Cultural Daily

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Jennifer Granholm: 'We need to open America's borders'

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Jennifer Granholm, Michigan's governor from 2003-2010, hosts Current TV's The War Room with Jennifer Granholm Monday through Friday – which is where we found her, preparing for broadcast.

Governor Granholm, there's a great cynicism in our country that no matter who wins the November election, the American family will still be "dysfunctional," as you have put it, unable to have a constructive dialogue that moves us forward. Is the cynicism justified?

Alas — you bet it is, at least right now. The cynicism about politics will only be remedied by two events… (A) Citizens must vote for people in Congress who pledge to compromise and not polarize (in other words, no voting for people who have signed pledges never to compromise by one single penny); and (B) We must pass a constitutional amendment to overturn the Supreme Court's decision in *Citizens United.* That case has allowed mind-blowing amounts of unlimited, unregulated money to flow into political campaigns. Billionaires can buy politicians and laws at will. It's completely insane, and leads inexorably to a corrupt political system. The cynicism is justified and will only grow deeper the longer the poison remains in our political system. The good news: there is a fix, if we are willing to amend our Constitution.

I think that creative people and entrepreneurs are the most effective job-creators: creative people because innovation spurs productivity and consumption, and entrepreneurs because new companies create jobs, whereas older companies eliminate jobs. (By a wide margin: for example, in 2009, the latest year for which we have data, new businesses created 2.33 million jobs, while older businesses destroyed, on net, more than 7 million jobs.) What policies could we put in place to encourage the creative-entrepreneur tribe?

Three policies would help, among others.

(A) We need to open America's borders much more. Our nation's greatest strength is its diversity. Diversity foments creativity. If you walked into a tech firm in Silicon Valley, you would see people there from all over the globe, with vastly different experiences. Those differences produce the creative genius that results in innovation. If everyone around the table has the same experience, you get a boring vanilla outcome. The richness of our diversity MUST be encouraged through a more open and rational immigration policy.

(B) Policymakers should adopt incentives for innovation clusters. For example, in Michigan, we decided that since automobiles were our strength, we should be the place where "car 2.0" is built, which means the electric vehicle. We wanted to develop a hi-tech cluster surrounding advanced batteries for electric vehicles, and help to solve the world's most pressing problem: climate change. So we developed tax credits and other incentives for the entire chain of suppliers to build those batteries, and as a result of that policy, we were able to attract 18 battery companies to Michigan. Each state should do an assessment of its strengths and build upon their history and geography to

create high tech/innovation clusters. Universities must be a partner in the supply of talent to the innovation cluster.

(C) Which leads me to my third point: We MUST focus on the policies that will significantly increase the number of college graduates in our country. We should provide more funding for public universities on the condition that they keep tuition low, so college remains accessible. We should reward colleges on a per capita basis with more funds if they graduate students in science, technology, engineering and math. And the universities should all create on-site technology incubators to foster the commercialization of patents, and to take great innovative ideas to scale.

When you were governor of Michigan, you started the state's first film incentive program. Did they work?

You bet they did. We decided that for Michigan, an industrial state, we needed to add a creative sector to our economy. In our effort to diversify, we created the most robust film incentives in the nation. For the two years that the incentives were in place (my last two years in office), we saw a huge number of movies being filmed, people being put to work and studios being built. Former auto workers were trained as behind-the-scenes production assistants. Carpenters were put to work building sets. Young people decided to remain in Michigan to work in the nascent film sector. As with any incentive, however, in order for an industry to take root the incentive should provide certainty and continuity. Unfortunately, my successor repealed the film incentives; the activity in Michigan has therefore slowed to a halt. Incentives, however, are an important policy tool for a state that is seeking to diversify and attract a new sector as long as they remain in place long enough to allow the industry to establish itself.

What actions can the American people take right now? I mean, other than following the news and getting involved in the upcoming election, are there steps individual citizens can take that would help our economy if enough people did them?

Education is key, especially for those adults who never thought it was necessary to attain post-secondary education. If people can get a degree or a certification at a community college, or take advantage of the entrepreneurial boot camps that are being offered in partnership with many states and the Small Business Administration and the Kaufman Foundation, perhaps they can opt to become an employer instead of an employee. If someone has a good idea, they can turn that idea into a business if they understand how to write a business plan and launch their venture. An entrepreneur's boot camp is a short, intense course that takes the fear out of starting a business.

But whether it's a boot camp, a community college, a certification program or a university, *everyone* should strive for some relevant post-high school education. There is a well-established link between a low unemployment rate and a high level of education of the citizens in a region. Education is the biggest boost to America's economy I can think of.

If the next few years could be a movie, what kind of movie would it be?

Depends on who wins! Of course I'm biased, but if President Obama is re-elected it will be an inspirational movie about a nation that lifted itself from its knees — a Cinderella story about progress triumphing over despair. If it's Romney, well, it'll be one of those lousy B-grade disaster movies that I never pay to see. And since I like to see inspirational movies, you can figure out who I'm pulling for.

Images: Top, Jennifer Granholm on set; below, a scene from the movie Dreamgirls, shot in Michigan during her tenure as governor.

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