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**New Defense Horizons Paper Released:
Maximizing the Returns of Government Venture Capital Programs**
By
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The [Center for Technology and National Security Policy](#) at the [Institute for National Strategic Studies](#) is pleased to announce a new publication: [Maximizing the Returns of Government Venture Capital Programs](#) by Andrew S. Mara

Government investment in research and development at one point was the driving force behind new technologies. Increasingly though in the 1980's and 1990's private investment began to outpace government investment, especially in IT fields. As a result, the government began to fall out of touch with the technology industry. Recently, however, the government has created venture capital-like agencies designed to find and fund cutting-edge technologies.

This paper examines how government venture capital (GVC) can provide a number of benefits to the government at large and how the existing system can be improved. In-Q-Tel, OnPoint Technologies, and DeVenCI are used to show the successes of the still young system, as well as areas that can be improved.

"There is no doubt that GVC programs have yielded both strategic and material benefits for their government customers." Information sharing, however, is cited as one of the primary roadblocks to the growth of this industry. According to Mara the concerns regarding the sharing of corporate secrets is one that is exaggerated by GVC program officials and a concern of few of the young companies that the GVC system is funding who, at this stage, are ready to get the word out about their product or service.

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