

Survey finds US competitive ranking down again

September 5 2012, by Pan Pylas

(AP)—The United States' ability to compete on the global stage has fallen for the fourth year running as confidence in the country's politicians continues to decline, an annual survey from the World Economic Forum found Wednesday.

Even though the world's largest economy saw its overall competitiveness rise on the back of its status as a global innovation powerhouse, the Forum says the U.S.'s ranking has dropped two places to seventh this year. The Netherlands and Germany have moved ahead of the U.S. on the top 10 [leaderboard](#).

The report found that some aspects of the U.S.'s political environment continue to raise concern among [business leaders](#), "particularly the low [public trust](#) in politicians and a perceived lack of government efficiency."

The Forum—which also hosts an annual gathering of [global business](#) and [political leaders](#) in the Swiss ski resort of Davos every January—ranks a country's competitiveness according to factors such as the state of its infrastructure and its ability to foster innovation.

The survey comes just a day before President [Barack Obama](#) addresses the Democratic National Convention in his bid to defeat Republican candidate Mitt Romney in November's election.

A little over a year ago, the United States lost its triple A credit rating

from Standard & Poor's after a stand-off between Republicans and Democrats over the raising of the debt ceiling stoked fears of a potential debt default.

"We urge governments to act decisively by adopting long-term measures to enhance competitiveness and return the world to a sustainable growth path," said Klaus Schwab, founder and executive chairman of the [World Economic Forum](#).

Switzerland tops the overall rankings of 144 economies in the Global Competitiveness Report 2012-13 for the fourth consecutive year, followed by Singapore. The Forum said Switzerland's standing rests notably on its innovation and labor market efficiency, as well as the sophistication of its business sector.

Including Switzerland, six northern European countries make up the top 10. Others on the leaderboard include Hong Kong and Japan, while central African country Burundi brings up the rear.

Though northern European countries have consolidated their positions since the financial crisis of 2008, the survey found that those in southern Europe, such as Greece, Portugal, Spain and Italy, continue to suffer from a host of economic problems, including poor access to financing and rigid labor markets. Greece is faring worst of Europe's problem economies and is ranked at 96th.

"Persistent divides in [competitiveness](#) across regions and within regions, particularly in Europe, are at the origin of the turbulence we are experiencing today, and this is jeopardizing our future prosperity," said Schwab.

Elsewhere, the Forum found that leading emerging economies are displaying different performances. China, at 29th place, has risen in the

rankings and leads the group, while Brazil has moved up to 48th. However, others such as South Africa, India and Russia have fallen.

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