

# THE ECONOMIC CLUB

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O F W A S H I N G T O N, D. C.

**Excerpts from the Signature Event featuring Jeffrey R. Immelt,  
Chairman and CEO, General Electric Company**

**June 17, 2015**

I've worked for GE for 33 years. I've never seen a time when the U.S. has been more competitive in manufacturing than we are today. New technology like model-based designed, advanced materials, and additive manufacturing are really what it's all about. We view manufacturing as a major U.S. advantage. Manufacturing is about innovation today, not a labor arbitrage, and the U.S. can win this battle.

I come here today to discuss the common purpose shared by business and government: that is, to create a faster-growth economy with benefits that can be shared by all. ... the U.S. is growing too slowly. ... none of the country's problems can be solved with the 2 percent GDP growth that we see today. We're not going to create middle-class jobs, we're not going to reduce the deficit, and we're not going to restore our economic standing in the world. ... Nothing would put more life into this slow-growing economy than a firm, unequivocal commitment to trading, competing, and winning around the world.

The United States now produces more oil and gas than either Saudi Arabia or Russia. The North American energy complex, including Canada and Mexico, is the finest in the world. We should integrate our regional strength through investments like the Keystone Pipeline, and we should build on our leadership and not try to constrain it. We can all see the huge advantages that's now ours to maintain: energy security, jobs, market opportunities, and more. Investment in energy of all forms – along with the technology to keep it safe, clean, and low cost – should be a permanent priority.

... the U.S. is the largest economy, with 25 percent of global output, but most of the world's purchasing power – not to mention 95 percent of the people – is to be found outside the United States. As a purely economic proposition, the case for opening markets, removing trade barriers, and setting fair rules pretty much is about arithmetic. If you want to grow, you have to go where the people are.

There are 60 government export credit agencies globally that help their countries finance exports. China has invested more into exports in the last three years than the U.S. has in the last 50. Right now Congress is having a fractious debate over whether to reauthorize our own export credit agency, the Ex-Im Bank. If you had told me a decade ago that this would ever be something our country would eliminate, I would have said you're crazy. ... Ex-Im Bank is going to expire on June 30. In two weeks, the U.S. will have neither trade deals nor an export bank. And at that point, we're going to be in full retreat on the global economic stage.

Another American strength, as yet unmatched, is the innovation that created the digital age. The U.S. leads in the consumer Internet behind companies like Apple and Google and Facebook. And the next wave of growth is going to be the industrial Internet, which will drive efficiency and productivity long in the future. We need to stay on that road, and we need to keep training and attracting many thousands of scientists and engineers who give us our edge.