

THE MILKEN INSTITUTE'S NEW CEO

Michael L. Klowden, former president of investment banking firm Jeffries & Company in Los Angeles, has been named president of the Milken Institute. He succeeds Donald Straszheim, who became vice chairman of the Institute in July.



Klowden, 56, holds a law degree from Harvard Law School and is a trustee of his undergraduate alma mater, the University of Chicago. Before moving to Jeffries &

Co. in 1995, he was a senior partner at Morgan, Lewis & Bockius, the fourth largest law firm in the United States.

9/11 COULD COST L.A. 110,000 JOBS

The terrorist attacks of September 11 could cost the Los Angeles region more than \$23 billion in lost income and 110,000 jobs over the next year, according to an economic assessment conducted by the Milken Institute for the Los Angeles Economic Impact Task Force. The Institute's economists predict that the L.A. economy will be in recession through the second quarter of 2002. Among the hardest hit sectors: transportation and tourism.

Under the "most likely" scenario, the L.A. economy will lose 23,000 jobs in the fourth

quarter of 2001 and 76,000 before the recession bottoms out in 2002. Under the "prolonged pessimism" alternative scenario, the job losses could be 50 percent greater.

To view a summary of the economic analysis, visit our Web site at www.milkeninstitute.org. To view the full report, go to the mayor's Web site at www.ci.la.ca.us/mayor.

2002 GLOBAL CONFERENCE

The Milken Institute's 5th annual Global Conference is scheduled for April 22-24 in Los Angeles.

This year's event, held in cooperation with Forbes, will once again include a panel of Nobel laureate economists moderated by the Institute's chairman, Michael Milken. Other topics on the agenda: the economic outlook for the United States, Europe, Asia and Latin America, as well as sessions on biotechnology, telecommunications, technology, demographics and much more. For the latest on program information and registration, visit www.milkeninstitute.org.

CALIFORNIA ECONOMY SLOWS, BUT FUTURE BRIGHT

California remains an economic powerhouse, despite being buffeted by electricity woes, the downturn in technology and the national recession. So concluded business leaders, government officials and economists gathered at the Milken Institute's third annual State of the State Conference in November.

State Treasurer Philip Angelides, the conference's keynote speaker, elaborated on the



“Financing California’s Future” panelists share a light moment with moderator, Mike Milken. Left to right: Mayor Jerry Brown, Rick Hayes, Dominic Ng, Mike Milken and Robert Oehler.



challenges facing California – not least of which is a budget deficit of between \$8 billion and \$14 billion. But he professed confidence that the state will come out of recession during the second half of 2002. Governor Gray Davis concurred, “While we do have a bumpy road ahead of us – probably for the next 10 to

12 months – confidence, innovation, immigrant spirit, and just the courage and resolve to see our way through this will get us through.”

To view highlights of the conference, visit the Institute’s Web site at www.milkeninstitute.org.

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“Most of us are ... ignorant of many complex fields, from botany to brain surgery. As a result, we simply do not attempt to operate in those fields. However, every voter and every politician ... has something to say about economics.”
— Thomas Sowell, *Basic Economics*.

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| A. tempt | H. Orwell | O. sever | V. off message |
| B. Hausa | I. whistle | P. idiot | W. Motorola |
| C. orders | J. Episode V | Q. commotion | X. infra |
| D. my foot | K. long run | R. exigent | Y. cryptonym |
| E. aurora | L. louvers | S. catatonia | Z. sophist |
| F. synthetic | M. beefy | T. oy vey | |
| G. steer P.T. | N. adamantine | U. nabobs | |