

Inside the High Tech Apple



Four by Five

People think of New York as the financial, corporate and communications hub of the nation—but not as a vital center of high technology. But that doesn't detract from the scope of New York City's high tech community. As Dr. Joshua Lederberg, President of The Rockefeller University, points out in one of a series of interviews with business, government and academic leaders presented here, there are about 225,000 people employed in high tech jobs just in the five boroughs. And the New York-New Jersey metro area has over 800,000 high tech workers compared to Silicon Valley's 260,000 and Route 128's 200,000.

We also learn upon examining the Bureau of Labor Statistics data of the New York-New Jersey Metropolitan economy, that approximately 14.6 percent of all regional jobs can be classified as high tech—a very respectable

percentage. In these industries, the rate of employment growth between 1975 and 1981 was about 10 percent, compared to nine percent growth in the 17-county region. In at least nine high tech industries—including instruments, electronic components, electrical machinery, communications, engineering and architectural services—the rate of growth in the metropolitan area exceeded that of the nation.

The fact is, New York City is enjoying a boom, and City officials are working to ensure that this new prosperity is distributed throughout the boroughs. As Alair Townsend, the Deputy Mayor for Economic Development, points out, the City is busy revitalizing the Bronx and building a huge new financial/business center in Brooklyn just across the bridge from Manhattan.

The following series of interviews will further demonstrate the determi-

nation of the public and private sectors to succeed in the New York metro area. The outlook for the High Tech Apple augers well for continuing expansion.

Interview with Dr. Joshua Lederberg, President, The Rockefeller University, and Chairman, The High Tech Committee, New York City Partnership, Inc.

Q: People don't normally think of New York as a high-tech center.

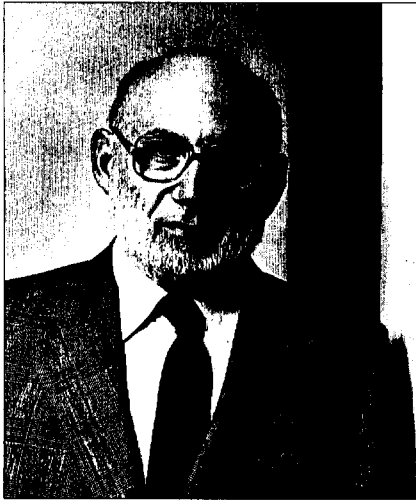
A: That'll change. Eventually, the image will catch up with the reality. The issue is partly one of proportion—high tech is a smaller part of the total economic and population basis than other centers. Even so, New York's image doesn't do credit to the reality. You should think of New York as the hub of a 400-mile long metroplex corridor, a 40-million person market, not 10-million. This market has four of the

ten metros: larger than California and Texas combined.

Q: Is that significant?

A: Absolutely: one fifth of the American population concentrated in a 200 mile semi-circle around the city! That location bears on shipping, costs, purchasing power, buying clout, skill, power, availability at every level. The total personal income of the greater New York region for 1983 was \$270 billion, nearly twice that of California's \$150 billion.

Q: Can you maintain your leadership in high tech jobs?



Dr. Joshua Lederberg

A: We have to! High-tech jobs are vital to our growing service industries—banking, telecommunications, medicine, education. With a determined effort, New York can have 400,000 high-tech jobs by 1995.

Q: Like much of the rest of the country, manufacturing levels have declined in New York City, costing some high tech jobs. According to an in-depth study by Booz-Allen & Hamilton, the city lost 4,000 high-tech jobs between 1977 and 1983.

A: Yes, but we have seen non-manufacturing jobs increase. Close to 40 industries in the private sector are classified as producing high tech goods or services. In addition to our 240-plus computer-related services firms and 40-50 biotech-based companies, we're extraordinarily strong in high tech services: telecommunications, broadcasting, engineering, architecture consulting, and R&E.

New York is unique in its concentration of high tech users, as opposed

to technology developers who need continuing technology innovation and service support. These users are a rich, growing market for high tech services and manufacturing. That Booz-Allen report you mentioned notes that a carefully targeted program to build on the high tech job base could generate up to 125,000 new jobs in the next decade.

Q: What is the Partnership doing to spur this development?

A: We're committed to enacting the Booz-Allen recommendations. Our committee found the city's assets and competitive advantage provide a solid foundation for building our high tech base, especially in computers and biotechnology.

The Partnership has been designated by the New York State Science and Technology Foundation as the Regional Technology Development Organization for the city. We're assembling a comprehensive data base of high tech businesses, university research resources, and public and private sector resources. We're the focal point—a coalition of business, academic and non-profit leaders—and we've distributed our strategic plan known as The Blueprint for action to expand and diversify our business base.

Q: So this group focuses on critical needs?

A: Examples: we need to develop more high tech R&D incubator space, especially for telecommunications and computer-related service companies. We need to offer more incentives to attract high tech ventures. We need to help the city improve its housing, education, and public services.

Q: What kind of interaction do you have with the State?

A: As allies, going down the same road. Vincent Tese, Chairman of the Urban Development Corporation, is a member of our committee. He recently launched the Economic Development Zone Program. The State's also created a low-rate loan program to help manufacturers modernize and re-tool. Governor Cuomo is pushing hard for a statewide fiber-optic network and funding more university research. They've also just doubled the lending ceiling of the state's economic development bank.

We have a golden opportunity to develop high technology as a key component in diversifying the economic base

and maintaining New York as Number One among world-class cities.