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.
We compete in a fiercely competitive world
A vision for the next American economy
U.S. Trade is Dominated by Imports

U.S. Trade Balance

Imports $2.5 trillion
Exports $1.8 trillion

2000 2008

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

U.S. GDP: 11%

China GDP: 40%
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
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

<table>
<thead>
<tr>
<th>Country</th>
<th>Service Type</th>
<th>2002</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>Management, Consulting, and PR</td>
<td>$14 m</td>
<td>$529 m</td>
</tr>
<tr>
<td></td>
<td>Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>India</td>
<td>Construction, Architectural,</td>
<td>$8 m</td>
<td>$331 m</td>
</tr>
<tr>
<td></td>
<td>and Engineering Services</td>
<td></td>
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</tbody>
</table>

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

CO₂ Emissions Per Capita

19.7 tons
US

9.1 tons
UK

10.4 tons
Germany

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

Congestion charging
Central ZONE

low carbon economy innovation
The Products We Buy
The Buildings We Live and Work In
Need Job Creation?

Financiers

Scientists / Engineers

Entrepreneurs

Laborers
innovation
THE NEXT ECONOMY
Low Carbon
Export
U.S. Leadership On Key Innovation Indicators Is Slipping

U.S. Share of Global Totals

<table>
<thead>
<tr>
<th>Indicator</th>
<th>1986</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>R&amp;D Investment</td>
<td>46%</td>
<td>37%</td>
</tr>
<tr>
<td>Scientific Publications</td>
<td>38%</td>
<td>30%</td>
</tr>
<tr>
<td>Scientific Researchers</td>
<td>41%</td>
<td>29%</td>
</tr>
<tr>
<td>Doctorates in Science &amp; Engineering</td>
<td>52%</td>
<td>22%</td>
</tr>
</tbody>
</table>

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

Bachelor’s Degree Attainment

Source: US Census Bureau, 2008 American Community Survey
Advanced Technology Products

1991 2008

Exports
Imports

$270 billion
$331 billion

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%

8.4%

Top 100 Metros

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
Las Vegas Service Exports

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

- **Patents Per 1,000 Employees**
  - Top 100 Metros: 7.1
  - Las Vegas: 2.1

- **R&D Workers Per 10,000 Employees**
  - Top 100 Metros: 43
  - Las Vegas: 13

*Source: HBS Institute for Strategy and Competitiveness (2007), XYZ*
Growing Innovative Sectors

Photos: Neospire.net, Microsoft, Switch Communications
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
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*
Double Exports by 2015
National Infrastructure Bank
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 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
National Innovation Foundation
Building the Workforce

Community Colleges

Post-Secondary Schools

Skills Providers
Las Vegas Lags in Educational Attainment

Bachelor’s Degree Attainment

- All: 28% U.S. vs. 22% Las Vegas
- Hispanic: 13% U.S. vs. 9% Las Vegas
- African American: 18% U.S. vs. 16% Las Vegas
- Non-Hispanic White: 34% U.S. vs. 26% Las Vegas
- Asian: 59% U.S. vs. 38% Las Vegas

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
RECLAIMING PROSPERITY: Repositioning Southern Nevada for the Next Economy