RECLAIMING PROSPERITY:
Repositioning Southern Nevada for the Next Economy
The Great Recession Has Been A Wake Up Call
The Great Recession Has Been A Wake Up Call

Cover: Courtesy of TIME Magazine
A vision for the next American economy
Southern Nevada can play in the next economy
To build the next economy the U.S. must connect the macro to the metro.
The Next American Economy

We compete in a fiercely competitive world
The Next American Economy

Photo: Mauricio Mercer
A vision for the next American economy
U.S. Trade is Dominated by Imports

U.S. Trade Balance

<table>
<thead>
<tr>
<th>Year</th>
<th>Imports</th>
<th>Exports</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>$2.5 trillion</td>
<td>$1.8 trillion</td>
</tr>
</tbody>
</table>

Source: US Census, Foreign Trade Statistics
U.S. Exports Lag Our Competition

- U.S. GDP: 11%
- China GDP: 36%
- Canada GDP: 36%
- India GDP: 22%
- EU-27 GDP: 16%
- Japan GDP: 16%

Source: World Bank, World Development Indicators, 2009; World Trade Organization
Exporting Is an Unnatural Act

U.S. Companies that Export

Source: Howard Rosen, Peterson Institute for International Economics, December 2009
Exporting Is an Unnatural Act

U.S. Companies that Export to More than One Country

Source: Howard Rosen, Peterson Institute for International Economics, December 2009
Can we get back into the export game?
The U.S. Can Play At This Expansion
U.S. Service Exports To Other Countries Are Rising

China
Management, Consulting, and PR Services

2002: $14 m
2008: $529 m

India
Construction, Architectural, and Engineering Services

2002: $8 m
2008: $331 m

Source: US Bureau of Economic Analysis, International Transactions Accounts
“We set a new goal: We will double our exports over the next five years, an increase that will support two million jobs in America.”

President Obama
January 27, 2010
THE NEXT ECONOMY

low carbon

export

innovation
The U.S. Has Been Slow to Embrace the Green Economy

CO₂ Emissions Per Capita

- **US**: 19.7 tons
- **UK**: 9.1 tons
- **Germany**: 10.4 tons

Source: International Energy Agency
China is seeking to dominate the race to green

Stimulus packages on renewable energy

$221 billion

$94 billion

China

U.S.

Photo: Richard Fisher
Low carbon economy = Markets
The Energy We Use
The Infrastructure We Build
The Products We Buy
The Buildings We Live and Work In
Need Job Creation?

Financiers

Scientists / Engineers

Entrepreneurs

Laborers
THE NEXT ECONOMY

innovation

Low Carbon

Export
U.S. Leadership On Key Innovation Indicators Is Slipping

U.S. Share of Global Totals

- **R&D Investment**: 46% in 1986, 37% in 2003
- **Scientific Publications**: 38% in 1986, 30% in 2003
- **Scientific Researchers**: 41% in 1986, 29% in 2003
- **Doctorates in Science & Engineering**: 52% in 1986, 22% in 2003

Source: Council on Competitiveness, Competitiveness Index (2007)
The Next American Workforce Is Ill-Equipped

Bachelor’s Degree Attainment

- United States: 28%
- Asians: 59%
- Non-Hispanic Whites: 34%
- African Americans: 18%
- Hispanics: 13%

Source: US Census Bureau, 2008 American Community Survey
U.S. Lags On The Conversion Of Innovation Into Production

Advanced Technology Products

Source: US Census Bureau, Advanced Manufacturing Products
It is time to rediscover our innovation...
Southern Nevada can play in the next economy
Las Vegas Export Intensity

Export Share of Gross Metropolitan Product

11.2%
Top 100 Metros

8.4%
Las Vegas

Source: Brookings analysis of US Bureau of Economic Analysis data
Las Vegas Service Export Strength

Share of Exports in All Services: 76%

Share of Exports in Travel Services: 48%

Source: Brookings analysis of US Bureau of Economic Analysis data
Las Vegas Export Growth 2003-2008

- Gross Metro Product: 35%
- Service Exports: 77%
- Travel Exports: 61%
- Financial Services: 135%
- Management and Consulting: 88%

Source: Brookings analysis of U.S Census Bureau, BLS, and BEA data
Las Vegas Service Exports

Photos: CES, Cleantechnica, Data Center Knowledge, Flickr/Bert K
McCarran Airport

International Flight Arrivals

1990: 430
2008: 8,998

Source: Brookings Analysis of FAA T-100 Data
Regional Connections Remain Weak

Las Vegas and Phoenix

Congestion on I-15

High Speed Rail Connections

Regional Connections Remain Weak
Nevada is Positioned for Low Carbon

- **Geothermal Resource Assessment**
- **Solar Power Prospects**
- **Wind Power Assessment**
Renewable Power Generation

Geothermal

1. California
2. Nevada
3. Hawaii
4. Utah

Solar

1. California
2. Nevada
3. Arizona
4. Colorado

Source: Energy Information Administration, 2007
Photos: US Air Force, Carleton Science Education Resource Center
Las Vegas Lags on Innovation Measures

Patents Per 1,000 Employees

- Top 100 Metros: 7.1
- Las Vegas: 2.1

Source: HBS Institute for Strategy and Competitiveness (2007), XYZ
Las Vegas Lags on Innovation Measures

<table>
<thead>
<tr>
<th>Measures</th>
<th>Top 100 Metros</th>
<th>Las Vegas</th>
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<tbody>
<tr>
<td>Patents Per 1,000 Employees</td>
<td>7.1</td>
<td>2.1</td>
</tr>
<tr>
<td>R&amp;D Workers Per 10,000</td>
<td>43</td>
<td>13</td>
</tr>
</tbody>
</table>

Source: HBS Institute for Strategy and Competitiveness (2007), XYZ
Growing Innovative Sectors
Growing Innovative Sectors
To build the next economy the U.S. must connect the macro to the metro
The U.S. is Not China
Playbook for the U.S. Economy

Playbook

Firms
Research
Government
Trade Assoc.
Labor
Philanthropy
Federal & State Governments

*Lead where they must*
Playbook for the U.S. Economy

Federal & State Governments

Lead where they must

Metropolitan Areas

Innovate where they should
Macro Levers for Export Growth

Double Exports by 2015
Las Vegas Metro

Large Companies

Small and Medium Enterprises

Research Institutions

Business Associations

Skills Providers

Specialized Services

Photos: Flickr/roblisameehan, Wikicommons/Mortadelo2005, Lawrence Berkeley Nat’l Lab (Roy Kaltschmidt)
Energy Discovery Innovation Institutes

- Advanced Solar
- Nuclear Energy
- Smart Grid
- Geo Thermal
- Carbon Sequestration
- Bio Fuels
Energy Should be Prioritized in Federal R&D Funding

Source: International Energy Agency, R&D Statistics Service
Metros Can Develop Livable Places

Source: Jonathan Rose Companies, Jim Berchert (Photographer)
Metros Lead the Effort to Create Quality Places
Metros Lead the Effort to Create Quality Places
Metros Lead the Effort to Create Quality Places

Photos: Friends4expo, BusExplorer
National Innovation Policy
Metro Innovation Clusters
Building the Workforce

- Community Colleges
- Post-Secondary Schools
- Skills Providers
Las Vegas Lags in Educational Attainment

Bachelor’s Degree Attainment

Source: US Census Bureau, 2008 American Community Survey
Federal & State Governments

*Lead where they must*

Metropolitan Areas

*Innovate where they should*
Federal & State Governments

*Lead where they must*

- National Infrastructure Bank
- National Innovation Foundation
- Energy Discovery Innovation Institutes
Leverage economic clusters

Connect transportation and housing

Strengthen institutions for innovation and education

Metropolitan Areas

*Innovate where they should*
The Great Recession Has Been A Wake Up Call