



Pathways to US Job Growth in Technology Sectors

A Position Statement by the Council for Chemical Research

Adopted August 3, 2010

The United States is facing increasing global competition. In all industrial sectors except one, defense, our trade balance is negative. Even in sectors where the US has been a world leader for many years, such as in the chemical industry, our trade balance has gone negative. Rapid and extensive action is needed to ensure economic security for our nation and to provide jobs for its citizens. Science and technology, and specifically chemistry, are enabling fields that lead to job growth across many sectors in the US economy. The Council for Chemical Research (CCR), along with its industrial and academic members, has developed new strategies to put America back into a position as a world leader in science and technology, stimulating related economic growth and US job growth. These new strategies are needed along with previously recognized strategies, including a permanent and competitive R&D tax credit, strong investment in STEM education, and immigration laws that keep US-educated foreign scientists in our country. These strategies, along with CCR's new strategies outlined below, will bring job growth and prosperity to our nation.

CCR has developed three strategies that build upon each other to create US jobs, increase US manufacturing, and strengthen the US economy. These strategies focus on innovation, which is the process of originating an idea and developing it into a valuable product. The three strategies are:

Establish a National Innovation Commission

Because of vigorous international competition, the US must focus its investments in areas of innovation that will be most rewarding in terms of jobs and international trade. A panel of experts should be empowered to identify priority areas in which to invest federal dollars as well as to recommend related government policies. The panel, organized by the National Academies, will include members from industry, universities, and government.

The panel will:

- Identify technology areas in which the US has its greatest strengths and wants to maintain leadership
- Evaluate the extent of international competition in these areas and develop a strategy to increase US competitiveness
- Identify specific topic areas that provide the greatest return on federal investments
- Recommend to the President how to best invest in and cultivate these high reward areas

Create Nuclei for Strategic Innovation

The US has a vast and excellent network of academic research. In order to capitalize on this valuable resource, new models for research and development are urgently needed. Nuclei for Strategic Innovation will bring together small and large businesses with academic researchers in groups focused on a single, marketable product. The nuclei will utilize a new model in which academic and industrial participants will be engaged in partnerships from project inception. The nuclei will rapidly generate marketable products while leveraging the federal investments made in basic research.

Nuclei for Strategic Innovation will:

- Be funded by federal and private investments
- Involve collaborations between universities, small businesses, large businesses, and national labs
- Be focused on specific, marketable products based on technology innovation
- Be organized into cross-sector teams, each with a specific goal/product
- Require progress towards commercialization, job growth, and international sales

Implement Manufacturing Siting Incentives

The US is losing siting decisions to foreign competitors. New manufacturing facilities in the US are essential for job growth. Therefore, it is imperative that we develop effective strategies that convince businesses to site new manufacturing facilities in the US. In order for innovation to translate into US jobs, new manufacturing facilities must be sited in the US.

Specific strategies include:

- Create long term federal policies for energy and carbon to create a stable business environment
- Provide federal tax incentives for job creation with increased incentives for higher paying jobs
- Provide a streamlined loan guarantee program and federal construction tax credits

* * *

The Council for Chemical Research is a not-for-profit organization that brings together industry, academia and government laboratories that conduct research in chemistry-related science and engineering in the US. CCR was formed in 1979 to promote cooperation in basic research and encourage high quality education in the chemical sciences and engineering. The mission of the CCR is to benefit society by advancing research in chemistry, chemical engineering, and related disciplines through leadership collaboration across discipline, institution, and sector boundaries.

Council for Chemical Research

1550 M Street, NW, suite 300

Washington DC 20005

Website: www.ccrhq.org