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AMD Chief Makes U.S. Competitiveness A Priority

By Michael Martinez

The chairman of one of the world's largest technology firms on Wednesday said America's status as a leader in the global marketplace is at risk.

Advanced Micro Devices CEO Hector Ruiz said in a Capitol Hill speech that booming technology industries in China and India are threatening the United States, and that America will not become more competitive unless it readjusts its priorities to train more engineers and improve basic education programs in math and science.

While more open visa policies will allow companies to attract skilled foreign workers, Ruiz said, it is more important to concentrate on building a more robust domestic workforce in the tech sector. "The reality is that the long-term solution is in [elementary and secondary education]," he said, at an event sponsored by the Congressional Internet Caucus.

Ruiz said the competitiveness initiative of President Bush would help the country. Bush proposed training 70,000 teachers to instruct advanced-placement math and science classes and hiring 30,000 math and science experts to teach in public schools.

But improving education is only part of the solution, according to Ruiz. He said regulators need to boost innovation by adopting policies to create a more competitive marketplace. American businesses will not prosper if they are forced to play by rules that allow anti-competitive practices, he said.

"The triumph of the Internet is the triumph of fair and open competition," Ruiz said.

He said regulators need to do a better job enforcing

policies to prevent large and small companies from stifling competition. AMD last month subpoenaed the Internet telephony firm Skype as part of its ongoing antitrust feud with Intel, its chief rival in the semiconductor market. AMD alleged in the suit that Skype, owned by the online auction house eBay, built its devices to be less compatible with non-Intel computer chips.

The government can set the tone for the marketplace by adopting more fair and open procurement processes, according to Ruiz. He said inadequate procurement guidelines, particularly at the Defense Department, have cost the federal government significant sums of money and created unnecessary barriers to entry for scores of businesses.

Ruiz also said the U.S. patent system must be carefully re-examined. But he said officials need to revisit patent law in a way that will not discriminate against "single company behavior."

To promote marketplace fairness, federal officials need to establish clear and effective standards, Ruiz said. But he would not elaborate about certain contentious issues surrounding the pending rewrite of telecommunications laws. Specifically, he said the debate about whether high-speed Internet providers should be able to charge rivals special rates for access to their networks has been so politicized that he preferred not to comment on it.

If the United States is not able to remain competitive in the long run, Ruiz said companies like his would be forced to take their businesses elsewhere. That is something he said he hopes never happens but added that businesses ultimately are driven by their bottom lines and have a responsibility to follow innovation.