

**The White House**

Washington

August 5, 1999

Dear Colleague:

You may remember that as recently as 1993, we were concerned that the United States was losing ground internationally to its economic competitors. Even then, President Clinton and Vice President Gore recognized that innovation is vital to enhancing our economic competitiveness. Their high-tech policies, from investing in education and science and technology to encouraging private-public partnerships to limiting regulation of the Internet, have enhanced opportunities for scientific discovery and allowed innovation to flourish. Within six short years, our nation's innovative spirit has unleashed an extraordinary era of post-war economic growth and made many of America's industries the most competitive and innovative in the world.

Today, we understand that maintaining America's economic and technical leadership requires a sustained national capacity for innovation. The President continues to challenge the nation to respond to this imperative. Yet, a rapidly changing and more global economy is placing new demands on our innovation system. And as a result, Federal policies that may have been helpful in the past can now prove to be hindrances.

We must ensure that Federal policy creates opportunities, not barriers to innovation. Therefore, I have requested that the National Science and Technology Council's (NSTC) Committee on Technology (CT) identify priorities for reforming Federal policy to enhance innovation. I have asked the CT to focus initially on a few high priority, immediate-impact reforms to implement during 2000. Subsequently, they will develop a longer-term reform plan to ensure that Federal policy fosters a proper environment for innovation well into the next millennium.

Your input and that of other key stakeholders in the national innovation system will be vital to this endeavor, especially in these initial stages. I encourage you to submit a response to the CT's call for issues papers.

Sincerely,

Neal Lane

Assistant to the President