Atlantic Century II: Benchmarking EU & U.S. Innovation and Competitiveness

Rob Atkinson, President, ITIF
The Study: compared innovation-based competitiveness of 40 nations and regions.

16 indicators: including corp. R&D, government R&D, scientists and engineers, new firms, corp. tax, productivity growth and others.
This was the story: in rate of progress from 1999, the U.S. was behind.

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The Atlantic Century II

- **The Study:** compares innovation-based competitiveness of 44 nations and regions. (Added Argentina, Chile, Malaysia, Indonesia, South Africa and Turkey and subtracted Luxemburg and Malta)

- **16 Indicators:** including corporate and government R&D, scientists and engineers, new firms, corp. tax, productivity growth and others.
Overall Score: U.S. is 4th (unchanged)
Overall Change Score (1999-2011): U.S. is 43rd
Overall Change Score (2009-2011): U.S. is 27th
But Some U.S. States Lead the World
Education (college-aged pop. with tertiary degree)
Education Change (1999-2008)
Researchers, per 1,000 employed
Researchers Change (1999-2008)
Business R&D Change (1999-2008)
Government R&D (% of GDP)
Government R&D Change (1999-2008)
Venture Capital Change (1999-2008)
New Firms (per 1,000 workers)
New Firms Change (2005-2009)
Broadband (Quality and Subscription)
Broadband Change (2002-2009)
IT Investments (% of GDP)
IT investments, Change (2003-2010)
Effective Corporate Tax Rates
Ease of Doing Business
Ease of Doing Business Change (2005-2010)
Foreign Direct Investment (% of GDP)
Trade Balance, Change (1999-2009)
Productivity (GDP per Hour Worked)
Productivity, Change (1999-2009)
So What’s America’s Future?
Buffalo?
Or Boston?
So What’s Europe’s Future?
Rome?
Or Helsinki
Becoming “Boston” and “Helsinki” Means:

1) For Europe and America, establish a “Trans-Atlantic Partnership” to form a united front against innovation-based mercantilism in the rest of the world.
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2) For Europe, embrace the “creative destruction” of innovation.
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2) For Europe, embrace the “creative destruction” of innovation.

3) For America, wake up to the fact that we are no longer the leader and need an aggressive national innovation and competitiveness strategy.