



INVESTING IN ECONOMIC MOBILITY: BUILDING A PATH TO OPPORTUNITY

Announcer 00:03

Please welcome the panel on “Investing in Economic Mobility: Building a Path to Opportunity,” moderated by Michael Milken, chairman, Milken Institute.

Michael Milken 00:11

Well, good morning, and this panel has an excellent opportunity. The goals that all three of these people have been working on—Ted Cruz, Kevin Hassett, and Brad Gerstner—for the last year or so, that has come to fruition, but the ideas have been going for a long period of time. And that is, can we get every single child in America to feel like they have a stake in the market? I don't know about any of you; I gave a few thousand dollars to one of my grandsons. He used to get up at noon on the weekends. He now gets up at 6:00. He always tells me that the best time to invest on the West Coast is between 6:30 and 7:00 when the market just opens. I told him after 50 years of investing, I didn't really know that that existed, but if he thought so, it was okay. So just imagine every child in America checking their portfolio. Senator Cruz, let me start with you. Now, I know you've been very excited about the possibility of getting every entrepreneur and everyone that's wealthy to move to Texas.

Ted Cruz 01:28

Amen.

Michael Milken 01:30

And as a result—I read recently that you thought the 5 percent tax on net worth was too low, and that maybe it should be 50, which would accelerate the movement. How do you see what's going on here in California versus Texas? And you have been totally behind this effort on these investment accounts, now Trump accounts.

Ted Cruz 02:03

Well, look, I would say there is a cause and effect. If you look across the country at the movements of Americans across the country, it's not complicated or subtle. People are fleeing the big blue states that have high taxes and high regulations, and they are almost without exception, moving to big red states that have low taxes and low regulations. I have to say, Mike, I have nominated more than once Gavin Newsom to be Texas realtor of the year. Because there is no person in history who has sold more homes in Texas than Gavin has. By the way, Comrade Mamdani is the Florida realtor of the year. The two of them together—Century 21 has got nothing on them. Look, and by the way, there's the U-Haul Index, one of my favorite stats: The average cost of a U-Haul from Texas to California is more than 300 percent the cost of a U-Haul going the other way. But even better—and Brad, this will hit you real close to home because you haven't quite made the jump—the cost of a U-Haul going from Silicon Valley to Austin, Texas, is more than 500 percent the cost of a U-Haul going the other way. A U-Haul from Austin to Silicon Valley is \$974. A U-Haul from Silicon Valley to Austin is \$5,000. And market signals are powerful.

Michael Milken 03:25

Exactly, exactly.

Michael Milken 03:29

So, this is really nothing new. If we look at where millionaires in the world are moving today, the greatest movement in recent years—in '25—was leaving the UK—16,500. Number one destination: UAE. But if you look at Europe, for example, Italy has been the number one location in Europe—and Switzerland—where people move, and also Portugal. Brad, this in many ways, was your brainchild, your enthusiasm, your excitement. All I have to do is say hello and two hours later, when you've run out of breath, talk about this. How has it unfolded based on how you thought it would?

Brad Gerstner 04:25

Well, Mike, thanks for having me, and thanks for your partnership along the way. This really was a dream team to get the Invest America Act passed and a year ago today was the seminal moment that Ted had

taken the leadership in drafting the Invest America Act in the Senate—that we had the opportunity to meet with the president. This guy had done all the economic research, along with another great economist, Rob Shapiro—that had built the intellectual underpinnings that laid the groundwork in the White House. And then the president saw the idea and said, "This is the whole meaning of my presidency. It's the Main Street agenda to get everybody else into the game. The 60 to 70 percent of people in America who feel left out and left behind, we need them to feel an ownership stake, be a shareholder automatically in the upside of America from birth." And listen, the battle over wealth taxes is deeply connected to this, because this is a battle for the soul of America. You can't leave 70 percent of the people out of the upside of compounding and capital and think we're going to get anything different. And so, the answer to that—the answer to more socialism, is more capitalism. And starting on July 4 of this year—we signed it into law July 4 last year—starting July 4, on the 250th anniversary of America, because of this spirit up here—and by the way, it's also bipartisan. There is a lot of support on both sides. As Mike Lindell says, this isn't a red issue or a blue issue: This is a red, white, and blue issue for preserving the future of America. But starting on July 4—we're going to have, I think, at least ten million kids—today, we're at about six million kids—who are going to be lighting up these accounts. They're going to see, on that day, that they own a little bit of Nvidia, a little bit of Microsoft, a little bit of Walmart. They're in the game. And starting in 2027, all 3.7 million children born, when they get their Social Security number, will get an investment account at birth. It will be undeniable that they're in the game. We're going to wrap financial literacy around that—civic literacy around that. So, it is the biggest change to the social contract in America in 50 years. It will be bigger in 15–20 years than Social Security. We're going to move trillions of dollars of wealth into the pockets of Americans who compound in the upside of SpaceX and OpenAI and Anthropic, and that's a way to do it aligned with capitalism, not at odds with capitalism. If you attack all the capitalists in California—which by the way, we're going to defeat the wealth tax in California—but if you attack innovation and entrepreneurship and capitalism, we become Europe. That's not the path forward for this country. We're going to defeat that, at the same time getting everybody into the game. And it's not just this, the great work of Alexander von Furstenberg and Theresa and Kevin and Mike on the Trump IRAs is another component of this. We have to raise the floor for everybody. This is the way to do it. We can't just be against wealth taxes, Mike. This is what everybody's going to see on their phone on July 4. You've received 1,000 bucks. You see the actual shares. So, imagine moms and dads who have never owned a single stock in their life, who are anxious about their kids' future because of AI, are going to open this up and say, "My kid has a shot. I'm going to add 10 or 20 bucks to that." Michael Dell is going to give 250 bucks to that. Thousands of companies in America are going to contribute to that. That's the way we change America.

Michael Milken 08:12

So, Kevin, you and I have joked over the last few years—we gave you an office at the Milken Institute with a nice window looking at the Treasury and the White House—tried to make it really attractive, but you decided to go across the street. But as Brad pointed out here, you and Bob Shapiro, who has worked under Clinton, had a bipartisan effort and wrote the legislation that is about to become a reality here. Can you talk to us for a moment on how it's going to work? If every one of us can give money to these accounts, how does it work?

Kevin Hassett 08:53

Yeah, that's right. And just before I do that, I want to say something about the wealth tax, if I may. That in the old Laffer Curve space, if you had 100 percent tax on work, how much work do you get?

Michael Milken 09:07

Zero.

Kevin Hassett 09:07

Zero, right? It's actually the first intuitive point that he made. When you take a wealth tax and you model it in an economic model, what you do is you estimate the capital income tax equivalent. So, if I've got wealth, I get return on wealth, how much of that return is being taken? And it's widely accepted because of the great contribution of David Bradford, a Princeton economist who's sadly no longer with us, that you need to look at the risk-free rate. And so, let's just say right now, the risk-free Treasury 30-year rate is 5 percent, that means that a 5 percent wealth tax is the equivalent of 100 percent tax on capital income. And just as if you have 100 percent tax on wages, you don't get any work, if you have 100 percent tax on capital, you won't have any capital. Investment will stop if that wealth tax happens. And so, I think that thinking through the next steps for us, that we've got Michael Dell has decided, I think correctly, after studying what he should do with his wealth, to have the biggest impact on the world after he's gone. And his people—his consultants said the best thing he could possibly do is take a little bit of it and give it to every kid in America. And I agree with that analysis. I 100 percent agree with that analysis. But I think that with the kids, what Alexander von Furstenberg and I have been talking about, especially with Theresa Ghilarducci, who is that really brilliant lady that you just saw up on the screen at the start of the session, is that about half of Americans have a job where there is no one who provides a 401(k) for them, no one who does a match. And, the interesting thing is that federal workers aren't really high-income people, and there are a lot of federal workers that are pretty low-income people—a lot of federal workers in Washington that are every race. And the TSP program—the Thrift Savings Plan for the federal government—it turns out we have the best evidence you could possibly have on how it works because the CBO actually has confidential access to everybody's account and what their salary is and everything else. And the program is astonishingly successful at getting even low-income minorities who have a very low savings rate in the private sector to invest to the max and build wealth. And so, if you want to look at the wealthiest low-income people in America, they're the people who had access to the program that the president just expanded significantly in the Oval Office this week. And, so that's thing one. What we have to do next is expand it with legislation. The president called on Secretary Bessent and I, and of course, we're going to work hand in hand with Senator Cruz, to study how we can expand the Trump IRA so that it doesn't just affect people with incomes below \$30,000. But one thing I want to make absolutely clear in the way that we wrote the language is that if you—we have a really easily accessible website, so now people who aren't super financially literate, they can get an IRA like that. It's trumpira.gov, and that website is available to everybody. And if your income is below 30 [thousand], you will get your match right away. But we believe there is going to be runaway signing up for these things, and our expectation is that, working with Congress, we are going to want to lift the limit from 30 [thousand] to something a lot bigger than that.

Michael Milken 12:55

So, as we look, what is the cause? Why does it challenge us? Why, when you look at the news or go online every day, do you hear stories—whether they're coming out from the mayor of New York or someone else? And so, if you look at wealth in the world today, and you see, for example, that the US is among the highest of any country with 20 million people in average wealth. So, this data is a little—a number of years ago, but you can see here US average net worth in America is \$621,000. That is higher than Australia and the UK and Canada and France and even Singapore and Japan. What is the challenge? Well, one: There's 12.4 percent of people in this country that are millionaires. But as we go to median net worth, you can see where the US ranks below France, below Canada, below UK, substantially below Australia. So why is Australia where it is today as the highest median net worth of any country in the world, and their superannuation assets now are around \$3 trillion for 26 million people? And that is because they did not allow them to take the money out. You want to talk about that for a moment, Brad? The idea of letting this money compound for at least 18 years or more?

Brad Gerstner 15:53

So I just did a fireside chat with Kevin Rudd, the ambassador from Australia. And Kevin said, "Trump accounts are such a great idea. We don't do it in Australia. We're going to copy you because we missed the first 18 years of compounding. The great thing about the Trump accounts is starting at age zero, you have 18 years of compounding before superannuation kicks in." So just again, a primer for everybody, in Australia, they have like the United States, a requirement that you take 12 percent of your W-2 income and you put it away for retirement. The difference is you all—if I ask, "How many people in this room know how much they've contributed to their Social Security account?" Raise of hands. Not a single hand in the room has any idea, and for most people in the country, it's their only source of savings. It denies dignity and integrity to the people who work their butts off and are forced to save money, and it goes into the black hole of a government pension program. It doesn't compound. They don't own it. They don't have title to it. If they pass away after paying 500,000 bucks into it, their kids don't get it. That's totally different in Australia. In Australia, they say you have to save 12 percent, but you are going to put it into an account that you own, you have title to, compounds in the best investments that it could possibly invest in. You can look at it daily. You can add money to the account. It is precisely the promise of what we have to have in the future. So, our idea was, Mike, if you start at birth and you give all these kids at birth a private account that they own, not the government, it's not a government program—title and ownership to the kid, then 20 years from now, we are going to have 100 million families who own these accounts. And guess what they're going to look like, Mike? They're going to look like Australia's superannuation. And my hunch is that in two decades, we are going to have a bunch of kids who say, "I'm happy to put away 12 percent as required by the government, but rather than putting it into a blind government pension program that doesn't compound, can I just put it into the account you have asked me to set up called Invest America or Trump accounts and let it compound, see it grow?" Right? So that to me is a brilliant program by Australia. It's been transformational for the working class in Australia, and it's where we're headed in this country. There's no doubt in my mind. This guy wrote an editorial in 1998–1999 called "The Ownership Society." We have deprived Americans of their hard work. They should all be owners in the upside of America, but

nobody in this room even knows how much you've contributed into your Social Security account. I think over time that will change. We have now created the infrastructure, Mike, upon which we can build the trust and security of universal individual ownership in this country—upon which we can make that transition at some point in the future.

Michael Milken 18:56

So, there's an important issue—and they mention Michael and Susan Dell. So, the amount of money going for philanthropy in the United States dwarfs all other countries in the world. The question is, is your philanthropy productive? The question is, is government money productive? You can see here in the state of California; we now have discovered that you have hospices that have people that quote that have been in for five years. They don't show up. We've been paying. And so, Michael and Susan decided this might be the best way to give part of their wealth to the future generations of our country. Senator Cruz, this is not the first, the second, but all these programs you've put forth, let's talk about opportunity zones that Kevin worked on and that you backed that are a reality today.

Ted Cruz 19:56

Well, Michael, there is a unifying theme behind all of these programs, and it is expanding individual ownership, control, and choice. So, Brad mentioned my first day in the Senate, which was January 3, 2013. The first op-ed I ever wrote was in *The Washington Post*, and it was called "The Rise of Opportunity Conservatism." And what it said is that every economic policy we should look at through a Rawlsian lens. We should look at it through how does it impact the least well-off among us. The basic difference between left and right—both look at the socioeconomic ladder. Both generally want people to do better. The left's instinct is to reach down, physically grab people, and move them up. The problem is that never ever works. What the folks in this room understand: The only way anyone's ever climbed the economic ladder is you pull yourself up one rung at a time. So, government policies should facilitate the means of ascent up that economic ladder—should make it easier to climb, and that means we want to maximize investment, choice, personal control. In that op-ed, I highlighted two policies in particular that were fundamental to this. The first was school choice, and the second was Social Security personal accounts. Fast-forward to last year, we are writing what became the "one big beautiful bill." It's April of last year. All the Senate Republicans were at a retreat, and we're talking about what to put in the bill. And I stood up, I said, "Look, there are lots of things in this bill that are really, really important that we all care about: securing the border, rebuilding the military, cutting taxes. Yes, yes, yes. All of that is important." But I said, "We ought to stop for a second and think about legacy—think about what is going to make a difference. What are people going to remember in 10, 20, 30 years?" And I said to my colleagues, "If I can humbly suggest two candidates for that category: number one, school choice, and number two, what are today called the Trump accounts." Both of those provisions are in the bill. I wrote both of those provisions. They're my legislation. On school choice, starting next year, every taxpayer in America can give up to \$1,700 to a scholarship-granting organization in the states, and if you do so, you get a dollar-for-dollar tax credit, not a deduction, a credit. What that is going to do is unleash tens of billions of dollars of new scholarships for K through 12 education in the states. In a decade, there will literally be millions of kids who had been trapped in failing schools who will suddenly have been able to get a scholarship and go to a school where they can get a

great education and go on to build a career and have a life. That climbs the economic ladder. The Trump accounts—look, this idea, it is powerful. It has two massive benefits. One: Every child in America will now experience the miracle of compound growth. Everyone here understands that, but half of Americans don't own a single stock or bond. You're not going to climb that economic ladder if you have no investments and you're not even started. This gets them started.

Ted Cruz 23:21

But two: We are making a new generation of capitalists. Brad put up the app, and I've worked very closely with Treasury to make sure the app is not going to say, "You got \$1,000 in the S&P 500." It is going to break it down so that your kid's going to look down and say, "Holy cow, I own Apple. I own Starbucks. I own ExxonMobil. Maybe oil and gas is not horrible. I own ExxonMobil. I might have a different view of that." That is powerful. And final point I want to make: You talked about the superannuation funds in Australia. Conservatives in America for 50 years have been trying to do that—have been trying to do Social Security personal accounts. Here's the dirty little secret. Trump accounts are Social Security personal accounts. Now, how did we get it done? You remember George W. Bush in his second term, he tried this fight, and sadly, Congress ran for the hills in a display of extraordinary cowardice. How did we get it done this time? Because we gave the money to babies, and so the old people didn't get pissed. But you know what? Babies grow up. And that little girl who is born this year, she is going to be 70. And the math is, if you contribute regularly to it, by the time she is 18, she will have \$170,000 in that account. By the time she is 35, she'll have \$700,000 in that account. And the folks here are good enough at math to know very quickly after that, you get into the millions. I never say that because no one believes you. If you say a million dollars, immediately their BS sensor goes off. But this will become Social Security personal accounts. And I'm going to predict we're not going to have to wait for the little girl born this year to turn 70, because in even five, 10 years, what Brad said is going to be true, which is we're going to be able to go to parents and say, "Hey, you know that Trump account your kid has that you keep seeing the numbers go up and you're seeing this compound growth? Wouldn't you like to be able to keep a portion of your tax payments that you're paying already, and instead of sending it to Uncle Sam, wouldn't you like to have a Trump account just like your kid does?" And my prediction is within five years, that is going to have a really compelling constituency because people will have seen it, and that is, I think, powerful in transformation.

Brad Gerstner 25:51

And let me just say one thing. Social Security has been a third rail in American politics.

Ted Cruz 25:58

Yep.

Brad Gerstner 25:51

And again, I come back to this—this idea that we're trying to steal anything from anybody could not be a bigger falsehood. We are doing the exact opposite. Today, we have forced government savings that goes into a pension fund that you do not own.

Ted Cruz 26:17

That Congress raids to spend on other things.

Brad Gerstner 26:20

We are trying to make it so that people have the dignity of their work and their effort and their savings, and that it is universal. This is not left or right. This is all states, all people, all races. Everybody in this country who works hard should enjoy the opportunity to climb that economic ladder. That is why I think this is even more transformational than Social Security itself. And in the age of AI, the anxiety that parents are feeling about their kids' futures, right? You see the populism that is emerging—this cultural war that is emerging on the coast. We are going to need this to hold the country together for the next 250. I think this is a monumental step, and I am deeply grateful to the people on this stage who helped us pull it off.

Michael Milken 27:17

Kevin, if anyone in this room—if any employer wants to contribute money, and by the next few months, you are going to learn about a lot of employers who are going to give money—how does it work?

Kevin Hassett 27:33

Well, basically, what we have is a system where up to \$5,000 a year can be put into the account for the child. And so, if you want to see something grow up into an enormous amount of money, then that is the way to do it—is to pass it through from your workers into the children's account. I want to respond to something. Senator Cruz has my vote for the most erudite senator. And he said something that is profoundly important that might have sort of buzzed by everybody's ears—that if you go back and look at economic philosophers and the debates that they have, that the left has forever and ever been almost enslaved by the idea that inequality is the number one issue. And conservatives have argued against that, without knowing it, but relying on the work of John Rawls, who was actually a Harvard philosopher. And the way to think about it is that everybody's always arguing about the income tax and that you need to raise the top marginal rate and so on, and lower the lower rates. But the top half of the income distribution, they are the only ones paying tax. And so, if your focus—if you take money from somebody who is making \$250,000 a year and you give it to somebody who is making \$120,000 a year, the

Democrats think you're serving social justice. And what Rawls would say is, "No, what you have to do is you have to focus on the people at the bottom," which is what the Trump accounts are doing—the Trump IRAs are doing. The people who do not have access to the magnificent force of compounding. And we focused in the first term—the first Trump administration on this in our policies, when we told people that if there is more capital in the US, then wages will go up. And then the wage for the bottom 10 percent of workers went up by twice as much as any other decile. And so, Rawls would be pleased. We have got these Trump accounts that are helping the bottom 10 percent, especially because they do not have access to these things. Rawls would be pleased. It is my belief, because of the success of this, that looking at the macro picture, a different way to say what Brad has been saying and what Ted has been saying is that we are in the midst of an inevitable Rawlsian revolution where people understand that it is not about moving money around between the middle of the distribution and the top. It is about helping those at the bottom.

Brad Gerstner 30:18

It's incredible. Mike, can you put up the corporate philanthropy—those corporate logos again? I want to make it very clear to everybody in the room. So, every single account is going to have a QR code associated with it. So, if you want to give money to 100 kids in your local school, go to the principal, tell them, "I want to give 100 bucks to 100 kids in the local school," add it up, give it to the principal, they can QR it into all the kids' accounts. This is not just for big businesses, right? Local restaurants, realtors, construction workers, landscapers—they can all contribute. Altimeter has 36 employees. We are going to give all the kids of our employees a matching grant into their account. So, this will be kind of universal. You also said something about Michael and Susan Dell. And Michael has been a critical partner in this along the way. I think we are going to have hundreds of billions of dollars announced over the course of the next 12 months of philanthropic dollars that are going to be contributed. Michael and Susan's did 6.25 billion. Ray Dalio adopted all the kids in the state of Connecticut. I have done the same for all the kids in the state of Indiana. We have got a lot of states that have been adopted unannounced. We just had somebody adopt all the kids in the city of Oakland—the city of San Francisco. We are working on Durham, etc. This is bottoms up. Anybody can do this. You don't need the permission of the government. You don't need the permission of Invest America to do this. And when you think about that, right, moms and dads, five and 10 bucks, every business in America—that is how you get to these numbers, Mike. Every kid in America is going to have material investment in these accounts. The way it is done at a corporate level, it is integrated into ADP, Paycom, Paylocity, etc. You will just check the box like you do your 401(k) contributions. So exceptionally easy to do—to contribute to these. So, I would encourage everybody in here—first, let everybody in the country know every child under the age of 18 can go today and sign up for the accounts. They do not want to miss out on their free shares of OpenAI or SpaceX or whatever. They have got a free lifetime account that is going to compound in the S&P 500, and 40 million of those kids have free money waiting in the accounts. So again, we are on a trajectory to have 10 to 15 million accounts opened by July 4 when these things kick off. We are going to have a joint bell ringing of the Nasdaq and NYSE from the Oval Office on July 6 and celebrate this for America. But anybody can contribute to these accounts. I will be announcing, along with others—once you open the accounts, we want to give incentives to kids to open the accounts—but I am going to make a \$50 million grant for the first two and a half million kids—families, that add 20 bucks into their account. Because once we get them signed up, the next thing we want them to do is put money into the accounts. Once you make that first deposit, we know you will make a lot more, and that's when it gets really transformational.

Ted Cruz 33:23

Well, let me elaborate on that, because Brad is exactly right. If you look at how these are structured, there are two accelerators that are built in. Look, everyone understands compounding. The numbers get a lot bigger if you start earlier and you start with a little bit more money. So, you want to maximize as much early on to have the longest time to compound. One mechanism is employer matches and employer contributions. And look back to 1974. In 1974, Congress passes ERISA—adopts Section 401(k). I doubt anyone in Congress had any idea how fundamentally they were changing how Americans are saving for retirement. Today, there are more than \$12 trillion in 401(k) accounts. These are 401(k)s for kids. In very short order, there are going to be trillions of dollars in these accounts. Just like today, just about any major employer will either contribute or match 401(k) accounts. I think very soon this will be a ubiquitous employee benefit. Every one of you who is an employer, you should be telling your employees, "We are going to contribute or match to the Trump accounts for your kids." Relatively speaking, it is a pretty inexpensive employee benefit, but the benefit over time is massive. Secondly, and this was Brad's brainchild, but it really is genius. We drafted the legislation so that it can accept philanthropy. And so, for example, let's take Michael and Susan Dell. They gave \$6.25 billion, but what did they do specifically? They gave \$250 for our nation's 250th birthday to every child in America under age 10 who lives in a zip code where the median income is \$150,000 or less. And so, we wrote the legislation so you can adjust each of those dials. You can adjust it geographically. You can adjust age. You can adjust income. Brad, as he mentioned, has adopted the kids under age five in Indiana. Ray Dalio has adopted the kids in Connecticut. But it is an ability to really target philanthropy. And a final point on this. So, Michael Dell is a dear friend of all of us. So, Michael and Susan, like anyone who's been very successful, they are thinking very responsibly about how do you dispose of a fortune almost so vast as to be incomprehensible. And depending on stock price, they're between \$100–\$200 billion. Most charities can't take a billion dollars. If you try to give a billion dollars to a charity, you crush it. One of the things that got Michael excited about this is it is infinitely scalable. You can give almost any sum, and it is able to absorb it. And by the way, it is also not subject to capture. It is not going to get taken over. Look, Henry Ford and John D. Rockefeller have got to be rolling over in their graves because their fortunes have been captured by ideologues who hate the capitalist system that produced their wealth. If you are thinking about how to responsibly deal with philanthropy, the beauty of this is this can't be captured. There is no middleman. It goes directly to the next generation as they all become capitalists. That is 100 percent hitting your target. And so, I think anyone who is contemplating philanthropy, this is worth being a very significant part of what you look at.

Brad Gerstner 37:03

And this guy did in his research—and this really moved Michael Dell. We know from controlled studies, if you start off life with savings and investment, you are more likely to graduate from high school and college, more likely to buy a home, more likely to start a business, less likely to have psychological and behavioral challenges.

Kevin Hassett 37:23

Or go to jail.

Brad Gerstner 37:24

Less likely to be incarcerated. The societal ROI on getting everybody into the game is off the charts. And for Michael and Susan, they said, "We can invest gross tonnage in all the kids of America with no charitable overhead." Most charities are taking 30 to 40 percent charitable overhead. Instead, it is direct ownership into all of these accounts. That is why I think when you look at this, and we talk about \$10 trillion of wealth transfer over the next decade, if we just have 10 percent of that philanthropy go through here, that is another trillion dollars in gifts directly to America's kids.

Kevin Hassett 38:02

And it says, "Please wrap up," but I know Mike is going to have some final words. But I just want to say that I also think that none of this would have happened if it wasn't for all of the discussion about this that has been going on over the last decade at Milken conferences. And Mike has made economic mobility his number one issue for decades. If I think of the thousands and thousands of Milken Scholars—kids who had their college paid for by Mike—that he's been focused on mobility like a laser beam throughout his career, none of this would've happened if he had not built the infrastructure that was necessary to do the analysis that was convincing to Michael Dell and the members of Congress. So, Mike, thank you.

Michael Milken 38:47

Thank you, Kevin. But in closing, you just need to understand the challenge in our country. A very large percent of the country does not have any savings. And likewise, as Senator Cruz has pointed out, many of our leaders in politics want you to give them your money so they can decide who they can get. Don't underestimate—in the future, the challenge is: Do you have the right to decide where your money goes, or should you be giving it to the government and let them decide where it goes? And as Brad said, it is an amazing thing when you eliminate all the middlemen and 100 percent—and we also probably didn't touch on—Senator, Kevin, and Brad—that there are no fees. There are no management fees. There is no cost of opening the account, and you can imagine what that will do to the rate of return. So, we are concerned, and I just want to underline a comment that Senator Cruz said. If we look at the potential challenge to our country and its future, it has been the demise of our K-12 education system. And in our session on Friday, we have the chancellor of the University of California, San Diego. This is the leading college that was created in the last 60 years in America. It is a science university. And 40 percent of their kids who have 4.0 graduate degrees—4.0 grades coming out of high school that they have accepted—40 percent of them need middle school math today. Middle school, not high school, not college. If we accept what has happened to our students, it has been so significant here, and it is not just math. There are school districts, for example, around Chicago, where not one child in the entire school district is reading at grade level or

math at grade level. And so, Senator Cruz, I just want to thank you again for those activities you have taken. And today in Texas, for example, all kids can have access to giving them a choice of a school to go to. So, we're going to change the world here by creating investors. And Kevin, I didn't give you a chance to talk about the multiplier effect of 70 million kids who have trillions of dollars with their money in our capital markets and what that is going to do for growth. So, these three individuals will look back a decade or two from now, change the world for our country, and probably change the narrative, and 70 million kids under 18 will view the world differently in the future. So, thank you all three.

Kevin Hassett 42:10

Thank you. Thank you, Mike.

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