

**Politics of Technology and Globalization
Digital Patriots Dinner
Consumer Electronics Association
JW Marriott, Salon I, II, III
6:30 – 10:00 pm
Wednesday, April 2, 2008**

Thank you, Gary, for this honor.

Throughout my career, I have talked about globalization. It's not a trend, it's not a fad, and it's not something to be regulated – though many have tried. It's the international market force which replaced the Cold War regime – where integration replaced division; collaboration replaced hierarchy; and, some would say, commerce replaced bureaucracy.

Globalization is driven by technology. And succeeding in the global market is what technology – and you and your industry – empowers us to do. It's like driving a Formula One car, which gets faster and faster every year. Sure, someone is always going to be running into the wall and crashing – but we compete and we improve and, if we are good enough, we win.

Governments, of course, are often slow to respond to the realities of the Information Age. A viable 21st century government needs to remain committed to learning from the private sector whenever possible. Much of my career in the U.S. Congress has been dedicated to nudging our government into the 21st century – to making government more efficient, productive, and secure using information technology.

My view has always been government should lead by example:

To make sure regulations and tax policy do not hamstring innovation.

To break down stovepipes so government systems are compatible.

To protect government computer networks and citizens' personal information from threats.

And to make government more citizen-focused – to ensure technology serves the taxpayer.

But we still face challenges. Other countries have caught up to us in education and skills. Offshore sourcing today is no longer just about cheap labor. U.S. performance in math, science, and engineering is not improving and other countries are surpassing the United States.

Our immigration system must be addressed. Why educate the brightest student from around the world only to send them home once they graduate? Let them work for American companies, or if they start their own companies, let them hire American workers, not compete with them from overseas.

Our acquisition system should provide us access to an open world market so we can get the best deal on the best goods and services available, regardless of location.

And the global economy continues to meet with significant resistance in Congress. We shouldn't forget: almost 7 million Americans have jobs in the United States because of foreign companies doing business here.

Our goal should not be to protect uncompetitive industries, but to foster an environment where the uncompetitive can become

competitive. We have seen it before: when you can't compete in the marketplace, call your congressman.

Efforts like these are simply shortsighted. They undermine our international agreements – but more importantly, they undermine our credibility. We've spent an enormous amount of political, financial, and human capital promoting democracy and freedom around the world. And a key component of freedom is economic freedom.

The United States and all other nations and companies around the world are jockeying for position in the global race. Investor capital will go where it will succeed, grow, and prosper. When the “pack” arrives, companies and countries alike need to be ready – because it will stampede away in search of greener pastures if it doesn't find what it needs. I think this lesson is lost on some, both abroad and at home.

And government has a clear role to play in terms of encouraging, and not hindering, the technology revolution. It can do this by creating the regulatory conditions for an open, competitive marketplace which bolsters the evolution of our information industry; by using new technologies to reinvent itself so citizen

service improves; and by demanding the best possible products and services at the lowest possible cost.

Governments by their nature are not as innovative as the private sector. But governments can help set the right tone by encouraging economic prosperity, by embracing change and by showing they have the instinct to stay ahead of the competition.

Conclusion

Globalization is driven by technology. Global companies are simply taking advantage of advances in communications, new markets, and new opportunities. These companies are lean, responsive and growing. They are exactly the types of companies Americans want to work for and do business with. And these are the types of companies – like your companies – we in Congress should support.

With 96 percent of the world's consumers living outside of the United States, the continued health and growth of the U.S. economy depends upon our success in eliminating barriers around the globe. When we engage the world community, we have demonstrated time and again Americans have the tools,

determination, and work ethic to succeed in the global marketplace.

Again, I thank you for this important award.