

[SundayReview](#)|Op-Ed Columnist
Start-Up America: Our Best Hope
FEB. 15, 2014



[Thomas L. Friedman](#)

PALO ALTO, Calif. — THE most striking thing about visiting Silicon Valley these days is how many creative ideas you can hear in just 48 hours.

Jeff Weiner, the chief executive of LinkedIn, explains how his company aims to build an economic graph that will link together the whole global work force with every job being offered in the world, full-time and temporary, for-profit and volunteer, the skills needed for each job, and a presence for every higher education institution everywhere offering a way to acquire those skills.

Aaron Levie, the chief executive of Box, explains how his online storage and collaboration technology is enabling anyone on any mobile device to securely upload files, collaborate, and share content from anywhere to anywhere. Laszlo Bock, who oversees all hiring at Google, lays out the innovative ways his company has learned to identify talented people who have never gone to college. Brian Chesky, the co-founder of Airbnb, explains how his start-up has, in the blink of an eye, become one of the biggest providers of overnight rooms in the world — challenging Hilton and Marriott — without owning a single room. Curt Carlson, the chief executive of SRI International, which invented Siri for your iPhone, recalls how one leading innovator just told him that something would never happen and “then I pick up the paper and it just did.”

What they all have in common is they wake up every day and ask: “What are the biggest trends in the world, and how do I best invent/reinvent my business to thrive from them?” They’re fixated on creating abundance, not redividing scarcity, and they respect no limits on imagination. No idea here is “off the table.”

Then, after you’ve been totally energized by people inventing the future, you go back to your hotel room and catch up with the present: the news from Washington. Two headlines stand out like flashing red lights: House Speaker John Boehner says immigration reform in 2014 is off the table and Senate Majority Leader Harry Reid says the “fast track” legislation we need to pass vital free-trade agreements with the European Union and some of our biggest trading partners in the Asia-Pacific region is off the table. Forget about both until after the 2014 midterm elections, if not 2016.

Summing this all up, The Associated Press reported on Feb. 9 something that you could not make up: “WASHINGTON (AP) — Little more than a week after Groundhog Day, the evidence is mounting that lawmakers have all but wrapped up their most consequential work of 2014, at least until the results of the fall elections are known.”

What a contrast. Silicon Valley: where ideas come to launch. Washington, D.C., where ideas go to die. Silicon Valley: where there are no limits on your imagination and failure in the service of experimentation is a virtue. Washington: where the “imagination” to try something new is now a treatable mental illness covered by Obamacare and failure in the service of experimentation is a crime. Silicon Valley: smart as we can be. Washington: dumb as we wanna be.

True, some libertarians in Silicon Valley cheer Washington's paralysis. But it is not so simple. There is a certain "league minimum" that we need and are entitled to expect from Washington, especially today. America just discovered huge deposits of energy and gold at the same time. That is, thanks to advances in drilling technology we have unlocked vast new sources of natural gas, which — if extracted with environmentally sound practices — will give us decades of cheap, cleaner energy and enable America to restore itself as a center of manufacturing.

At the same time, the dominance of American companies in cloud computing, and the "Internet of Things" — billions of devices with sensors — have given us a huge lead in the era of Big Data, where the winners will be those who are best at amassing, analyzing and protecting that data and use software to quickly apply what they learn from the data to improve any product or service. These data mountains and the tools to exploit them are the new gold. And we've got it.

In such an era, one of the two most valuable things Washington can do to create more good jobs and wealth is to open more export markets. The other is to have an immigration policy that not only provides a legal pathway to citizenship for those here illegally but enables America to attract the best brainpower and apply that talent to the data mountains and software opportunities we're creating.

But Washington these days won't even do the league minimum. As The Economist observed [in an essay](#) entitled "When Harry Mugged Barry," both the Trans-Pacific Partnership trade deal with big Asian markets like Japan, which is almost done, and the U.S.-European Union trade deal, which is being negotiated, are "next generation" agreements that even the playing field for us by requiring higher environmental and labor standards from our trading partners and more access for our software and services.

"Studies suggest that proposed deals with Asia and Europe could generate global gains of \$600 billion a year, with \$200 billion of that going to America," The Economist added. "And that understates the benefits, since the deals would spur competition in the market for services, which make up most of rich countries' output but are seldom traded across borders. Opening industries like finance and transport to greater competition could bring great savings to consumers."

The U.S. trade representative, Michael Froman, told me that if we're able to conclude these two trade deals, America would have free trade with "two-thirds of the world." If you combine that with our lead in cloud computing, social media, software and natural gas for low-cost manufacturing — plus our rule of law and entrepreneurial cultural — you understand, says Froman, why one European C.E.O. told him that America will be the "production platform of choice" for manufacturers all over the world to set up their operations and export to the world.

But it will all have to wait at least until after 2014 when we might have a week to legislate before we get ready for 2016. God forbid either party should challenge their respective bases who oppose freer trade or immigration. That would actually require leadership.

We cannot and should not abolish politics, but sometimes we can't afford politics as usual. And this time, with rising inequality, is one of them. We need to be doing *everything* we know how to do to create good jobs and growth. "When your mind-set isn't about creating abundance," says Carlson of SRI, "you go into extractive mode, which is a death spiral."

Start-up America is our best hope. Sure, we're doing better than most everyone else, but just being the "cleanest dirty shirt" has never been the American dream.

A version of this op-ed appears in print on February 16, 2014, on page SR1 of the New York edition with the headline: Start-Up America: Our Best Hope. [Order Reprints](#)|[Today's Paper](#)|[Subscribe](#)