

## Speaker: State must attract highly skilled talent

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Conventional wisdom places the blame for Michigan's economic woes on the downward spiral of the Big Three automakers.

Wrong, says Lou Glazer, lead author of "A New Agenda for a New Michigan," a comprehensive challenge that is being embraced by leaders throughout the state.

In the last 15 years, Michigan's industrial job loss is only slightly worse than the nation's as a whole, Glazer said.

Instead, Michigan's economic crisis is created by a lack of robust job growth in four key sectors of the global-based "knowledge" economy, Glazer argues.

The state is lagging in development of its information, finance/insurance, corporate headquarters and professional/technical service sectors, Glazer told the Lakeshore Economic Forum Wednesday night at the Spring Lake Country Club.

The Michigan Future Inc. think tank president concluded that the new agenda for Michigan comes down to talent. Michigan will prosper only as it develops, retains and attracts high-skilled young workers, he says.

More than public policy or low taxes, having a culture that attracts highly educated young workers has made regions such as San Francisco, Washington, D.C., Boston, New York, Denver and Minneapolis so successful.

Those are the nation's top regions based on highest per-capita income, a list on which Detroit and West Michigan lag. The other major indicator is the percentage of the population with college degrees, in which Detroit and West Michigan are lacking, he said.

Glazer said most of the successful regions are in the north, which debunks the theory that Michigan can't compete because of cold, snowy winters.

"The former prime minister of Singapore has said that "trained talent is the yeast that transforms societies and makes them rise,"" Glazer said in summing up his plan for a "New Michigan."

In a "flat world," as described by New York Times columnist Thomas Friedman in his best-selling book, technology has allowed people to compete economically

from any place on earth. That has left in ruins the two major pillars of the middle class: high pay for low-skilled mainly industrial jobs and long-term job stability.

"The challenge is to get people to believe that there is a need for a New Michigan," Glazer said. "We have to adjust or we will certainly face more decline."

Key to developing, retaining and attracting young, high-skilled, college-educated workers is having vibrant central cities. Young "knowledge" sector workers are attracted to urban centers, Glazer said.

The "agenda" portion of Glazer's report is an attempt to create a culture that is based on lifelong learning, entrepreneurship, and an environment that is welcoming to all kinds of people.

Specifically, the new agenda calls for more investment in education, creation of exciting cities, attraction of export-based businesses and realignment of K-12 education. The new agenda must be driven by bold new leadership from the business and civic sectors, Glazer concludes.

Discouragingly, the state's political leaders are solving the current state budget crisis with a reduction in spending on higher education and local government revenue sharing, which is needed to improve Michigan's cities, Glazer said.

Providing a West Michigan perspective on Michigan's "new agenda," Milt Rohwer, head of the Grand Rapids-based Frey Foundation, said the West Michigan Strategic Alliance is working on many of the same issues.

"The issue of culture is so important," Rohwer said, adding that entrepreneurship is strong in West Michigan. But he said openness to diversity and support of lifelong learning needs strengthening.

"What can we as a region do to develop talent, retain talent and attract talent?" Rohwer asked the Lakeshore Economic Forum members. "That is our principal challenge."