

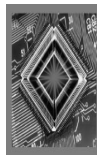


# Innovation as a Policy Issue & the Bush Agenda

*Chris Israel  
Deputy Chief of Staff for Policy  
U.S. Department of Commerce*



## 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**

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## 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

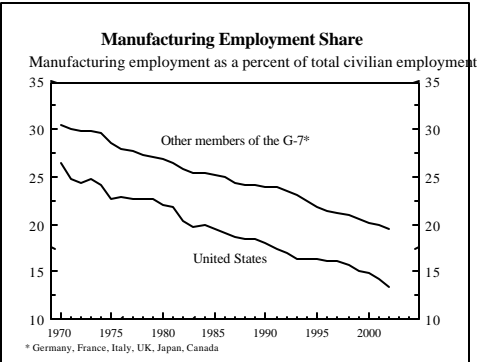


**EU - 3% of GDP devoted to R&D by the year 2010**

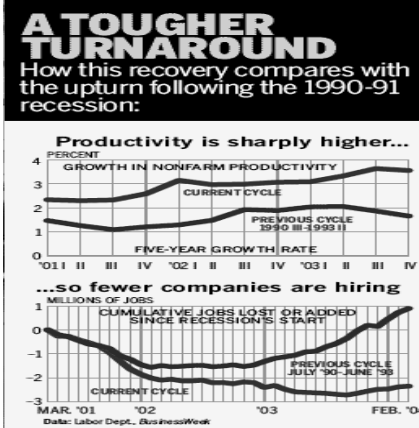
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# Why Innovation Policy??



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



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# Why Innovation Policy??



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

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



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



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## *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

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## *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

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