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Detroit summit seeks new economic vision

DETROIT, Michigan : A summit seeking a new economic agenda for America kicks off Monday, with debate among a broad array of leaders aiming to find ways to maintain US leadership and competitiveness.

The three-day summit "is a bold new initiative to help re-imagine, rebuild and revitalize our economy in an increasingly difficult global market," said Beth Chappell, president and chief executive of the Detroit Economic Club, which convened the gathering.

"It will bring together the country's top business, government, labor and academic leaders to create consensus recommendations for increasing America's competitiveness in four critical disciplines -- technology, energy, environment and manufacturing."

The Detroit, Michigan meeting, billed as "Davos in Detroit," aims to stimulate ideas in a manner similar to the World Economic Forum annual gathering in Switzerland.

Organisers say the world's biggest economy needs a new vision to maintain leadership and competitiveness, and that they will seek consensus among leaders in the corporate, academic, labor and political sectors.



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A GM advertisement runs on a billboard in Times Square

Tom Dekar, vice chairman at Deloitte LLC -- one of four so-called "knowledge partners" defining the agenda -- said the summit aims to produce a "to do list" for the American economy.

"This is a great opportunity for people who are significant players in the economy to come together and talk about their visions of the future and the policy implications," Dekar said.

The summit, which may continue as an annual event, grew out of conversations at the Detroit Economic Club about the future of the US economy.

The speakers include chief executives Richard Anderson of Delta Air Lines, Steve Ballmer of Microsoft Corp., Vikram Pandit of Citigroup, Fritz Henderson of General Motors and Alan Mulally of Ford Motor Co.

From government, new US chief technology officer Aneesh Chopra and Commerce Secretary Gary Locke will appear among the 90-plus speakers.

Called in September, the summit has taken on new importance amid a recession that is the worst in decades, costing more than six million US jobs.

The meeting reflects growing momentum for the US to formalize an "industrial policy" similar to those used in Asia and elsewhere to help nurture businesses in a tough global environment.

Dow Chemical Co. chairman Andrew Liveris, who is a co-chair of this week's summit, told the club last year that the US needs better policies to nurture growth in an increasingly competitive global economy.

"Today, the emerging economic powers like China and India understand that when you build an economy from the ground up -- make a strong manufacturing base as its foundation -- benefits flow to everyone," he said.

"Those nations are our competitors and many of them are beating us at our own game."

According to Liveris, "the truth is that in this country today we already have an industrial policy, except, in reality, it's mostly an anti-industrial policy -- a set of contradictory, ill-planned and ultimately self-defeating laws and regulations that are creating havoc at the manufacturing base."

The notion of industrial policy is taboo for many free market economists, who say America's strength is derived largely from the laissez-faire, freewheeling environment that lets firms innovate without government interference.

Joel Naroff of Naroff Economic Advisors said the role of government in the economy needs to be reassessed in the current environment, in which the United States can no longer count on being the global leader in every sector.

"I think what needs to be discussed now is what is the correct role of the government in a world economy where other governments take an active role in assisting their industries," Naroff said.

The openness of the US economy, he added, "is both a strength and a weakness" and that a careful examination of the role of government is needed.

"Just like everything else in economics, there is no one answer," said Naroff.

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