

Baseball's home run

By Richard Florida and Jesse Elliott

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BILL GATES recently warned that the United States faces a critical shortage of the talent needed to power its high-tech industries. He criticized the increasingly restrictive immigration policies for keeping the global tech superstars America needs waiting at the border. What a contrast to Major League Baseball, where foreign players are setting records and powering the Red Sox and other teams in their drives for the pennant.

With America's pastime now in full swing, we would do well to remember what a truly global game baseball has become and how it's reflective of a larger economic reality that our leaders are only beginning to comprehend.

That reality is the new global competition for talent, and it's already affecting the way our companies are run, our cities thrive, and our sports are played. It's not just that the modern day economy has connected us all in an interdependent global web. It's that now, more than ever before, talented people have the world at their fingertips, and their location decisions are changing the rules of the game.

The United States has long been the place to come for aspiring major-leaguers around the world. As Tommy Lasorda once said, "For starting pitchers we have two Dominicans, one Italian, one Mexican, and one Japanese. In the bullpen we have a Venezuelan, a Mexican, a guy from the United States, and a guy from St. Louis." Across the league, more than a quarter of all major league players, and roughly half of all minor-leaguers, hail from outside of the United States.

The same has traditionally been true of American industry and entrepreneurship. For centuries, the best and brightest have left their home countries for the opportunities afforded them in the United States -- from Scottish steel magnate Andrew Carnegie to Hungarian semiconductor wiz Andy Grove to software and venture capitalist guru Vinod Khosla.

Indeed, the 1990s wave of immigration, the largest in American history, drew creative talent from all corners of the globe, including high-tech luminaries such as Sergey Brin, the Moscow-born cofounder of Google, and Hotmail cofounder Sabeer Bhatia, who grew up in Bangalore. Yahoo's Jerry Yang of Taiwan, Pierre Omidyar, the French-born founder of eBay, and open-source software luminary Linus Torvalds, from Finland, all contributed enormously to the American economic growth miracle.

In 2000, foreign-born workers made up half of our computer scientists and nearly a quarter of the science and engineering workforce, and Indian- and Chinese-born entrepreneurs alone helped found or co-found one third of all Silicon Valley startups in the '90s. Indeed, through the end of the 20th century, the United States was synonymous with the big leagues.

But while baseball continues to attract the best talent, something different is happening to American innovation and entrepreneurship. We are restricting visas for foreign scientists and

students and turning others away -- while the rest of the world has learned how to play at home. Cellphone technology in Finland. Consumer electronics in Tokyo and Osaka. Filmmaking in New Zealand and India. Aerospace design in Toulouse and Hamburg. Not only is home-grown talent from these places staying; foreigners are picking Vancouver and Sydney over Seattle.

The mobility of cutting-edge talent will be one of the greatest economic challenges to the United States in the 21st century. Yet, even as other countries work on developing their own infrastructure and luring foreign talent to their shores, the United States is shooting itself in the foot. Visas are down at a time when we should be handing them out to any and every able-minded worker. Our education system is failing to prepare kids for the global creative economy. Gross levels of income inequality and housing unaffordability are crippling what's left of our entrepreneurial middle- and lower-classes. Even our universities, though still among the world's best, are not the only game in town anymore.

Soon, unless we find ways to confront the economic realities of our time, our only recourse will be to continue instituting further protectionist and isolationist measures to gain a few quick points in the short term. In the long term, it's not just the home team that will suffer, but the game itself. It's time to play ball.

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