Another twist is a new cast of players. In the 1980s, competition came from high-skilled, high-wage countries like Japan and Germany. Today, emerging Asian countries are displaying surprising clout in technology. For example, India is winning recognition in software development, and South Korea is showing strength in electronics and computer storage and display technologies.

Yet China is sparking some of the greatest concern as it evolves from being merely a low-cost competitor to one with growing technology capabilities. From 1989 to 2001, China’s high-tech industry output — which includes aerospace, computers, communications equipment, pharmaceuticals and medical instruments — jumped eightfold from $30 billion to $257 billion. In comparison, the United States’ output slightly more than doubled from $423 billion to $940 billion.

“This year China is expected to produce nearly 100 million mobile phones and three million laptops, more than Korea and India combined.”

— Thomas Friedman, New York Times columnist