

John Engler, CEO and President of the National Association of Manufacturers
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by Jane Schneider
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As the President and CEO of the National Association of Manufacturers (NAM), featured speaker John Engler sent a clear message to those in attendance at the Economic Club dinner in October:

“If you hear the U.S. doesn't make anything anymore, tell them they're wrong. They're missing the facts and we want to give them the facts. We're the number one manufacturing power in the world today,” he said assuredly. “We still are.”

Engler speaks for 12 million Americans who are directly employed by U.S. manufacturers. He has presided over the trade organization since 2004, promoting a broad-based agenda for maintaining U.S. competitiveness by lifting unnecessary burdens on manufacturing: excessive taxation and regulation, the high cost of health care, expensive litigation, and soaring energy costs. All of those issues directly impact manufacturers and their ability to compete in the global marketplace.

Engler's political experience prepared him well for this position. A life-long public servant, he most recently served as the governor of Michigan (1991 to 2003). While in office, he “signed 32 tax cuts into law, saving Michigan taxpayers some \$32 billion – and helped create more than 800,000 new jobs during his tenure, taking Michigan’s unemployment rate to a record low,” according to his press office.

NAM has membership of 12,000 and is connected with 100,000 industry corporations in the U.S. According to Engler, U.S. manufacturers produced \$1.6 trillion in goods, which represents approximately 21 percent of the global manufacturing output. He characterizes the nation's productivity as strong. “But the challenge in Washington today is that policy makers have got to be onboard. They've got to help create and help defend a pro-competitive environment.

“Manufacturing is what drives innovation,” he assured Economic Club members and guests. “When we talk about an innovative economy, it's because we still have a manufacturing economy. Give that up and be prepared to give up a lot of innovation that has changed our lives and built a lot of wealth in this country. We think the U.S. can compete and succeed.”

To that end, Engler is eager to have lawmakers in the House and Senate work to pass legislation that will help manufacturers become more competitive. “The president wants to double exports in five years. We like that idea, we think that's a good idea, so how do we get to that goal?” Engler points out that two-thirds of

U.S. exports are manufactured goods, and that where trade agreements are in place with foreign trading partners, the U.S. typically runs a trade surplus rather than a trade deficit. “In 2008-2009, we sold our trading partners \$50 billion more in manufactured goods than we bought,” he said.

Recognizing that manufacturing provides the bulk of U.S. exports, Engler promotes opening foreign markets to American-made goods. Under his leadership, NAM helped win adoption of the Central American Free Trade Agreement (CAFTA) in 2005 and actively promotes other beneficial trade agreements. When lawmakers leave trade agreements on the table, it means opportunity for other nations. Engler argues that the European Union's recent move to ink a deal with Korea will open trade between those two entities and create “a direct competitor in Europe. Korea will have duty-free access to EU products while we'll face an eight percent tariff that Europe won't have.” Such trade deals wind up costing U.S. manufacturers more money, said Engler. “We won't grow the wealth if we look inward. We've got to look around the world.”

Engler also acknowledges the looming shortage of skilled manufacturing employees as a growing threat to American competitiveness in the high-tech global economy. He is working to tackle that issue head-on. He sits on the Commission on the Skills of the American Workforce, formed by the National Center on Education and the Economy, to chart a course for U.S. education and workforce. He also articulated NAM's message to politicians with the creation of the Manufacturers Policy Guide, NAM's strategy for job creation. (The guide can be found on NAM's website: www.nam.org/Issues/Manufacturing-Policy.aspx.)

“We think it's within our power as a nation to strengthen the manufacturer sector, to expand the economy and to certainly see jobs created in the private sector. But it requires us to think strategically. And we'd better be thinking globally, too, because that's where the competition is and we sure as heck better have the right policies,” he said.

When it comes to doing business nationally, Engler spoke out against the Employee Free Choice Act, legislation the AFL-CIO supports as a way of enabling workers to bargain for better benefits, wages, and work conditions. According to the AFL-CIO's website, it the act would “restore workers' freedom to choose for themselves whether to join a union.” As Engler's sees it, this “eliminates choice and forces unionization, even in right to work states” like Tennessee.

“Let's level the playing field by not saddling Tennessee with extra burdens and costs, because guess what? That hurts Tennessee's ability to compete around the world. And when you do that, you hurt America's ability to compete around the world and that's not a good strategy at all.” His comments were again met with a round of applause.

Finally, NAM supports the further development of nuclear power. Manufacturing requires cheap energy, something Engler claims nuclear power can amply

provide. He also applauded Tennessee lawmakers Lamar Alexander and Bob Corker for their support on energy and pro-business, pro-competitive policies.

“If we're going to have a debate about climate, why in the world aren't we talking about doubling nuclear power in this country and having cleaner energy? There are jobs tied to building and running nuclear power plants. What's not to like about that?” he said, noting that high construction costs and finding workable solutions for the disposal of nuclear waste are challenges to be resolved faced by the nuclear power industry.