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Milken: Israel is Worth '15 Exxons' in Human Resources

by Gil Ronen

(IsraelNN.com) In a "Globes" sponsored talk at a Tel Aviv Hotel, financier and philanthropist Michael Milken heaped praise on Israel for its human capital. Milken is in Israel trying to foster connections between the Milken Institute, an independent economic think tank, and Israeli life sciences and cleantech industries.

He stated that in terms of assets, Israel is worth a third of the Exxon-Mobil corporation, but that Israel is worth 15 Exxons in terms of human resources. According to the Milken Institute, Israel's human capital is worth \$7.15 trillion.

'Israel could be the "research laboratory for the world'

Milken also spoke highly of Israelis' level of education, noting that 32% of Israelis are graduate students, and 56.5% of students are women. He also pointed out that Israel has the world's highest per capita number of life sciences patents, and said Israel could be the "research laboratory for the world." He mentioned the training medical doctors receive in Israel and the enriching effect that the wave of immigration from Russia had on the sciences as additional advantages.

"Every single one of your research institutes is an oil well, of the kind that is never depleted," Milken told the audience. A drawback of the Israeli economy, he said, is the fact that too much of

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too few hands, too many of which are institutional.

"All global trends are operating in favor of the Israeli economy," Milken told the audience. "Let the human assets break through," he advised, "nurture them, and Israel will turn into an economic power within the next few years."

Elvis impersonators

Milken explained that in the human assets race, Israel is competing with fast-growing countries like China and India, and small but ambitious countries like Singapore. He said that if the present growth rates continue, China, India, Russia and Brazil will be among the 10 leading economies in the world, edging out countries like France and Canada.

Still, Milken advised caution against predictions based on present growth alone. He noted that the number of Elvis Presley impersonators has gone from 50 to 3,500 since his death, and that extrapolating from this could lead one to the unlikely conclusion that in 50 years, one out of three people will be an Elvis impersonator. The conclusion, he explained, is that the present growth rate is only true of the present.

Milken, who became very rich and very notorious as the "junk bond king" in the 1980s, served two years' jail time after being convicted of financial wrongdoing. He has devoted much time and money to charity over the past three decades. With an estimated net worth of around \$2.1 billion as of 2007, he is ranked by Forbes magazine as the 458th richest person in the world.