

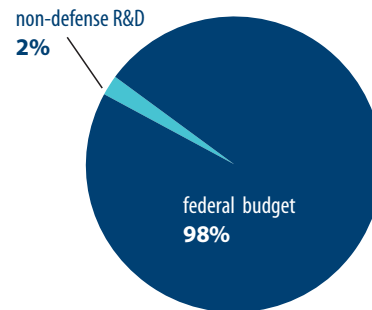
# Economic Value of Earth and Space Science

Investing in Earth and space science research and development (R&D) creates jobs, helps grow our economy, and supports global competitiveness.

History shows that much of the economic growth the U.S. enjoyed post-World War II was the result of strong support for and investments in science and technology. In fact, much of the scientific R&D that we rely on to fuel our economic engine is funded through the U.S. nondefense discretionary budget.

**“When the U.S. invests in innovation, it creates companies and jobs at home, makes Americans healthier and safer, and saves lives and fights poverty in the world’s poorest countries.” – Bill Gates<sup>4</sup>**

- Since a historic high in the mid-1960s, the percentage of the U.S. federal budget spent on research and development has been trending down. Since 2011, total federal R&D funding has made up less than 4% of the federal budget, and non-defense R&D has been less than 2%.<sup>1</sup>



- The U.S. currently ranks sixth behind South Korea, Japan, Finland, Taiwan, and Germany for R&D spending as a percentage of gross domestic product (GDP).<sup>2</sup>
- In 2013, the U.S. spent \$456.1 billion on research and development. This accounted for about 27% of global R&D expenditures compared to China’s 20% global share, or \$336.5 billion. In 2001, U.S. R&D accounted for 37% of the global share.<sup>3</sup>

## Economic Benefits

Federally funded scientific R&D has led to innovations that demonstrate many benefits across American industries:

- The U.S. agriculture industry sees \$460 million in annual savings from accurate El Niño and La Niña forecasting.<sup>5</sup>
- Since 1977, investments in R&D at the U.S. Department of Energy’s Office of Fossil Energy have resulted in an estimated \$1.3 trillion in public health benefits associated with emissions reductions of sulfur dioxide and nitrogen oxide.<sup>6</sup>



NOAA/Lockheed Martin

- Every \$1 million spent on U.S. Department of Interior ecosystem restoration projects returns an estimated \$2.2 to \$3.4 million in benefits to the U.S. economy.<sup>7</sup>
- The Internet industry, which has roots in networks built by federally funded programs for the U.S. Department of Defense and National Science Foundation, now represents about 6% of U.S. GDP, equivalent to \$966.2 billion, and is responsible for nearly 3 million jobs.<sup>8</sup>
- From 2015 to 2027 estimated savings of \$5.1 billion, including \$1.28 billion for energy providers, \$265 million for the airline industry, and \$545 million in agriculture, are expected as a result of the National Weather Service's GOES-R satellite system (used for monitoring hurricanes,

heavy rainfall, lightning strikes, tornadoes, and space weather).<sup>9</sup>

- Research funded by the National Science Foundation's Directorate of Geoscience has contributed to understanding the nutrients that pollute the Chesapeake Bay, helping protect the Chesapeake Bay and the \$60 billion commercial activity that relies on the bay.<sup>10</sup>



USGS/Kristi Wallace

<sup>1</sup>American Association for the Advancement of Science(AAAS), "Historical Trends in Federal R&D," 2016, <http://www.aaas.org/page/historical-trends-federal-rd>.

<sup>2</sup>AAAS, "Historical Trends in Federal R&D," 2016.

<sup>3</sup>National Science Foundation (NSF), "Science and Engineering Indicators 2016," 2016, <http://www.nsf.gov/statistics/2016/nsb20161/uploads/1/7/chapter-4.pdf>; NSF, "Science and Engineering Indicators 2014," 2014, <http://www.nsf.gov/statistics/seind14/index.cfm/chapter-4/c4h.htm>

<sup>4</sup>Bill Gates, "America's Secret Weapon," Reuters, 18 April 2016, [http://blogs.reuters.com/great-debate/2016/04/18/bill-gates-americas-secret-weapon/?utm\\_source=twitter](http://blogs.reuters.com/great-debate/2016/04/18/bill-gates-americas-secret-weapon/?utm_source=twitter).

<sup>5</sup>National Weather Service, "Weather-Ready Nation Roadmap," April 2013, [http://www.nws.noaa.gov/com/weatherreadynation/files/nws\\_wrn\\_roadmap\\_final\\_april17.pdf](http://www.nws.noaa.gov/com/weatherreadynation/files/nws_wrn_roadmap_final_april17.pdf).

<sup>6</sup>U.S. Department of Energy Office of Fossil Energy, "Fossil Energy Research: A Legacy of Benefit," June 2011, [http://energy.gov/sites/prod/files/legacy\\_factcard.pdf](http://energy.gov/sites/prod/files/legacy_factcard.pdf).

<sup>7</sup>Catherine Cullinane Thomas, Christopher Huber, Kristin Skrabis, and Joshua Sidon, "Estimating the Economic Impacts of Ecosystem Restoration—Methods and Case Studies," U.S. Geological Survey Open-File Report, 2016-1016, 2016, doi:10.3133/ofr20161016.

<sup>8</sup>Internet Association, "New Report Calculates the Size of the Internet Economy," 10 December 2015, <https://internetassociation.org/121015econreport/>.

<sup>9</sup>NWS, "Weather-Ready National Roadmap," April 2013.

<sup>10</sup>NSF, "Unraveling Earth's Complexity," September 2013, [http://www.nsf.gov/about/congress/reports/geo\\_research.pdf](http://www.nsf.gov/about/congress/reports/geo_research.pdf).

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