

Envisioning ^{7/1/01}

Maine's future

Chance for progress hinges
on research, development

David Findlay, an economics professor at Colby College whose opinions I greatly respect, made some interesting points about Envisionet in this same space on Tuesday.

Prof. Findlay spoke directly to Envisionet, noting that the company was largely undone by the fact that it had one big customer who pulled the rug out from under it.

I, too, had that happen to me this year, and, like Envisionet, I'm struggling as a result.

He's absolutely right to say that it's a mistake to bank your company on one client and to grow too fast to meet that one client's needs; at the same time, I can tell you firsthand it's alluring to do so, and almost worth the inevitable crash.

Almost.

Even when you know the consequences will be dire if the bottom falls out, the temptation to make hay while the sun shines is hard to resist.

That said, I'm interested in exploring more deeply some of the professor's wider thoughts about high technology in the Pine Tree State.

REAL QUESTIONS

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A wide view

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~~Kennebec Journal~~

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REAL QUESTIONS

He specifically notes that Maine has become quite renowned for its call centers. And he also points out that while public officials have been raising those centers as a good foot the door for future tech growth here, public officials haven't been asking the questions that could turn Maine into Washington state.

Specifically, what kinds of jobs do we want, what does it take to get them and are there better measures of success than counting the number of jobs an economic sector creates? As others have noted more aptly than I could, low wages have been the primary reason call centers have done well in Maine.

Again, I believe that labor is worth whatever someone is willing to pay for it.

That, by implication, means your labor is worth whatever you are willing to be paid.

Most people in Maine think \$10 per hour is good money; considering how few Maine employers are willing to pay that wage, it is good money.

Since \$10 per hour is basically base pay elsewhere, there's a major incentive for call centers to come here to tap a huge wealth of people who are more than happy to take money others wouldn't.

Maine also has an impressive telecommunications backbone, a workers' compensation system that is no longer a nightmare and electricity that, while not cheap, at least is on all the time.

All those factors make call centers work here. But as Findlay notes, we're trying to call those jobs success.

Yet, they are not.

Again, as others have noted, call centers are transient because basically all you need is a bunch of telephones, a bunch of people who can use them and a place to plug them all in.

That pretty much describes the entirety of the United States, Canada and other English-speaking capitalisms; as time goes by, it's going to pretty much describe all of the free world.

What's hard to find, even in the undertow of the sunken dot-com economy, are computer programmers, network engineers and other geeks. Although Maine has an impressive community of software developers, it's not very large.

REAL ANSWERS

It's not very large for a number of reasons, not the least being that Maine does not have an outstanding computer science program at any of its universities, public or private. It has some good programs — Thomas College has one, and so do

new economy here in Maine.

Orono and Southern Maine — but none of them are supported by major corporate players (such as Oracle or Cisco or even Microsoft), nor do any of them involve much research and development.

If you look to the places where high tech is turning out young millionaires and highly paid lackeys — and yes, millionaire and well-to-do computer nerds still exist — they are almost always come from or are located near a university that has a serious R&D program, some endowed chairs and other public and private partnerships.

High technology is all about innovation and learning the latest skills.

Maine isn't innovating anything, except in those instances where one of its small software developers come up with a product that resolves what is almost always a small, specific need (such as helping the textile industry manage just-in-time ordering).

And yes, it is true that nationwide, nowhere near enough kids are going to computer school, but it's especially bad in Maine.

And with the salary of an entry-level network engineer or programmer running about \$60,000 in Maine, or about \$80,000 as close as southern New Hampshire or Massachusetts, it's not hard to figure out why our local geeks tend to pack up and leave — nonetheless why so few geeks from away care to come here for work.

I don't think Envisionet is a bad company, nor should it apologize for the work it does, the people it hires, what it pays or even for leaning too hard on Microsoft to pay the bills. Envisionet is the reality of Maine's high-tech economy and did everything it could, and should, have done given the circumstances.

But if Maine wants real high-tech jobs and real stability in that sector, much like Washington state enjoys, it's going to have to create some national-class — if not world-class — computer science programs at its universities.

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But without some real instruction for real programmers, we're never going to make a go of the new economy here in Maine.

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