



Speaker: Andrew Liveris, Dow Chairman and CEO

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Remarks as prepared for delivery

Thank you very much for the kind introduction, [John]. On behalf of The Dow Chemical Company, it is a great honor to receive this award from a group of business leaders that is so committed to advancing the public interest. It is humbling to be in the company of the other honorees tonight. My congratulations to you all.

Let me begin with a brief look back – before we look ahead.

After World War II, as we know, Europe was in ruins. Whole cities had been reduced to rubble. Families were starving, and desperate for work. The ravaged continent faced a severe economic crisis.

At that time, a group of political and business leaders – including the Committee for Economic Development – came together to develop an aid program that would put Europe, once again, on the path to prosperity and stability.

That program, as it emerged, was the Marshall Plan. And in the speech that launched it, Secretary of State George Marshall said that the United States must not react “from a passion or a prejudice or an emotion of the moment,” but with a clear sense of purpose: to revive the world economy.

The condition of the global economy today – let us be thankful – does not approach the urgency or the gravity of the condition of Europe after World War II. But we do, of course, face challenges of our own. Challenges that require the same foresight... the same discipline... and the same clarity of purpose we saw in this Committee's founding years.

Because our global and, indeed, our national economic challenges demand bold solutions. They demand concerted action. And they demand that business leaders like us engage on matters of public policy.

CED is right: business leaders ought to be business statesmen – as focused on the public interest as we are on our business interests. Because these are not separate considerations.

That is why we at Dow felt compelled to write Make It In America.

At a time when the national mantra has become “jobs, jobs, jobs”, it is critical that business and government work together to revive our economy.



And I believe that manufacturing has a huge role to play. In the year since my book was published, I have been pleased to find this view – this firm belief – shared by many people. Across the partisan divide. Across sectors. Politicians, CEOs, pundits, economists, and, not least, the American people.

The manufacturing sector that once defined America's economic strength has withered in this country, even as it has risen overseas. In the last decade alone, the U.S. has shuttered more than 40,000 factories and watched 5.5 million jobs disappear from its shores.

As you know better than anyone, global capital, goods and services flow more freely now than ever before. Companies, once anchored to their country of origin, can now choose to build and invest anywhere in the world. And they are. Increasingly, they are drawn to dynamic economies like China's and Brazil's. These countries are attractive to businesses not only because the markets are large and growing larger, but because governments in those nations are active partners in expanding the manufacturing sector.

That has not been the case in the United States. For years now, our national leaders have been bystanders to America's decline as a manufacturing power. Some of them even accept it as inevitable.

But this, in my view, is a mistake. It is a mistake to simply watch this sector fade away. It is a mistake to allow the choice to be made for us, instead of making it ourselves.

Manufacturing matters. It matters a great deal.

Because not all sectors are created equal. Certain sectors have a greater potential than others to create jobs on a meaningful scale. Indeed, manufacturing has more power to create jobs than any other sector. Jobs in the plant, and jobs outside it, along an extensive supply chain. If we lose manufacturing for good, we will have high unemployment for good. It is as simple as that.

So I believe we must commit ourselves, as a nation, to reinvent the manufacturing sector for a new age. We must make more of the cutting-edge products that the rest of the world needs and buys: products that purify our air and water, that promote our health, that conserve energy. High-tech, high value-add products. Products that drive society's progress.

We in America must commit ourselves to building a truly advanced manufacturing sector, one that can – and will – generate growth and widely shared prosperity.

This is not just a matter of national pride. It is a matter of national necessity.

The U.S. needs to create 14 million new jobs to achieve full recovery. We need to create about 125,000 jobs every month just to keep pace with population growth. Manufacturing has to be a key part of the response to this challenge.

And not just for today's recovery, but for tomorrow's growth.



Because the reality is, where production goes, innovation follows. As manufacturing plants continue to move offshore, so, too, will R&D. That means that if we cede production of today's technology overseas, we cede the production – and development – of tomorrow's technology, as well.

Still, none of this is inevitable. I firmly believe that America can build the products of the future, the industries of the future, the economy of the future. But it will take deliberate action.

Action by all of us, working together. The public sector and the private sector.

We live in a global economy in which governments set many of the rules of the game and, as a result, governments have an essential role to play in creating an environment in which businesses can thrive, and economies can grow. Sometimes that role is to pull back – and let businesses do what only businesses can do. But other times, that role is to act – boldly and decisively to establish the rules of the road.

Today, perhaps more than ever, we need the government to be smart, not silent.

We need government to set a comprehensive national economic strategy for the long term.

One that encourages the next generation of manufacturing to take root right here in America.

One that promotes long-term investments in America's capacity – from updating our roads, rails and ports to reforming our education system.

We need a strategy that fosters a business-friendly environment – that streamlines regulations, lowers corporate tax rates, and brings down trade barriers to open new channels for our exports.

I have said government should set this framework, because only government has the power to do so. But I do not mean that our elected officials should close the doors, work it out among themselves, and then present their plan to the world. That is not a recipe for success.

Instead that framework should flow from an active conversation – from a genuine partnership – between government and business. It is essential that we each offer our unique perspective. That we each leverage our unique strengths. Because simply put, there is no other way. Our country will only move forward when we work together. We need a pro-business government environment to allow this to happen.

That's why CED is more important than ever.

CED has always been a leading voice for public-private partnership – and for the power that such a partnership can unleash. Your voice – your ideas – demand to be heard. And the rest of us – well, we ought to listen!



You know, when the economic downturn began a few years ago, there was a lot of focus on how business had caused things to go wrong. Now the focus has shifted to how business – how all of us – can make things go right. This has been your message throughout.

Sixty years ago, thanks in part to your work, the Marshall Plan succeeded. Europe became a continent transformed. Businesses began to thrive. Communities began to prosper. Manufacturing became, once again, the engine of growth.

Many called the Marshall Plan the Second Victory.

Today, with your continued commitment, we have an opportunity to come together, once again, to revive the global economy. To define and to claim, let us say, a Third Victory. We need this more than ever, and business has to engage like never before to ensure we win this war on joblessness. Victory is our only option.

Thank you very much.

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