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### Our route to recovery is clear - education

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A recent study shows just how far Michigan needs to travel to transform its economy.

Michigan Future Inc., an Ann Arbor-based think tank, analyzed the state's progress toward adding jobs in the "knowledge economy" - fields that include technology, health care, education and finance.

These kinds of jobs typically yield higher incomes, and in that regard, Michigan is lagging. Among the study's most striking findings: Michigan's per capita income fell 8 percent below the national average in 2006, its worst since the Great Depression.

"The era of high-wage, low-skilled jobs we had in Michigan is toast," said Lou Glazer, president of Michigan Future. "We never had to do what everybody else has had to do, and that is get more education."

Based on the study's results, Glazer believes a highly educated work force - coupled with metro areas that are vibrant and healthy - are key to building a stronger economy. And he doesn't think that traditional methods of business development are working.

With tax incentives, for example, "you can get a factory, a Wal-Mart or a Cabela's," Glazer said. "But you're not getting Google." Companies like Google are looking for educated workers - employees who can be picky about where they work and live.

The study also found that 75 percent of job growth nationwide between 2001 and 2005 came from industries that required high levels of education, particularly in the fields of health care and education. In those industries, the average wage was almost \$53,000, compared to about \$32,000 in all other areas.

Michigan Future is calling this study - found online at [www.michiganfuture.org](http://www.michiganfuture.org) - the first annual report card of the state's transition to a knowledge-based economy. Its conclusion is clear:

"What most distinguishes successful areas from Michigan is their concentrations of talent, where talent is defined as a combination of knowledge, creativity and entrepreneurship. Quite simply, in a flattening world, the places with the greatest concentrations of talent win."

It's a clarion call for government leaders, policymakers, educators and everyone else with a vested interest in the future of Michigan's economy.

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