
Intel's Craig Barrett



The United States will need to improve its capacity to innovate if it wants to maintain its economic position in the world, says Craig Barrett, Chairman of Intel Corporation. Furthermore, government must make R&D more of a priority, as should private industry.



Barrett says both the United States and Europe are facing a problem several years down the road. Rather than comparing the US with Europe, the competition is really outside these two geographic areas. For example, Intel, being one of the biggest hi-tech venture capital investors in the world, used to make 90 per cent of its investments in the United States, whereas today about half is done outside the US, increasingly targeted towards Asia.

Barrett gives this simple advice: “Invest in smart minds, invest in smart ideas and then make sure the environment is suitable for investments and innovations.” A great deal of this requires the ability to take risk. “If you take an intelligent risk and you fail, you’ve learned something.”

With a decline in science-related subjects at university level across Europe and the United States, Barrett attended the European Business Summit on climate change and took part in a roundtable called “*Education: Managing Europe’s Pipeline to Drive Education*”.

With more than half of the advanced degrees in the United States awarded to foreign nationals, Barrett explains why this decline in interest poses a threat to our society’s ability to grow. “Our standard of living is such that we can only compete with our minds and our ideas and innovating rapidly. You can only do that with education and investment in R&D. So unless Europe and the US excel at that, we’re going to see standards of living go down, competitiveness go down, and our ranking of our economies in the world go down.”

Who’s responsible for this? A myriad of environmental factors have an impact on this phenomenon. Barrett adds, “If you look at all the emerging economies around the world ... (they) focus very much on growing ... which requires well-educated people, typically in the technical areas. So almost the poorer the economy, the greater the interest in the areas important to the future; and the wealthier the economy, its inverse – the less the interest in these topics. So it’s a government issue, it’s a societal issue, it’s a media issue, it’s a parental issue ... it’s all of these factors working together.”



Intel is active in the field of education, training millions of primary school teachers around the world how to bring technology effectively into the classroom to make education more interesting. It maintains close associations with research institutions and universities, while funding research programmes. Lastly, as the world's largest venture capital institution, Intel involves itself in the entrepreneurial aspects of the university projects it supports.

On the summit's topic of climate change, Intel is a manufacturing company that would like to demonstrate to the rest of the world its capacity to become more energy efficient. More importantly, while the information and communications technology (ICT) industry is not a major consumer of energy, responsible for only 2 per cent of the world's power, it is able to influence the rest of the world's consumption of energy. Barrett suggests looking at the biggest consumers first: energy generation, transportation, housing, building and manufacturing. Intelligent use of information technology can make each of those sectors more efficient.

But what can the information technology do for our future? Barrett says that in the short term, we can expect more gadgets that work at lower power with

access to more information, and the innovation is limitless. Each of these devices is not important. What's important is what problem you solve with the device. "You never quite know what's going to be the outcome of research."

Strategic R&D Management

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