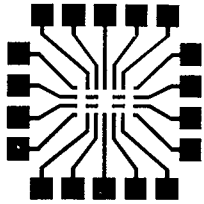


Microelectronics — The Key to the Future

by Governor James B. Hunt, Jr.



In August 1981, Governor James B. Hunt, Jr. wrote a column on microelectronics for the vacationing Bill Noblitt of the Association of Afternoon Dailies (of North Carolina). Portions of that column appear

below, with permission of the Governor's press office, outlining the Governor's current thinking on the recruitment of the microelectronics industry to North Carolina.

“**C**hips” — some people call them the crude oil of the 1980s. The Japanese call them the “rice of the industry.” One “chip” is smaller than your fingernail and can process huge amounts of information that once required room-sized computers. We are increasingly becoming a computer-oriented society, and “chips” are the raw materials of this new technology.

As Governor, I am working to attract the microelectronics industry, which produces the “chips,” and other high-technology industries to North Carolina to provide more high-skilled, high-paying jobs for our people.

The 1981 General Assembly, at my urging, provided \$24.4 million for a Microelectronics Center of North Carolina. North Carolina can become the East Coast center for this industry, and that is why I urged establishment of this new Microelectronics Center. The Center will be a magnet for microelectronics research and development companies. And companies that use the “chips” will be attracted to all parts of our state.

Our Microelectronics Center is the first in the nation to combine strong academic and research institutions and strong state leadership and support. The Center will bring together the resources of five separate universities, an outstanding community college system plus the private research capabilities of the Research Triangle Institute.

The value of microelectronics production in the United States is expected to grow from \$8 billion last year to \$20 billion in 1985. The microelectronics industry and its support industries are looking for room to expand — the firms are physically outgrowing the Silicon Valley area of California where most are now clustered.

That kind of overcrowding cannot happen

here. Expansion in Silicon Valley is strictly limited by the Santa Cruz Mountains on one side and the San Francisco Bay on the other. But in North Carolina, the industry can locate throughout the state, with no real physical limitations. To have the equivalent in North Carolina of the overcrowding in the San Francisco Peninsula, two million people would have to live and work in a seven-mile-wide strip along I-85 from Mebane to Greensboro. We are prepared to do the kind of planning needed to ensure adequate housing, water, and so forth as a result of the industry locating here.

North Carolina is attractive to most industries already. That is proven by the more than \$8.5 billion in industrial investment announced by industry since January 1977 and the more than 135,000 new industrial jobs that will result from that investment.

Through the Microelectronics Center, we can provide the trained people and research capabilities needed by the microelectronics industry, and at the same time provide the overall atmosphere desired by all industry. General Electric's decision to locate its major new microelectronics research and development facility in North Carolina proves that we can attract that industry.

And attracting those companies here means more high-paying jobs for our people. In January the average hourly manufacturing wage in North Carolina was \$5.77. In electronics it was \$6.90. Nationally, in December 1980 that wage for production workers in the microelectronics industry was \$7.22.

For too long, North Carolina has been on the bottom rungs of the ladder in terms of per-capita income, manufacturing wages, and so on. If we're going to be more than 49th or 50th [in manufacturing wages] or 39th or 40th [in per-capita income], we need a dramatic breakthrough.

I believe the microelectronics industry is our chance — perhaps the only chance that will come along in our lifetime. High technology holds the key to the future. I believe North Carolina can take that key and unlock a future of better jobs and better opportunities for our people. □

James B. Hunt, Jr. was elected Governor of North Carolina in 1976, and re-elected to a second four-year term in 1980. He had previously served as the Lieutenant Governor from 1973-77.