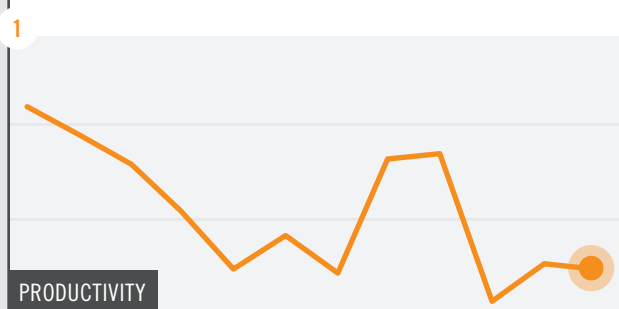
C

The federal government's investment in **BASIC RESEARCH WAS 0.79% OF GDP IN 2013.** **THIS IS A 25% DECLINE SINCE 2003** and is affecting the foundation for big breakthroughs.



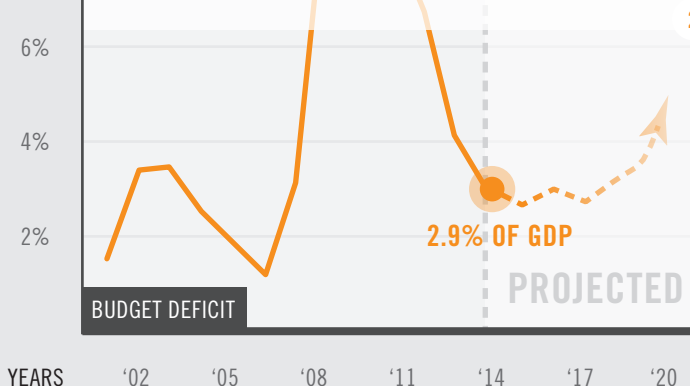
Over the past three years, average productivity has **GROWN AT ONLY 0.7%.**

Compare to the 2% growth rate of the 1990s and the 2.5% rate of the 2000s.



The nation's budget deficit has **IMPROVED** to about **3 PERCENT OF GDP.**

However, The deficit may grow rapidly after 2018.



Employment has returned to pre-recession levels. Despite a dip in August, job creation in the first half of 2014 was the strongest in over 15 years. Over the last year, **THE UNEMPLOYMENT RATE DROPPED FROM 7.2 TO 6.1%**

Manufacturing output has **FULLY RECOVERED** from its pre-recession levels and is continuing along an upward trend. The manufacturing sector has added **> 600,000 JOBS** since 2010.



The U.S. trade deficit improved by **\$61 BILLION** between 2012 and 2013, thanks to improved energy independence and surpluses in services and agriculture.

America still has the world's largest economy. However, **ECONOMIC GROWTH REMAINS WELL BELOW THE 4-5% NEEDED FOR A FULL RECOVERY.**

Education and skills are essential. The U.S. median wage for a worker with less than a high school diploma is only paid **\$20,110 A YEAR,** less than one-third the median wage paid a college degree holder.

**\$1.95 TRILLION** earned overseas is locked away by America's worldwide taxation system.

By 2020, inadequate infrastructure for transportation, energy, and water **WILL COST BUSINESSES \$1.2 TRILLION** & households higher bills amounting to **\$611 BILLION.**

1. Bureau of Labor Statistics, United States Department of Labor  
2. The 2014 Long Term Budget Outlook, Congressional Budget Office. July 15, 2014.  
3. Bureau of Labor Statistics, United States Department of Labor.  
4. Bureau of Economic Analysis, United States Department of Commerce.

5. The World Fact Book, United States Central Intelligence Agency.  
6. Education and Training Outlook for Occupations, 2012-2022, Bureau of Labor Statistics, United States Department of Labor.  
7. Hourihan, Matt. COMPETES Funding Update: the Senate Gets Involved, American Association for the Advancement of Science. July 24, 2014.

8. Rubin, Richard. Companies' Offshore Profits Keep Piling Up, Bloomberg News. March 20, 2014.  
9. Failure to Act Economic Studies, American Society of Civil Engineers.