

DELIVERING THE NEXT ECONOMY

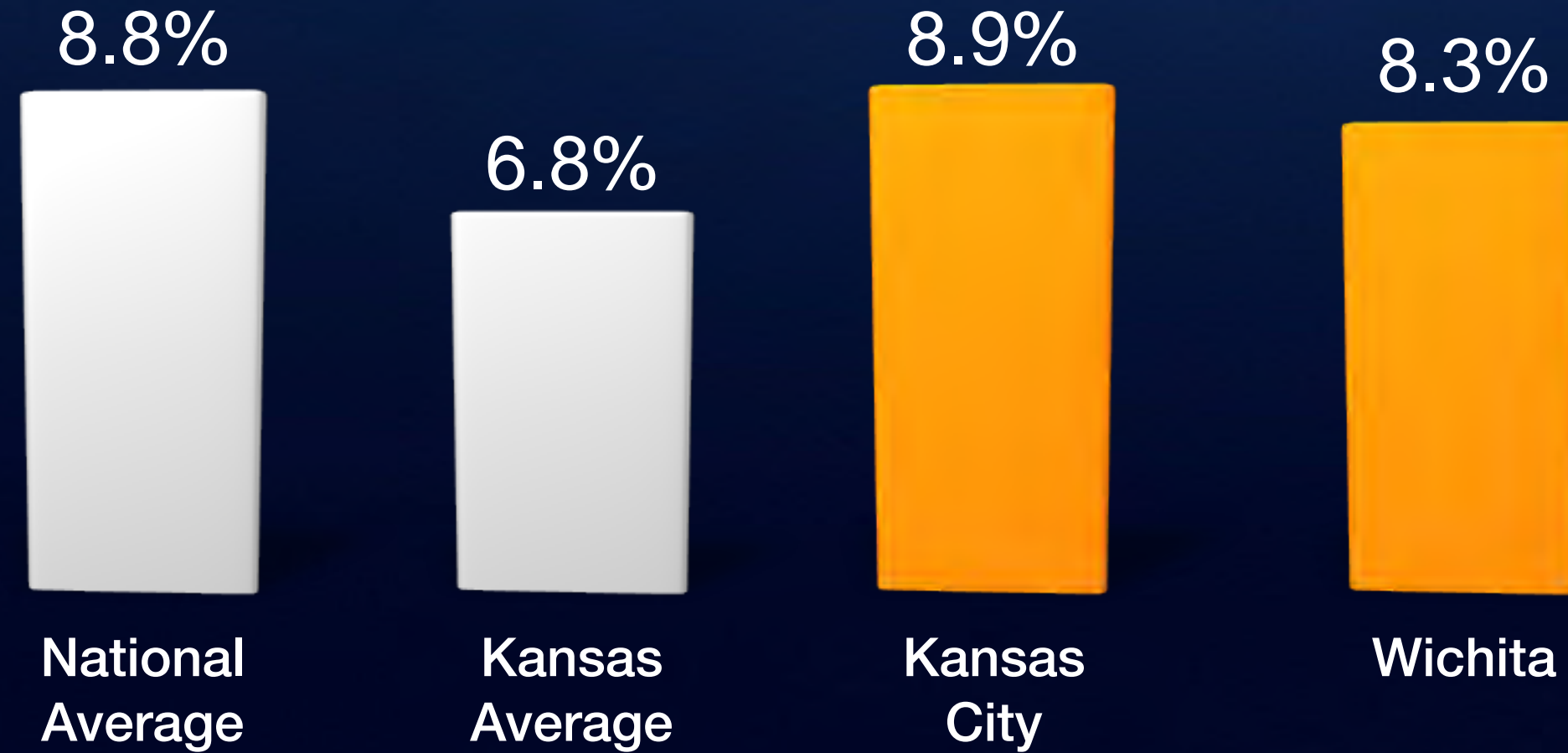
The Central Role of Exports

8.4 million
jobs lost in the recession



1 in 10
people unemployed

Unemployment in Kansas Remains High



Source: BLS (March 2011)

Domestic Consumption Will Not Lead Economic Recovery



We Need a New Growth Model



1 2 3

We need a vision for the
next American economy



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The next economy will be
driven by metro areas



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We must build the next economy by unleashing the state's regional engines



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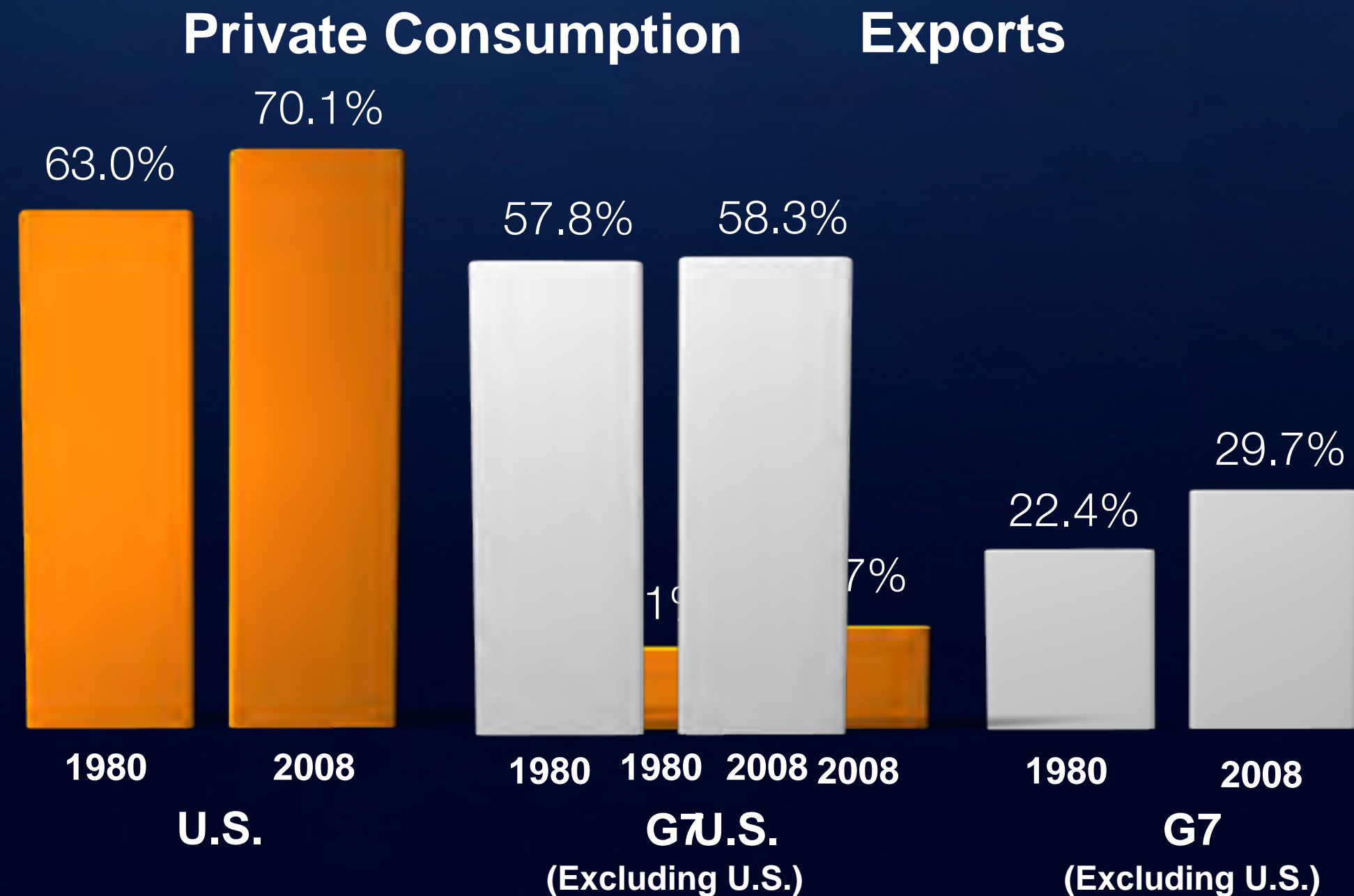
We need a vision for the
next American economy





We Need to Rebalance the U.S. Economy

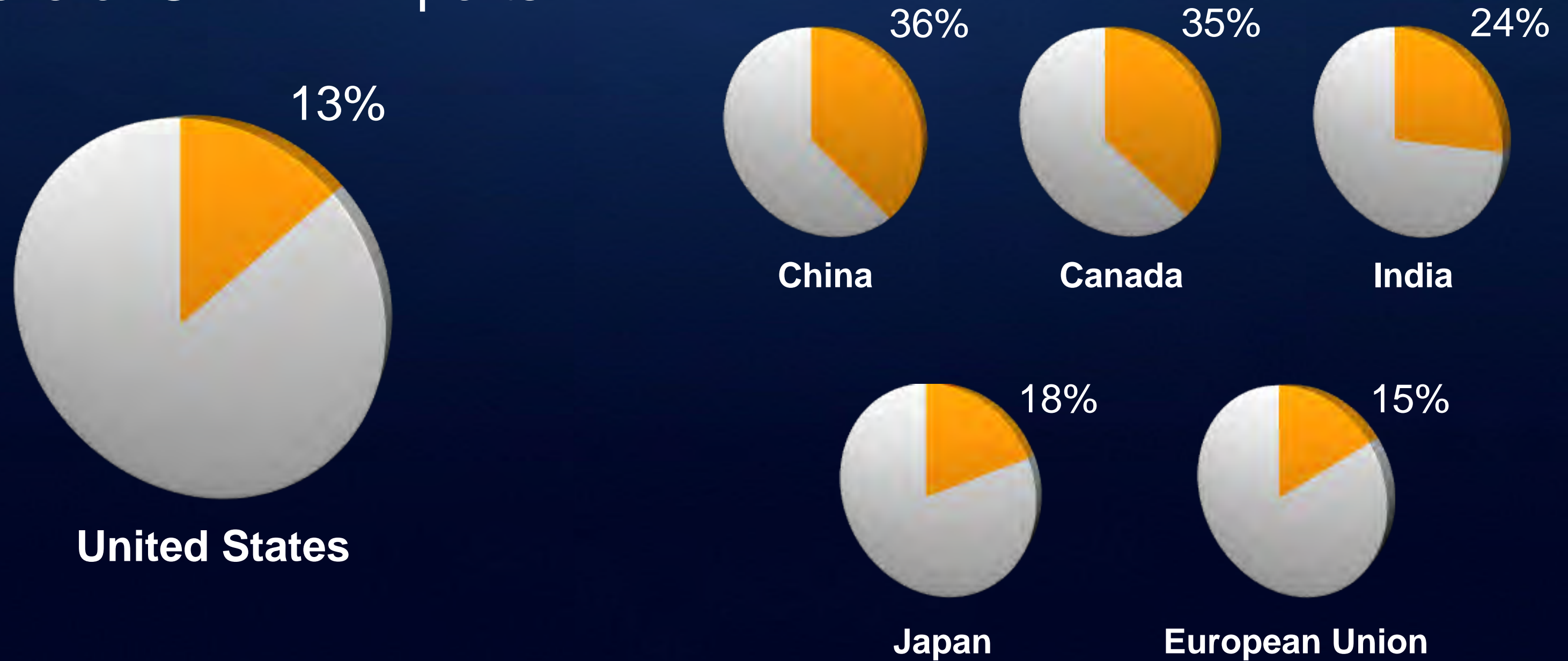
Share of GDP



Source: Economist Intelligence Unit, 2010

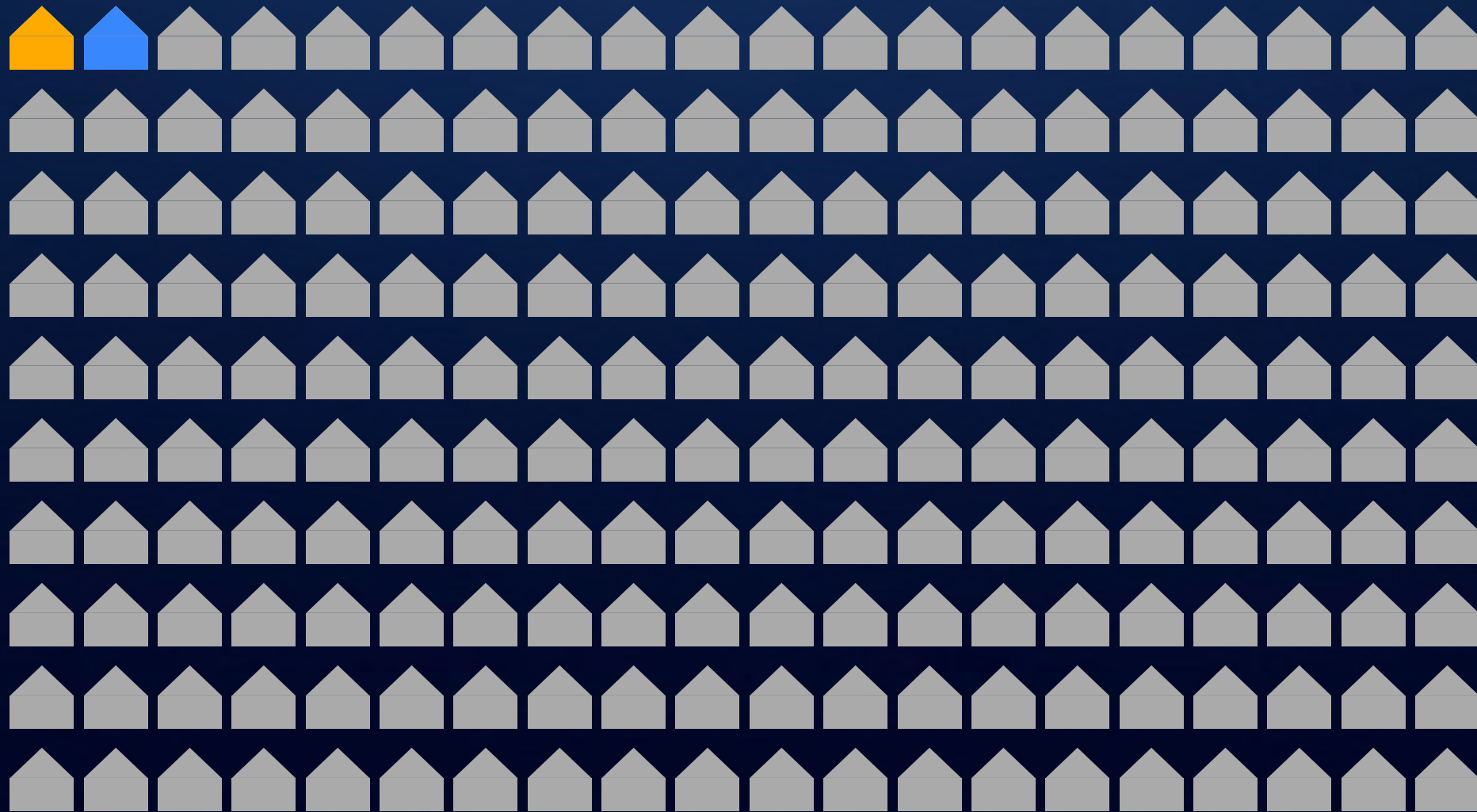
U.S. Exports Lag Our Competition

Share of GDP in Exports



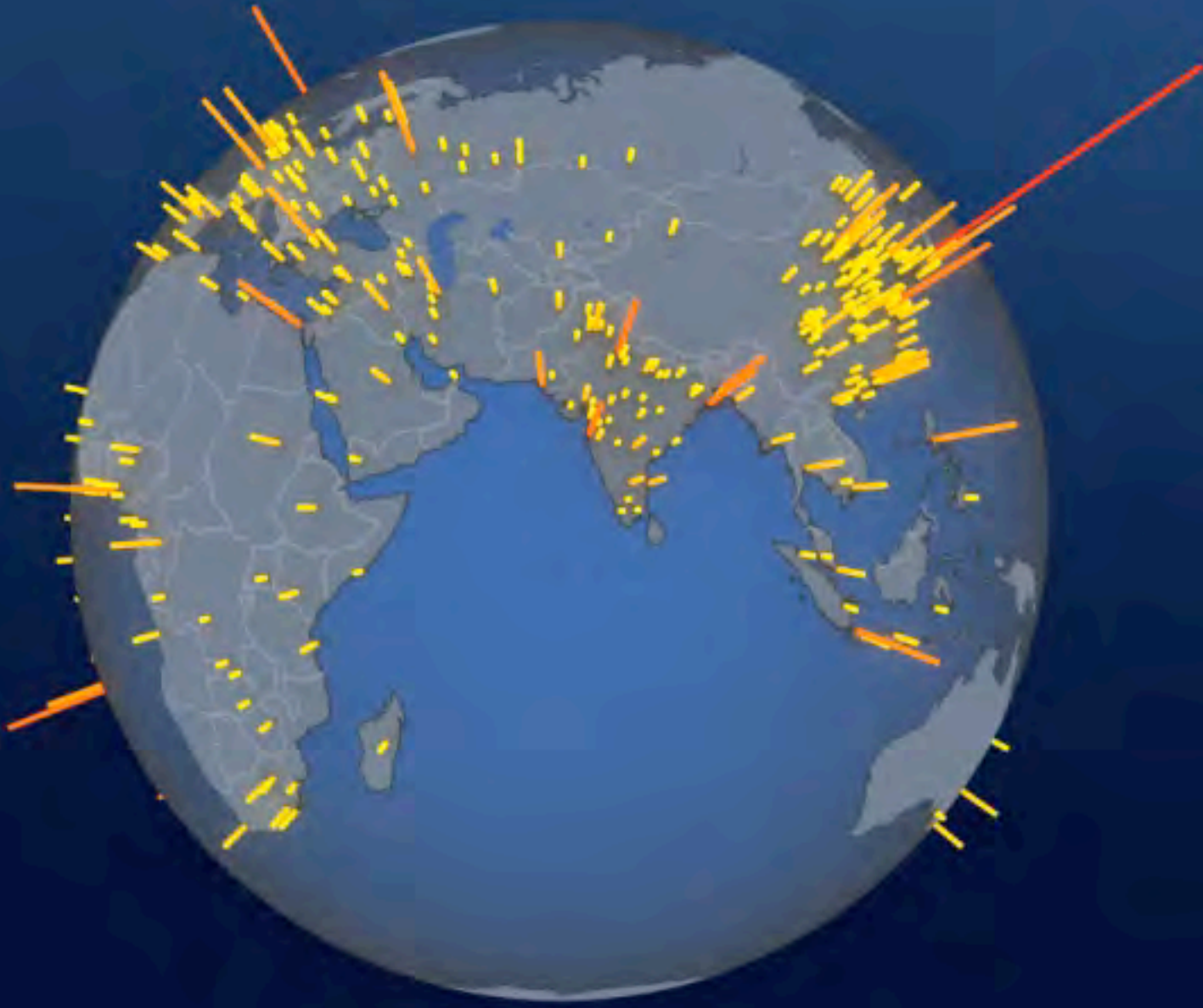
Exporting Is an Unnatural Act

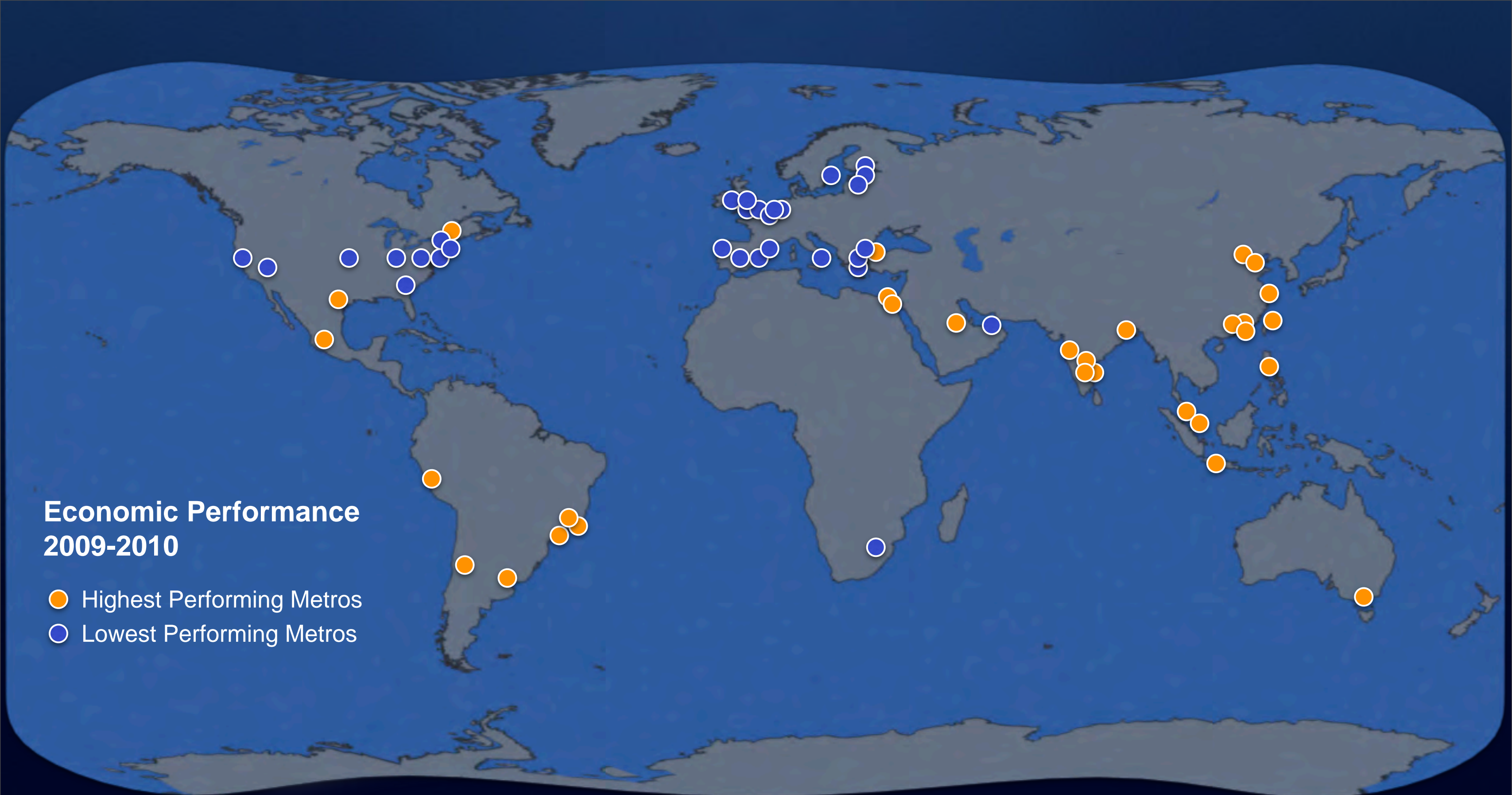
U.S. Companies that export to more than one country



Source: US Department of Commerce Press Release, July 12, 2010

The Locus of Economic Growth in the World Is Shifting





**Economic Performance
2009-2010**

- Highest Performing Metros
- Lowest Performing Metros

Movement of Freight Is Compromised

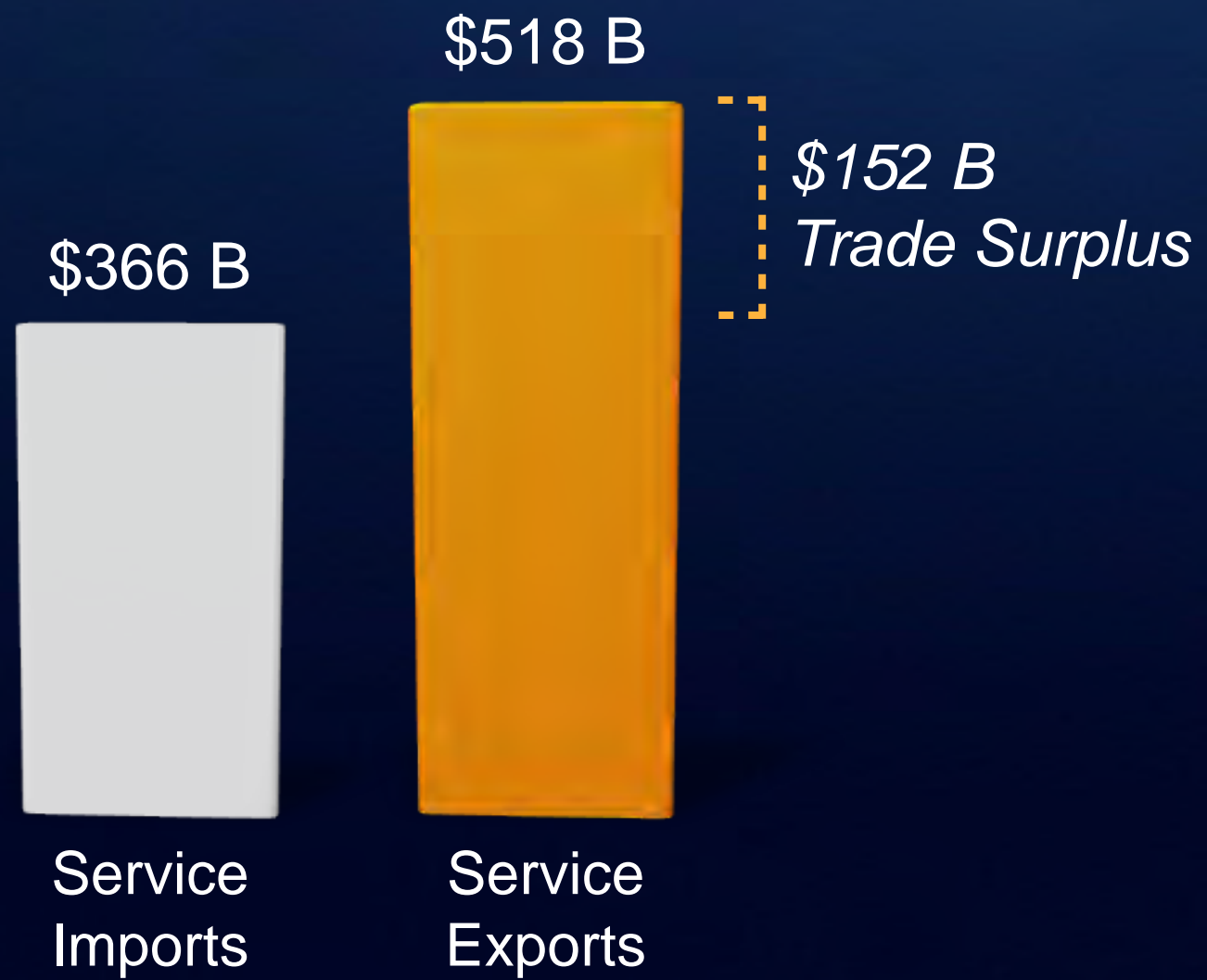


**Can we get back into the
export game?**

The U.S. Remains the Number One Exporter in the World



U.S. Service Trade







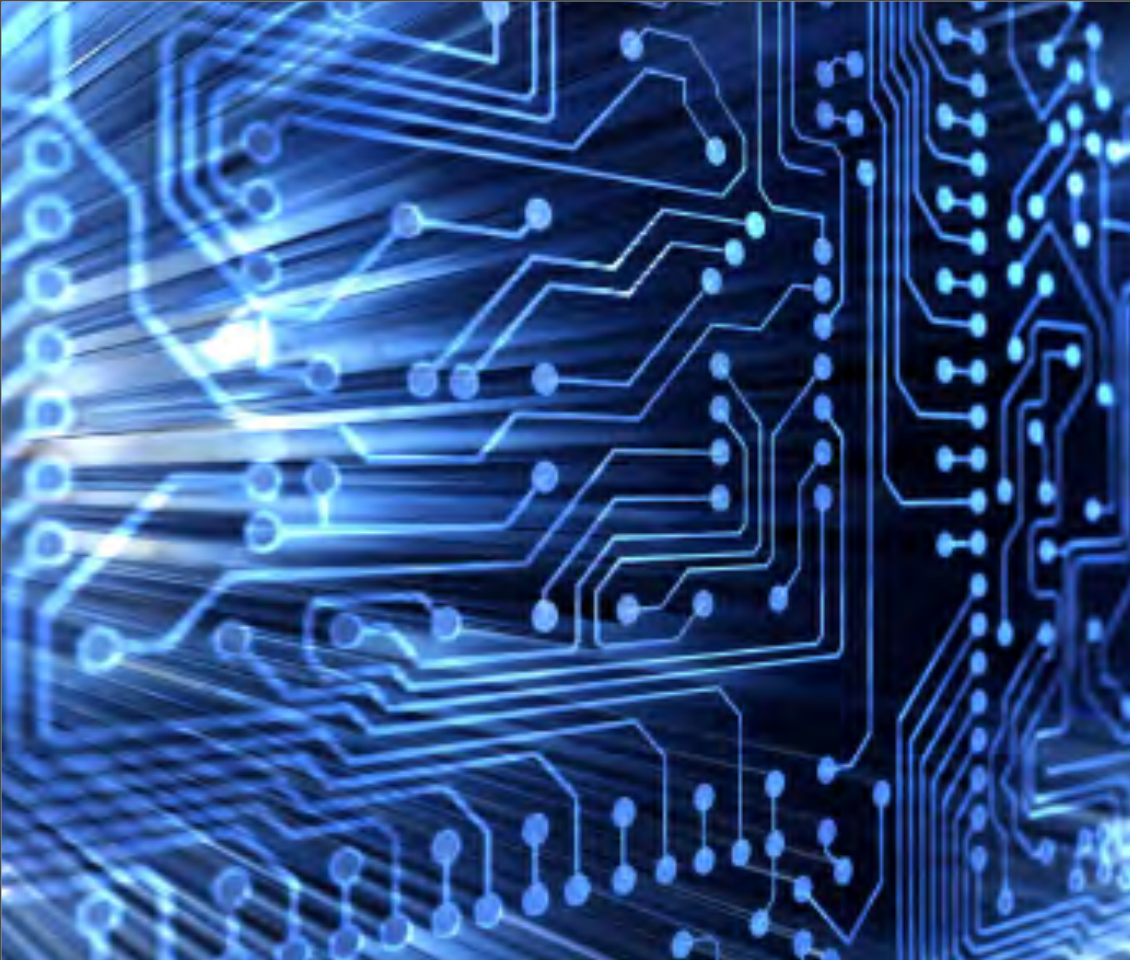






Photo: Flickr/dockphotos

Our Competitors Have Embraced the Green Economy





We Are at the Cusp of an Historic Era of Technological Progress



Self-Driving Vehicles



Smart Homes



Remote Health Care

The U.S. Ranks Low in Science and Engineering Degrees



Source: National Science Foundation



45th

Share of BAs in Science
and Engineering

The U.S. is Now Running a Trade Deficit in Advance Technology Products





Major Exporting Industries Pay Higher Wages



A Low Carbon Economy Can Create Jobs at All Skill Levels

Financiers



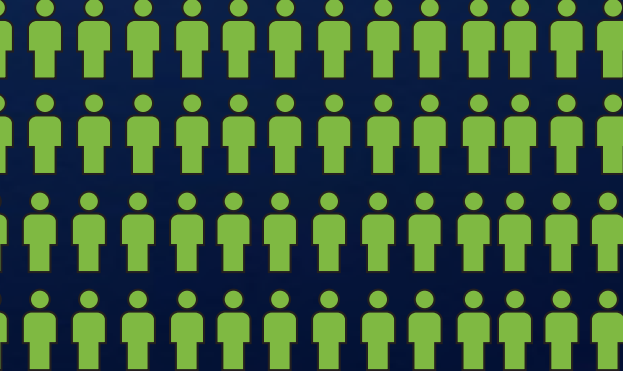
Scientists and Engineers



Entrepreneurs



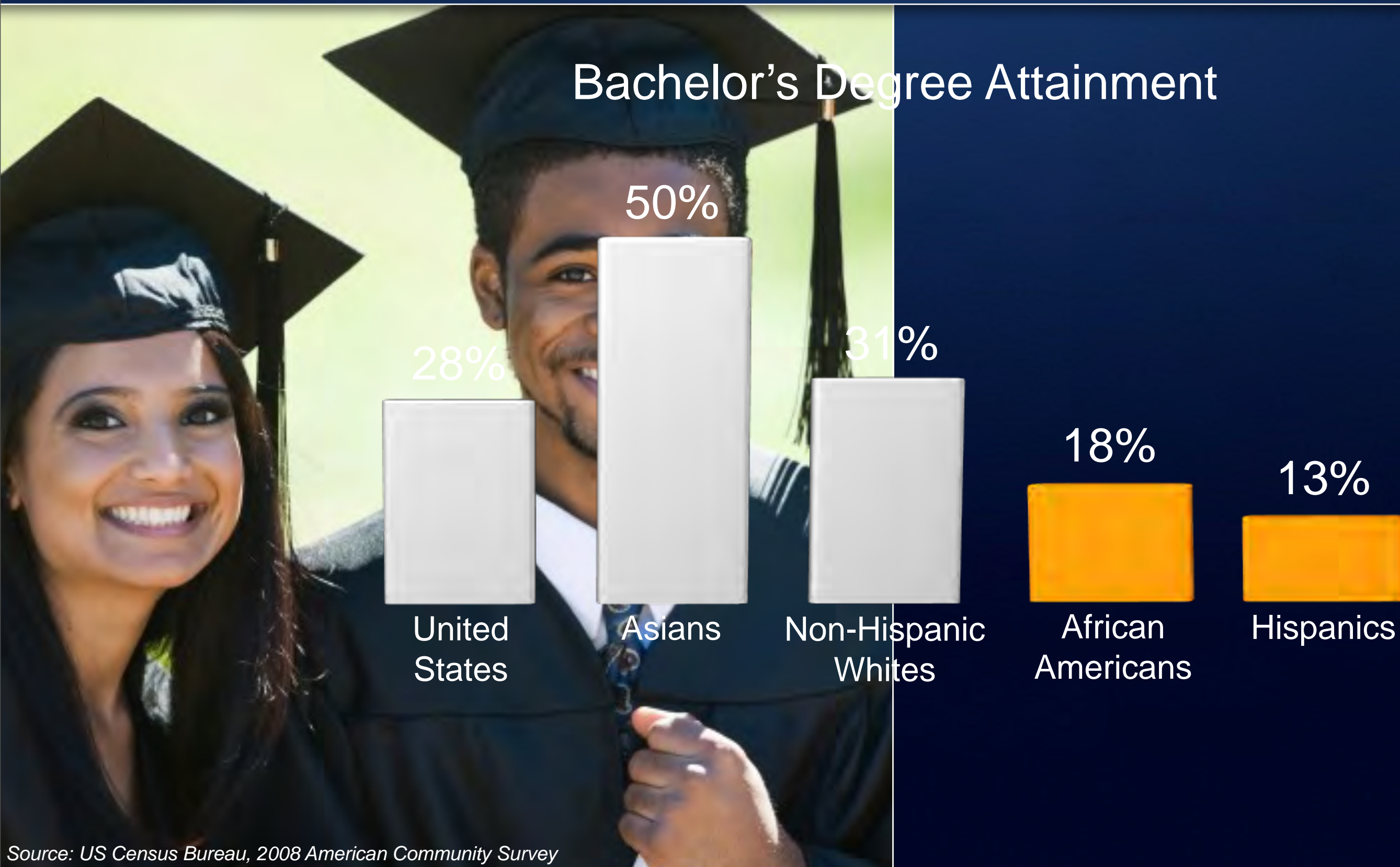
Laborers



The U.S. must get smart...

fast

The Rate of Educational Attainment Is Lowest Among the Fastest Growing Populations



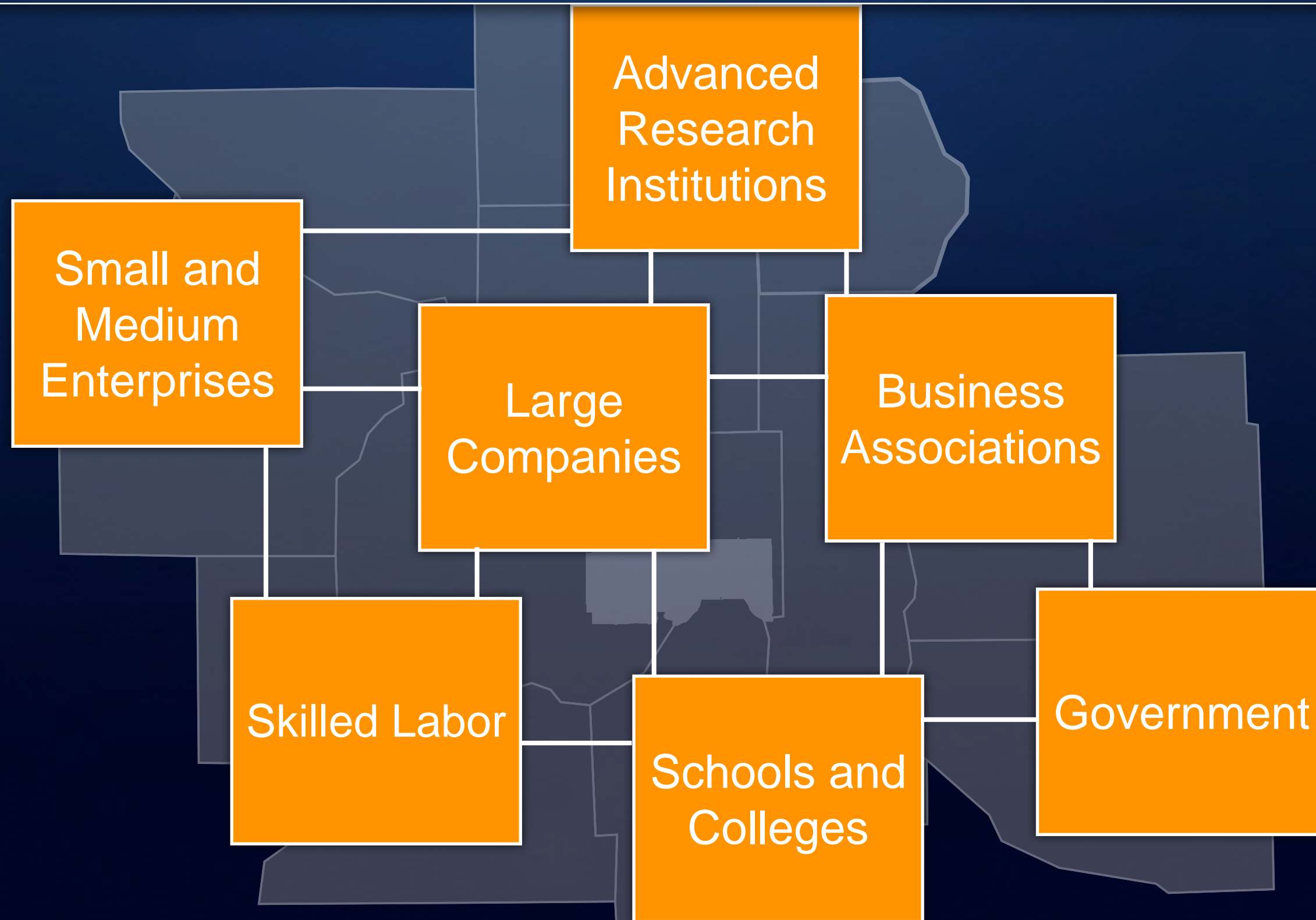
Source: US Census Bureau, 2008 American Community Survey

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The next economy will be
driven by metro areas

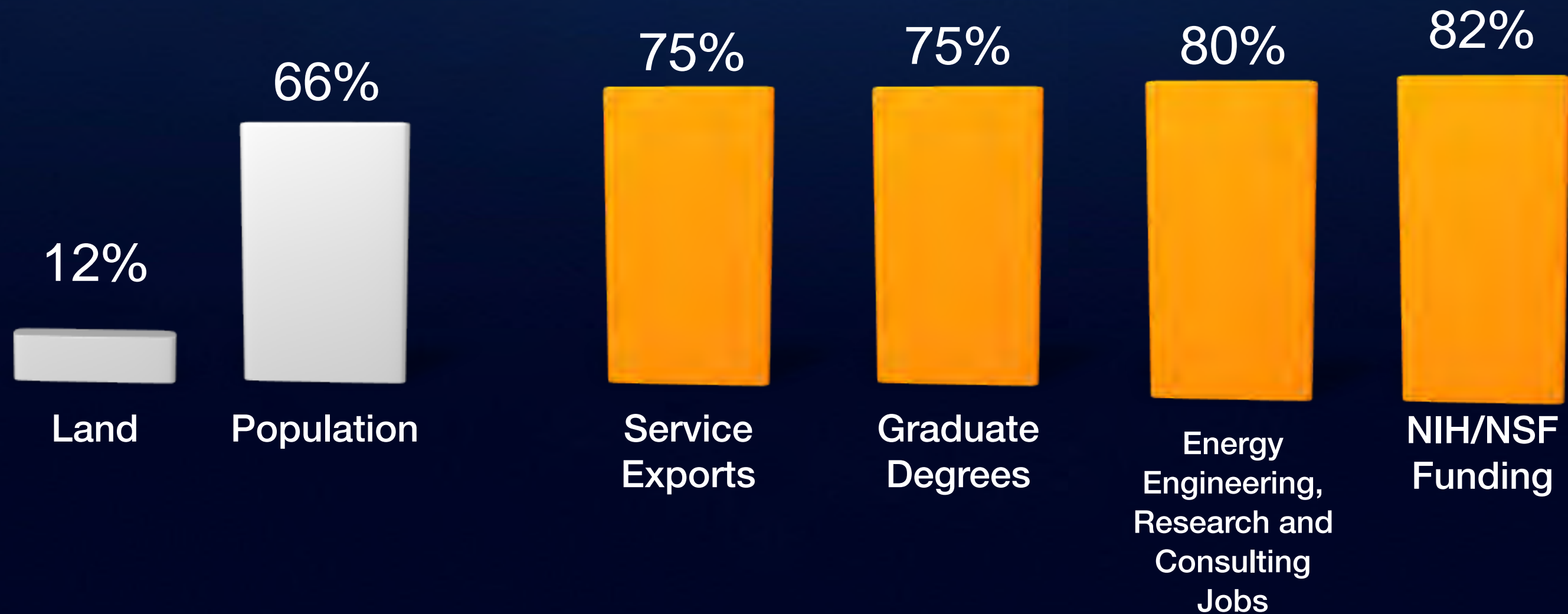


A Metro Area Is Defined by Its Economic Function

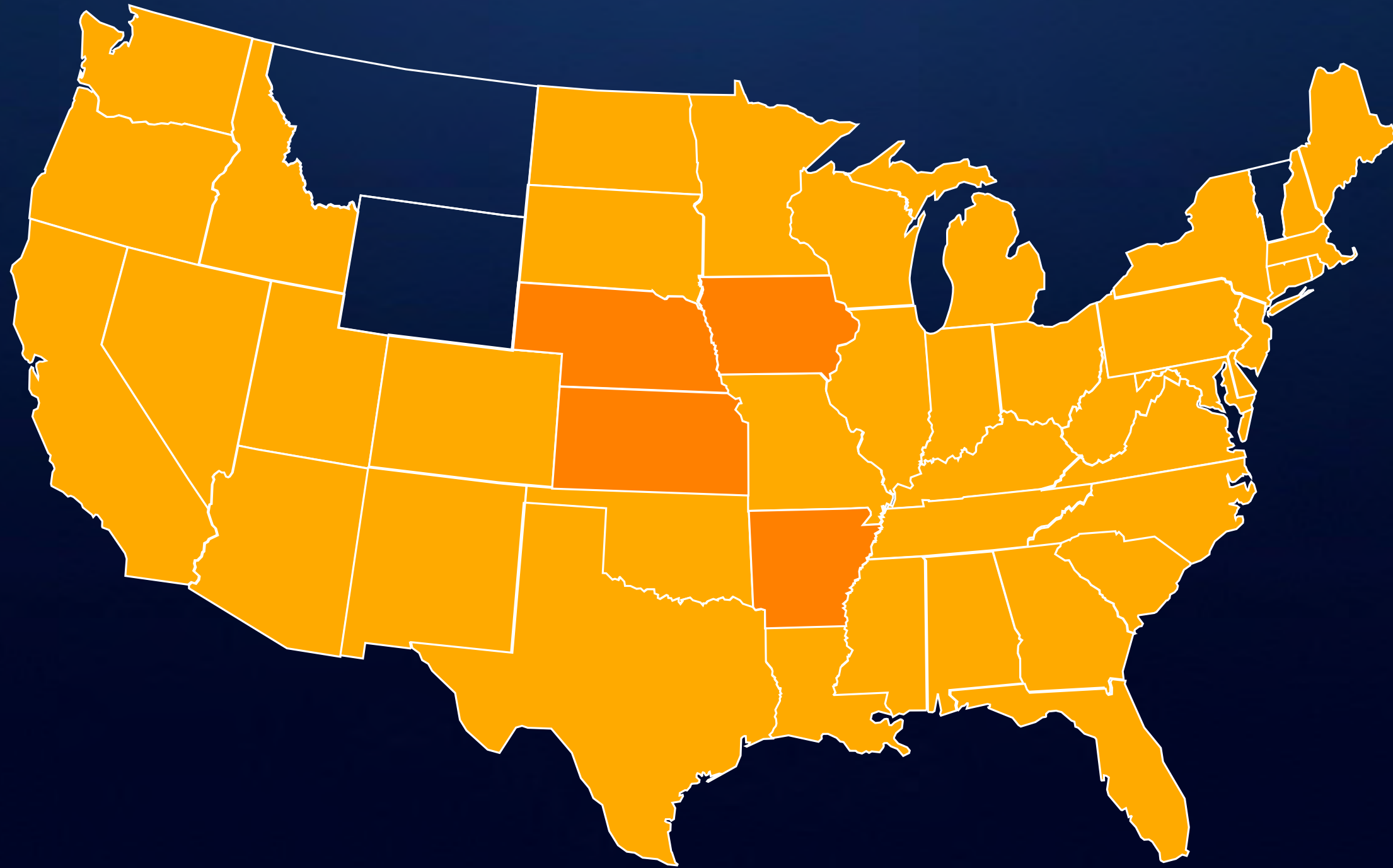


Metro Areas Hold the Bulk of the Country's Assets that Will Drive the Next Economy

Top 100 Metros *Share of U.S. Totals*



Metro Areas Generate the Majority of GDP in 47 of the 50 States



In Kansas, Six Metro Areas Drive the State's Economy



Source: Census population estimates and Moody's Analytics (2009 data)

Wichita Rank

Wichita *Share of Kansas State*



Exports Growth *(Top 100 Metros, 2003-2008)*



Source: Brookings analysis of Census population estimates, ACS, Moody's Analytics, BEA, and BLS (2009 data)

Kansas City Rank

Kansas City *Share of Kansas State*



Exports Growth *(Top 100 Metros, 2003-2008)*

63rd

7.5 percent

Export Jobs
(Top 100 Metros, 2008)

26th

77,465

Source: Brookings analysis of Census population estimates, ACS, Moody's Analytics, BEA, and BLS (2009 data)

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We must build the next economy by unleashing the state's regional engines



Exports as a Continuum of Interventions



The Feds Must Set the Rules for Global Engagement and Involve All Agencies



- The Export Promotion Cabinet (14 federal agencies)
- The State Trade and Export Promotion Grant Programs

Boosting Exports Requires a Range of Interventions - State

Invest in what matters



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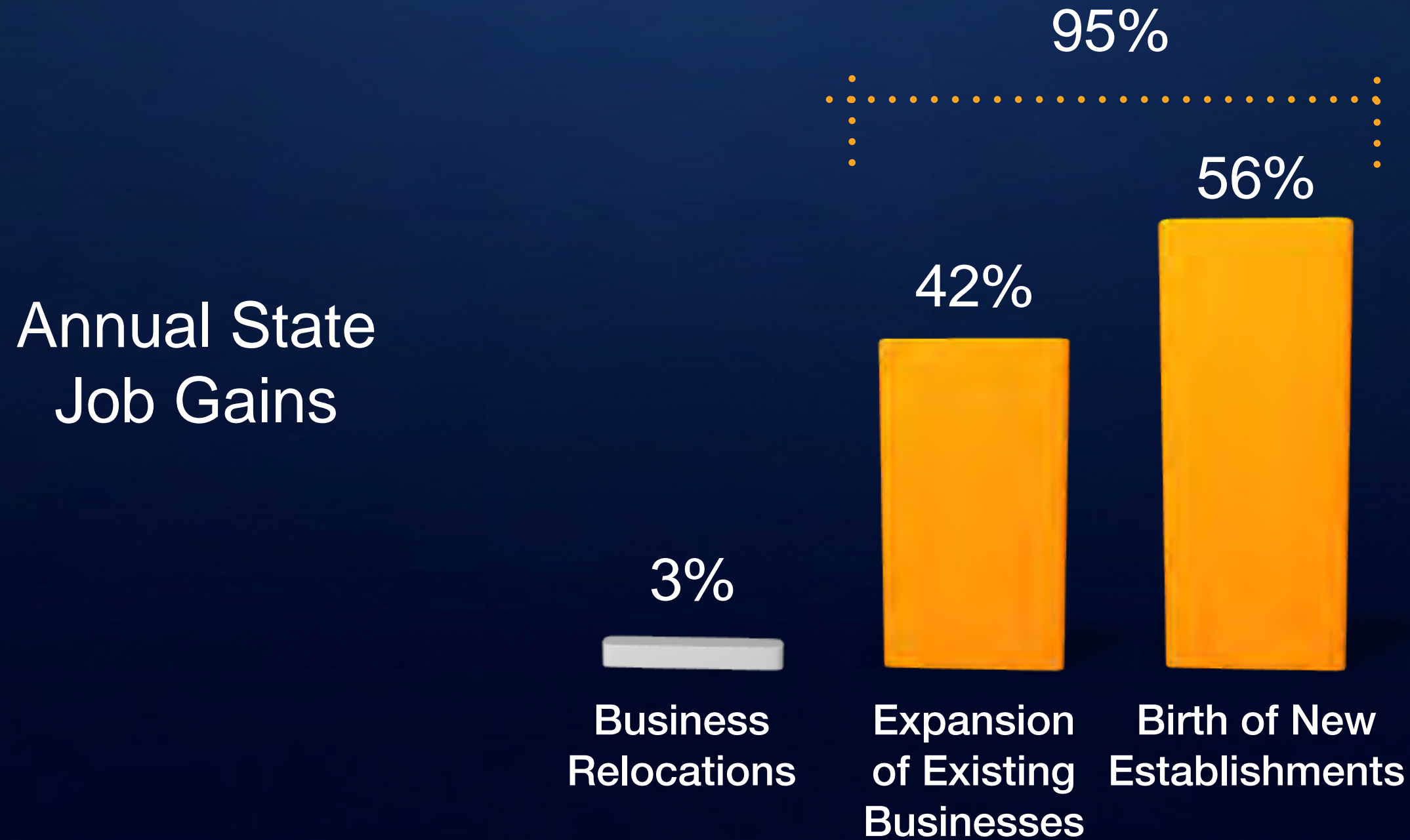
Invest in what matters



Reform for growth



Reevaluate Wasteful Economic Development Subsidies



Source: Jed Kolko, "Business Relocation and Homegrown Jobs," (Sacramento: Public Policy Institute of California, September 2010)

Boosting Exports Requires a Range of Interventions - State



Invest in what matters



Reform for growth



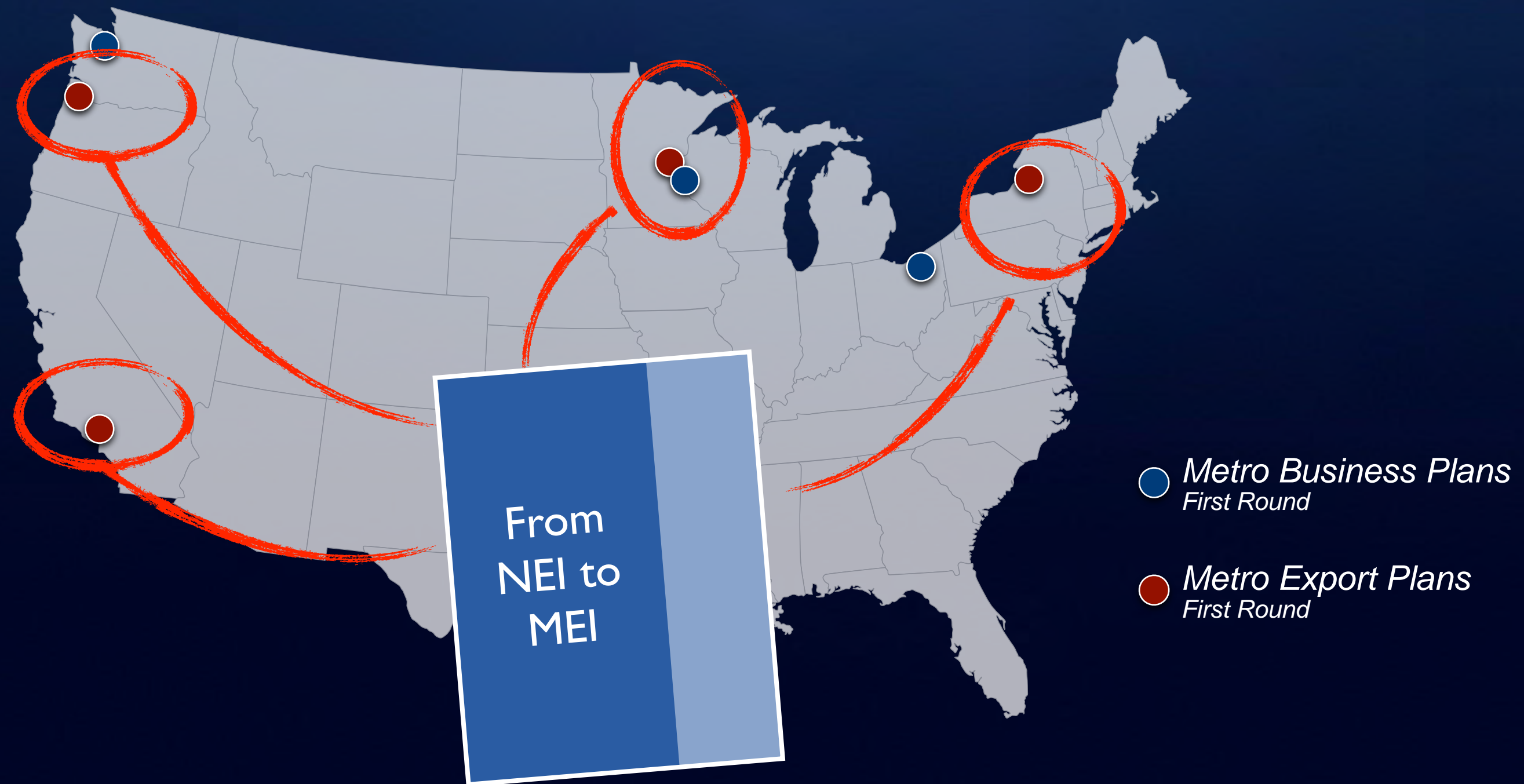
Align with metro strategies



Metro Areas Must Lead



Metro Areas Must Lead



Determine Rationale



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graph TD; A[Determine Rationale] --> B[To secure and increase quality jobs driven by export growth]; A --> C[To double exports over the next five years]; A --> D[To foster a more globally-fluent, export oriented business culture, particularly among SMEs];
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- To secure and increase quality jobs driven by export growth
- To double exports over the next five years
- To foster a more globally-fluent, export oriented business culture, particularly among SMEs

DELIVERING THE NEXT ECONOMY

The Central Role of Exports

