Innovation as a Policy Issue & the Bush Agenda

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Innovation Policy

- Why Innovation Matters
- Innovation as a Policy Issue
- Why Innovation Policy?
- Current U.S. Innovative Strengths & Challenges
- Bush Administration’s High Tech Agenda
Why Innovation Matters Most
Technology In Our Nation’s Interest

Sustainable Growth
 Longer, Healthier Lives
 Ending Hunger

National Security
 More Energy, Cleaner Environment
 Education

Innovation as a Policy Issue

**Competing in the Global Economy: The Innovation Challenge** - report issued by the UK Department of Trade and Industry

**Backing Australia’s Ability** - Australia’s 5.3 billion package to boost local science and innovation.

**“A New Generation of American Innovation”**
Bush Administration, April 2004

**EU - 3% of GDP devoted to R&D by the year 2010**
Why Innovation Policy??

Manufacturing Employment Share

-34 million U.S. jobs offshored
Over next 10 years
Forrester Research

“Prosperity ... but only in a few zip codes.”
Harvard Professor
Juan Enriquez
As the Future Catches You

“(A) war for innovation ...”
Thomas Friedman
NY Times
April 22, 2004

American information technology could follow the path of steel into decline ...
Andrew Grove, Founder, Intel Corp.

Why Innovation Policy??
Innovation in the U.S. Strengths

- Workforce Talent & University Excellence
- Entrepreneurial Business Climate – Creative Destruction
- World’s Biggest Market
- Rule of Law, Consistent IPR Regime
- Open and Democratic Government
- Culture fit & Quality of Life
- Infrastructure
- National commitments & investments in R&D

Innovation Around the World: Challenges for U.S. Policymakers

- Lower Costs
- Talent
- Market Access
- Financial incentives
- Host nation infrastructure
- Easier Regulations
- Improving IPR terms
- Proximity to Offshore Manufacturing
Bush Administration’s Innovation Agenda
Promoting US Competitiveness

Promoting Innovation
- Unprecedented R&D
- Stronger IPR Protection
- Better Math/Science Teaching

Supporting Entrepreneurship
- Pro-Growth, Pro-Tech Tax Policy
- Aggressive Trade Promotion
- Litigation, Regulation, Accountability

Improving Infrastructures
- Homeland Defense
- Cybersecurity
- Broadband & Spectrum
- National Energy Policy

Empowering People
- IT-Enabled E-Government
- Education / No Child Left Behind
- Medicare Reform / Prescriptions