

MICHAEL J. BOSKIN

What sets **Michael Boskin** apart in the minds of his boardroom colleagues?

“When you have a problem, you always want to know what he thinks.” So says former Secretary of State **George Shultz**. Shultz sat on the **AirTouch** board with Boskin.

“He has short- and long-term interests, which is rare given today’s short-term market view,” adds **Marilyn Nelson**. Nelson, CEO of **Carlson Holdings**, sits on the **Exxon** board with Boskin.

“He has a wonderful ability to analyze complex deals and help other board members understand why they make sense,” sums up **Sam Ginn**. Ginn is chairman of the newly formed **Vodafone AirTouch** board.

“He is diligent, dedicated and interested,” concludes **Don Lucas**. Lucas serves on the **Oracle** board with Boskin.

“I can’t remember a time when he wasn’t well briefed for a meeting,” nods Ginn. “You don’t always get that with directors.”

Boskin, Professor of Economics and Hoover Senior Fellow at Stanford University, is uncomfortable with being singled out, and quick to downplay his own role in the boardroom. He prefers to credit his fellow board members for “their dedication to the company, its shareholders, and its workers,” as well as for “their experience, knowledge, and savvy.” In his view, each of the directors on the boards he serves brings special talents.

Ginn reports that Boskin put his particular talents to work at a critical time for Vodafone AirTouch shareholders. The company was spawned by the merger of U.K.-based **Vodafone Group** and U.S.-based **AirTouch Communications**. AirTouch was the wireless business spun off from baby bell **Pacific Telesis**. The deal, completed in June, created the company with the largest number of mobile phone subscribers in the world – more than 28 million people in 23 countries.

Boskin was a member of the AirTouch board when Vodafone came courting.

The merger was approved and completed inside of six months – rapid for a merger of that size, confirms **Brian Bugbee**, an analyst at **Value Line**. This contrasts with other international deals which have found themselves mired in a regulatory and political morass.

“Michael had an extremely helpful network of contacts” in Washington, D.C., explains Ginn. “His ability to outline the complex process for the merger was extremely helpful.” Ginn reports that Boskin’s knowledge of Washington was key to getting the merger through regulatory channels smoothly. “He understood the SEC and the Department of Justice,” Ginn continues. Boskin’s insight came from firsthand experience. He’d served in



BORN

September 23, 1945, in New York, New York

EDUCATION

B.A., M.A., Ph.D., University of California

CAREER HISTORY

Currently T.M. Friedman Professor of Economics and Hoover Senior Fellow at Stanford University and Principal, Boskin & Company; formerly Chairman of Council of Economic Advisors

FAMILY

Married to Chris for 18 years

HOME

Portola Valley, California

HOBBIES

Tennis, skiing, reading, theater, movies

RECENT BOOKS

Titan, by Ron Chernow; *The Greatest Generation*, by Tom Brokaw; *Fermat's Enigma*, by Simon Singh

MOST ADMIRED PEOPLE

“My parents, who are both deceased.”

FAVORITE VACATION

Skiing in Idaho

CURRENT BOARDS

Exxon, First Health Corporation, Oracle, Vodafone AirTouch

government from 1989 to 1993 as Chairman of the Council of Economic Advisors.

And AirTouch shareholders benefited. They received one half of a Vodafone ADR, as well as \$9 cash, for each AirTouch share they held. Vodafone's stock was trading at \$160 in early 1999. It went as high as \$216 in the early euphoria of the merger announcement. Since the merger's completion in June, the stock has traded in the \$199 range.



Boskin speaking at a Stanford outdoor seminar.

Boskin's Exxon board colleagues respect his dedication to learning facets of the business. The business of the world's largest oil and gas company, which plans to merge with **Mobil** in an \$80 billion deal, is not an easy one to understand. But Boskin works at it. Case in point? "He didn't think he knew enough about the chemical

part of Exxon's business," reports fellow director Nelson. "So, he spent a lot of his own time with the experts in that field in order to learn."

Boskin is typically understated about that event. "When you hear people talking about polypropylene and eth-

out. "Michael has been very conservative about how soon it would come back." His advice has factored into corporate projections and strategy.

First Health Group chairman **Tom Pritzker** is succinct about Boskin. "He makes me look good," smiles Pritzker.

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—George Shultz, former Director, AirTouch

ylene, it's useful to know more about it," he shrugs.

Boskin's analytical skills have also played an important role at Oracle, the world's leading developer of database management software. An unclear strategy made the company's stock price lag through much of 1998, and the business press began hammering on CEO **Larry Ellison's** absence at the helm. Insiders say Boskin has been a key member of the team that Ellison has been working with to formulate and define his new Internet-based strategy and to develop a new advertising thrust. And Wall Street likes what it is seeing. Over the course of several months, the stock has turned around.

"I've gained an appreciation for the speed with which technology is changing in computer software, networking, and other areas," Boskin says about his work with Oracle. "I have found most fascinating the strategy of dealing with all the moving parts of a rapidly changing industry."

Oracle has also benefited from his skills as an economist. Fellow director Lucas explains that the question of how quickly Asia would recover was a crucial one for the company. "It's an important market for us," he points

"Michael is a very conscientious, very good director." Pritzker also appreciates that "your problems are his problems. He's a sounding board, and he's high on my list for that."

Recently, First Health decided to undertake a modernization of its board systems and committees. "Michael helped us think that through. He helped us describe the role of each committee," explains Pritzker. As chairman of First Health's Directors' Affairs Committee, Boskin heads up the evaluation and review of the board members.

Boskin's dedication to his board service – and to his academic career – has been sorely tested. Several months ago, he was in a serious car accident, from which he is still recovering. However, Boskin has continued to attend board meetings, first by phone, and later in person. He has also continued to fulfill his responsibilities as a teacher – even to the extent of reading a student's Ph.D. thesis in the hospital.

Now able to attend board meetings in person, Boskin jokes: "I tease my fellow directors by saying I had to get better because I couldn't understand them on the phone."