

Jobs for America:

Investments and policies for economic growth and competitiveness

Milken Institute study conducted for the National Association of Manufacturers

Today, the National Association of Manufacturers (NAM) released a new, in-depth economic analysis that links the strength of the U.S. economy to the strength of the U.S. manufacturing sector.

This report, which was conducted by the non-partisan Milken Institute, also provides solid data in terms of jobs and GDP—making the case for policies to reinforce manufacturing as the foundation for economic growth.

The study is called “Jobs for America: Investments and policies for economic growth and competitiveness.” As manufacturers, we commissioned the analysis to assess the effects of the recession on the nation and the manufacturing sector and our ability to recover in the face of fierce global competition.

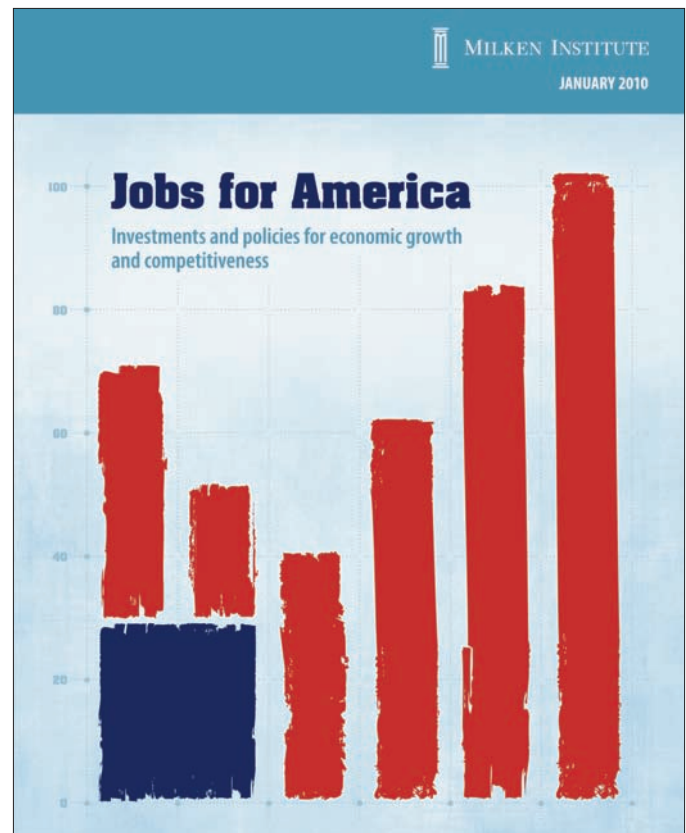
The analysis reinforces the NAM’s growth agenda on lowering corporate tax rates, investing in infrastructure, establishing a permanent and robust R&D tax credit, and modernizing export controls.

These policies will improve U.S. manufacturing competitiveness, which is necessary for economic growth and job creation.

Key findings include:

Economic and Tax Policy

- **Corporate Taxation:** Reducing the U.S. corporate income tax rate to match the OECD average would trigger new growth. By 2019, it could boost real GDP by \$375.5 billion (2.2 percent), create an additional 350,000 manufacturing jobs, and increase total employment by 2.13 million.
- **R&D Tax Credit:** Increasing the R&D tax credit by 25 percent and making it permanent could boost real GDP by \$206.3 billion (1.2 percent), generate 316,000 manufacturing jobs, and raise total employment by 510,000 within a decade.



- **U.S. Export Controls:** Modernizing U.S. export controls could increase exports in high-value areas. By 2019, these policy adjustments could enhance real GDP by \$64.2 billion (0.4 percent), create 160,000 manufacturing jobs, and heighten total employment by 340,000.

Infrastructure Investment

- The proposed investments analyzed in this report, totaling \$425.6 billion across 10 projects over three years (with just over half in highway and transit initiatives), translate into \$1.4 trillion in total output, including the ripple effects generated across all sectors.
- Taken together, these 10 investments have the potential to create 3.4 million jobs directly and, including all the ripple effects, 10.7 million jobs in total (an average annual increase of 3.5 million across three years).
- The projects outlined could generate direct earnings of \$147.1 billion (and total earnings of \$420.6 billion, including all ripple effects).