

FROM THE PRESIDENT



As I write this, the Milken Institute is making final preparations for its 8th annual Global Conference in Los Angeles, a gathering of some of the brightest minds and influential decision makers from around the world.

Given its nature – more than 60 sessions packed into three intense days, with some 250 panelists and 2,000 attendees – I sometimes have trouble succinctly describing the importance of this event. But then along comes someone who puts one of the issues that is center stage at the conference into language that conveys the essence. These words come from Fed Chairman Alan Greenspan, who, in recent testimony before the Senate Banking

Committee, pondered the growing gap in income between educated workers and those less skilled – and the danger this poses to our society:

“For the past 20 years, the supply of skilled, particularly highly skilled, workers has failed to keep up with a persistent rise in the demand for such skills. Conversely, the demand for lesser-skilled workers has declined, especially in response to growing international competition. The failure of our society to enhance the skills of a significant segment of our workforce has left a disproportionate share with lesser skills. The effect, of course, is to widen the wage gap between the skilled and the lesser skilled....

“In a democratic society, such a stark bifurcation of wealth and income trends among large segments of the population can fuel resentment and political polarization. These social developments can lead to political clashes and misguided economic policies that work to the detriment of the economy and society as a whole....

“We need to reduce the relative excess of lesser-skilled workers and enhance the number of skilled workers by expediting the acquisition of skills by all students, both through formal education and on-the-job training.”

His comments mirror one of the principal goals of the Milken Institute: finding ways to improve worker skills, to increase their productivity, and to create more higher-paying, knowledge-based jobs.

This is one of the most important economic challenges of our time. And that is why closing this gap is at the forefront of much of what we do at the Milken Institute, from the articles you read in the *Review* to many of the sessions at the Global Conference.

I urge you to join us in that effort.

A handwritten signature in black ink that reads "Michael Klowden". The signature is written in a cursive, flowing style.

Michael Klowden, President and CEO