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VIEWPOINT: BLONDER

By Greg Blonder

Getting America's Groove Back

To sharpen its technological edge, the U.S. must adopt coherent policies on immigration, immunization, and above all, inspiration

The U.S. remains the world's cultural and economic engine, with consistent gains in productivity and continuing leadership in new technologies and market innovations. Is this success due to geographic isolation? To our democratic history? To our capitalistic system?

All of the above, to an extent. But the most fundamental reason for American success is people -- innovative, driven, educated people, who, given the right conditions and sufficient critical mass -- can turn exciting new ideas into economic realities.

COMMON THEME. Today, however, the U.S. is on the verge of losing that critical advantage. Other countries, most notably China and India, have grafted enough technical and business-formation knowhow onto their national cultures to shift the center of economic innovation away from the U.S. These countries have the added advantage of being able to tap into the nationwide enthusiasm that transforms a country when enough people realize that a mere engineering degree opens the way to a spectacular, immediate leap out of poverty.

How can the U.S. hope to compete? The answer is, once again, investing in people. We must see to it that we have the smartest, most motivated people on earth. To do that, we need to adopt three complementary policies. We must return to our historic willingness to import the smartest, most motivated talent from around the globe. We must ensure that our current population becomes smarter. And we must find new ways to motivate the country as a whole.

I call these policy choices the "Three I's:" immigration, immunization, and inspiration:

Immigration. Ask any of the foreign-born entrepreneurs we have financed -- whether from China, Russia, England, Israel, Iran, France or India -- why they've relocated to the U.S. and you'll get predictable answers: "opportunity," "freedom to innovate," or "best education in the world."

Yet, all those inducements are being overwhelmed by this country's post-9/11 restrictions on foreigners entering this country. We've made it too hard for the world's best graduate scientists and engineers to attend universities or settle here. The critical mass of scientific talent that we have always taken for granted is dissipating right before our eyes.

In another four years, we'll likely find that troubling trend is irreversible. We must rethink our barriers to immigration and implement more effective ways of attracting and holding onto talented foreigners. From the Scottish-born Alexander Graham Bell to the Russian-born Sergey Brin, a co-founder of Google (**GOOG**), entrepreneurial immigrants have been at the core of this country's economic vitality.

Immunization. We also need to turn our attention to the people already here. Our best point of leverage is pre- and postnatal care. That means shots and better nutrition. Overwhelmingly, studies show that early care for mothers and children can raise the latter's IQs by at least 10 points, and dramatically reduce later behavioral problems.

What's striking about these programs is how little investment is required to produce these returns. But the U.S. has remained remarkably content to trail others in pre- and postnatal care -- ranking, according to various studies, anywhere from the bottom half to the bottom quartile among all nations.

Inspiration. Even as we develop educated, technically adept people, we need to inspire them to rise to new challenges. Great technical challenges that offer the prospect of tangible results lend themselves to just this kind of effort. Many of us recall how our national response to the Soviet Union's launching of Sputnik galvanized millions of people around the space program and scientific education -- contributing to today's technological leadership.

ONE GOAL, MANY VOICES. Think, to take just one example, what the impact would be if the U.S. set a goal to become energy-independent by 2030? It would galvanize the nation, simplify the international political landscape, and reduce the threat of terrorism.

Everyone would know what their job was the next day when they woke up. Some people would say that the answer is "conservation," and some people would say that the answer is "nuclear policy," and that would be a valuable debate. But at least we would know we are working toward a common goal.

Pursuing the "Three I's" would give the U.S. a good shot at maintaining its technological and economic leadership. While we have inherent strengths that other countries will still find difficult to completely emulate -- from our capital markets to our tradition of democracy -- it will take a generation to rebuild a skilled, motivated workforce. I say it's time for U.S. to make some serious long-term investments.

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