Making Texas Truly Competitive

Gov. Perry's remarks to the 2008 Competitiveness Council Summit

*Note - Gov. Perry frequently departs from prepared remarks.

Wednesday, August 06, 2008

Thank you Michael [Williams, Competitiveness Council Chairman] for your work in leading this group. It is a unique challenge to lead leaders, but you have done it with your usual combination of grace and style.

I also want to say a special word of thanks to the Competitiveness Council membership. It's ironic that the people best-suited for a job like this are usually too busy to take part. I thank you for making this a priority. I can assure you that your investment of time and effort will bring about genuine change in the state that we all love so much.

And I want to thank everyone who has joined us here today to celebrate the completion of this discovery process and learn the outcomes. In the months and years to come, your support will be essential to their implementation as we work to break the cycle of business-as-usual and transform our state.

We definitely have a strong foundation to build on because Texas is still the place to grow a business. In fact, just last month, CNBC announced that Texas is America's Top State for Business. CEO Magazine recently named Texas the Best State to Do Business for the third year in a row, and Area Development Magazine just gave us their Gold Shovel award for economic development and job creation.

Those are nice trophies for our wall, but they represent a bottom line that truly matters: the jobs being created in Texas for Texans. Over the past five years, Texas has created more than 1.2 million net new jobs leading to one of
the lowest unemployment levels on record. Just in the last year, our state led the entire country in job creation, with more than half of all the new jobs created in the United States being created right here in Texas. We are also now the home to more Fortune 500 corporate headquarters than any other U.S. state.

So I would say that we already have a strong competitive edge on the other United States. But, as you know, our eyes are on a higher prize: competing on a global scale. That is where we can make a difference in the Texas of tomorrow, to provide even more jobs and a better quality of life for our citizens.

Over the past several months, the members of this council have lifted the hood on our economy and examined the various components of our economic engine. They affirmed the strengths I mentioned earlier, but they also identified policies, practices and regulations that create the kind of friction that is slowing our economic engine. These issues will cause long-term damage to our prospects if they’re not fixed, but that process of renewal begins today.

The time for study and analysis is over--now it is time to act.

The concepts contained in the reports I’m receiving today represent an action-oriented roadmap that will get us where we need to go. Our destination is an economy that is vibrant and competitive with the best the world has to offer. Our destination is an economy that can adapt and change as the marketplace changes. Our destination is an economy that offers all of hardworking our citizens the opportunity to prosper.

The world around us is changing. Every day, more and more citizens of countries that we considered “third world” are gaining new purchasing power. With this power, these consumers are striving for the standard of living that most Americans have had for their entire life. Beyond the better diet, safer housing, more advanced healthcare and reliable transportation that prosperity brings, these people are working for the thing that possibly matters the most: education.

For generations, the young people in developing nations have lacked access to this essential element of life. But that is changing, and changing rapidly. Educational opportunities are expanding all over the world, accelerating the growth of these emerging economies, improving quality of life, and, most of all, making the people and their economies more competitive.

We are Texas, so we are not interested in merely keeping pace with the world--we want to outrun the competition. I believe that the recommendations discussed today will give us that edge. So let’s take a minute to review some of the key recommendations that you have submitted today.

First, we need to do a better job developing our state’s talent. In particular, we need to equip our education and workforce systems to get Texans ready for the jobs demanded in the global economy. This means making sure all high school graduates are prepared for college and the workplace, that all postsecondary students get the knowledge and skills they need to compete for high-wage jobs, and that our workforce system provides training that is responsive to current industry needs.

Second, we need to ramp up our support for innovation and encourage even more entrepreneurial activities. This includes becoming more efficient at commercializing Texas discoveries in a way that will attract foreign investment, increase productivity, and generate economic expansion.

We also need to strengthen our infrastructure, both the energy and transportation aspects of it, to respond better to market demand and get products to market, all at the lowest reasonable cost.
On the resource front, we need to diversify our energy portfolio and steward our natural resources to reduce our dependency on overseas producers.

Finally, and closest to home, we need to reform government by crafting laws that are fair, predictable and minimal. We must require state agencies to act with speed and fairness, and we absolutely must spend tax dollars efficiently.

There is a lot to chew on in these reports and plans, but they represent the spirit of innovation for which our state has long been known. But they mean nothing if they just remain words on paper. We need to put them into practice. That’s going to take some work, and you’re all invited to that party.

It is now time to embark on a well-coordinated mission to change legislation, regulations and policies. To be successful, this effort must be collaborative in nature and bi-partisan to the core. Not only will we have to change minds, but we have to change the way we govern and lead. I assure you that the struggles we face will be worth it.

Like you, I strongly believe that the citizens and taxpayers of Texas not only expect a positive return on their investment in government, they deserve one. They have every right to expect those of us in elected office, at whatever level, to shoot them straight when we’re proposing policies and putting them into action.

There is no doubt that our economic record is one we can be proud of. However, the greatest risk we face, the greatest risk that any leader faces, is the gravitational pull into complacency. Energy we might spend patting ourselves on the back must instead be spent on examining our policies and practices on a continuous basis. Those moments of self-reflection must be followed by a willingness to adapt to conditions, to make tough choices, and innovate our way past road blocks.

No matter how proud I am of the changes we have made over the past eight years, I am fully prepared to take a hard look at all the programs we have implemented. We need to assess how we’re doing and determine which programs are still relevant, which ones need adjusting, and which ones need to be eliminated. Every day you are called to do the same in keeping your organizations competitive. Government must do the same thing.

I mentioned earlier that we are going to need your help in moving this agenda forward by supporting the recommendations and interacting with your legislators and the like. But that’s not all we need. We need your help pushing the notion of competitiveness beyond the bubble of state government. We cannot make our state more competitive purely through efforts here in Austin.

You are here because you are leaders, not just in your organizations, but also in your local communities. You sit on school boards and city councils, you go to church with the mayor, or maybe even play a little golf with the city manager. In your own capacity as a community leader, I challenge you to examine every proposed regulation, tax, expenditure or policy that comes up for consideration and ask one simple question:

“Will taking this action make us more or less globally competitive?”

Then we need to follow that big question with more detailed ones like: Will it improve our children’s educational achievement? And improve our workforce by extension? Will it preserve our environment without harming our economy? Will it stimulate more entrepreneurial risk taking? Will it attract companies from other parts of the world to move or expand here? Will it improve the health of our citizens who make up our workforce?

I will be asking those same questions of legislation that hits my desk during the next session. So I invite my colleagues
in the legislature to keep that line of questioning in mind as they craft bills and shepherd them through the legislative process, because they'll be hearing them from me. I challenge those of you involved in any level of government to do the same.

This council was not created to solve every single problem, but to identify areas of significant opportunity for our state. They have done that. This council was not designed to recommend quick fixes for momentary issues. They have avoided that. This council was charged to propose a roadmap to a prosperous future. They have provided that.

It is time for us to get to work. Thank you for being part of this great adventure. Let's go out and make a difference together and build a better future for our state.

God bless you and, through you, may He continue to bless the great state of Texas.