Smith: Vast research cuts would be ‘devastating’ to region

Matt Smith

The federal research funding that fuels the Pittsburgh region’s innovation economy is vital.

Recently, the Greater Pittsburgh Chamber of Commerce visited the nation’s capital as part of the Business for Federal Research Funding Coalition. We advocated for robust support for research in the 2017 spending bill and in the coming 2018 budget and spending bills.

The coalition, with nearly 70 member chambers from across the nation, is bringing increased focus to the importance of federal research funding – from health care to energy – to the long-term prospects of our region’s and nation’s economies. We are joining with research institutions and innovators to say business supports and recognizes the importance of research and the economic benefits it brings.

Why are Pittsburgh and many other regions across the nation concerned with federal research? According to the Brookings Institution, federal research and development accounts for $1.2 billion of Pittsburgh’s GDP. Nationally, the federal government allocates more than $140 billion in R&D. And more than half of all college and university research is federally funded. It’s clear that numerous regions across the U.S. are reaping the benefits of this funding.

The innovations that are spurred from these investments are critical as we compete in the 21st century. According to the London School of Economics, for each new university patent, 15 additional jobs are created. Furthermore, for every dollar invested in research at medical schools and teaching hospitals, $2.60 of economic activity occurs. In the Pittsburgh region, we can attest to the amount of economic development and job creation that has been driven by commercialization of research and innovation.

Beyond the immediate economic benefits, research funding has long-term implications as we work to address some of society’s greatest challenges. Diseases such as cancer and Alzheimer’s respectively cost the U.S. economy $200 billion and $203 billion annually, to say nothing of the human suffering. Cybercrime, a growing challenge, costs the nation $140 billion each year.

The critical importance of research funding in addressing these enormous challenges cannot be overemphasized. We only need to look toward the University of Pittsburgh’s Jonas Salk and the development of the first successful polio vaccine to see how federal research has helped save many lives and transformed our nation and world for the better.

Our nation must double down on R&D and further invest in our research institutions. Whether it be Carnegie Mellon University’s leadership on autonomous vehicle research, the University of Pittsburgh’s groundbreaking advances in regenerative medicine or energy innovation related to natural gas at the National Energy Technology Laboratory, the research we invest in today will be the innovations of tomorrow. That is why we advocate for research funding in communications with our congressional members and the president.
In the recent omnibus bill, we received some big wins as congressional leaders joined in bipartisan support for this investment. In fact, the National Institutes of Health received an additional $2 billion in research funding, and NETL received a $36 million increase.

However, we have a lot of work to do in 2018 and beyond to continue making the case that even in difficult budget times, federal research funding that returns such a significant investment must remain a priority. Indeed, growing our economy is an essential ingredient to placing the country and our commonwealth on a stronger financial foundation.

In the Pittsburgh region, significant cuts to NIH and the Department of Energy would be devastating to innovation, jobs and our region’s diverse economy. The Greater Pittsburgh Chamber of Commerce stands ready to work with our member companies, congressional delegations and research institutions to fight any cuts to these critical research accounts.