

Economics

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In the 1950's and before, the public sector was the main driver behind Austin's economy. Government jobs and investments, including state, city, county and university spending, provided a solid economic base for the area. Austin has maintained a steady economic performance even when other areas mirrored the highs and lows of the national economy. The University of Texas has long been basic to Austin's economic development. In **1957**, the UT's Bureau of Business Research recommended to the Austin Chamber of Commerce the recruitment of "ligjit manufacturing". In 1963, IBM opened in Austin. Texas Instruments followed – both making their "hot" product soft hat era - IBM's Selectric typewriter and TI's handheld calculator. They were the first of a procession of national companies that opened branch-manufacturing facilities in Austin. Companies like Motorola and Advanced Micro Devices (AMD) recognized Austin's asset: a highly educated workforce available at competitive wages, the university's strength in science and engineering, and the then relatively low cost land and enviable quality of life.

1982 - Michael Dell began Dell Computer Corp. in his dorm room while a freshman at UT. A pivotal event for Austin took place in **1983**. In the wake of falling oil prices and decline of the Texas economy, Microelectronics and Computer Technicality Corp. (MCC), the country's first private sector high technology consortium, located in Austin. The key to Austin's win was a new partnership between government, business and the University of Texas.

In **1988**, Sematech, formed in reaction to Japanese domination of the semiconductor industry, chose Austin for its headquarters. Austin was named the number one entrepreneurial city in the United States. More than a decade after Austin's civic entrepreneurs sent the region on its path to success, Austin emerged as a high technology center - a true "technopolis". Remember - another of Stephen F. Austin's visions was to see the city as a centerpiece of worldwide commerce. He envisioned steamboat traffic on the Colorado to the Gulf of Mexico and then a land connection to Santa Fe trade. The Kate Ward, a 115 foot side-wheel steamer made it up the river in 1846, but after that river conditions proved too difficult and the venture did not succeed. However, Austin has become one of the world's leading technology centers. In 2004, Intel ranked Austin as the fourth most un-wired (wireless) city in the nation.

A key to Austin and Texas history was Lyndon Johnson's election to the U.S. House and then the Presidency. Johnson pushed the Great Society, and Austin was the site of the first public housing program. Johnson was instrumental in seeing the dams built to form a chain of lakes, which brought more power and revelry to the area. The Mansfield Dam, constructed in 1941, created Lake Travis.