

# ★ MANHATTAN INSTITUTE ★ PRESIDENT'S UPDATE 2012 ★ SPRING



Lawrence J. Mone

## DEAR FRIENDS,

November's presidential election is sure to have a lasting effect—for good or ill—on our nation. And not just for the next four years, but for generations to come. In this challenging moment, we must keep the debate focused on what's most important: charting a path back to growth and prosperity. To achieve this goal in a complex and rapidly changing environment, the Manhattan Institute has launched a new program that we are calling Issues 2012.

### Issues 2012

Election years provide an opportunity to introduce significant policy ideas, whether new or previously overlooked, into the public discussion. Those of us whose mandate is the continued education of the public must also intervene when myths and fallacies are paraded as facts. Issues 2012 provides the context and analysis to improve understanding of key public policies. It will include coverage, response, and anticipatory work expressed in the form of short white papers, a public debate series, and, of course, our traditional Manhattan Institute formats.

For examples of how this new series is already moving the debate, please visit our website to read a pair of editorials from *Investor's Business Daily* which highlight two Issues 2012 reports released in March: "Why Obamacare will End Health Insurance as We Know It," by MI visiting scholar Richard Epstein and former Federal Trade Commission special counsel David Hyman; and "The Myth of Increasing Income Inequality" by senior fellow Diana Furchtgott-Roth. Please also take the time to see MI



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senior fellow Avik Roy's most recent work. Roy, of our Center for Medical Progress, has lately emerged as one of the freshest voices in the national debate over health care reform. In a March 28 *USA Today* op-ed, he offered a strikingly original analysis of the problems with the "individual mandate," the Obamacare provision requiring most Americans to purchase health insurance by 2014 or pay a penalty. "The mandate's proponents call it an 'individual responsibility' requirement. But its real aim is to force young people to cover up for irresponsible government policies: laws that force hospitals to care for people who don't pay, and laws, like Obamacare, that make insurance too expensive." The op-ed landed just as the Supreme Court was hearing oral arguments on the constitutionality of the mandate. It is this sort of timely analysis that will be a hallmark of our Issues 2012 briefs.



Senior fellow Avik Roy (left) and Paul Starr (right) at our first Issues 2012 debate moderated by Howard Husock (center).

Roy was also the first MI fellow to take part in our new series of Issues 2012 public debates; he and Princeton University professor Paul Starr debated whether the Obamacare law should be amended or repealed. In his remarks, Roy emphasized that access to health insurance does not guarantee access to good health care—citing the significantly worse health outcomes for Medicaid patients, whose ranks would be greatly expanded by the new law. Such analysis is firmly in the Manhattan Institute tradition—moving the debate by making clear how poorly conceived policies fail on their own terms.



Wall Street Journal editorial board member Mary Kissel interviews senior fellow Robert Bryce.



DIANA FURCHTGOTT-ROTH  
Manhattan Institute  
Senior Fellow





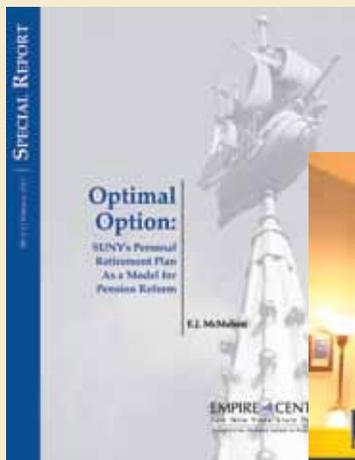
war chests for political activity from dues checkoff and agency-shop legal provisions that automatically fund unions' political activities out of members' paychecks. Because part of the Walker reform was to end the mandatory collection of union dues, DiSalvo highlights the ramifications of this change in Wisconsin versus the results of mandatory dues in other states.

Also, with Wisconsin in mind, this summer MI fellow Steven Malanga will elucidate the benefits of collective bargaining reform in Wisconsin by comparing the state's economic and fiscal trajectories with those of Illinois. If you missed it, head over to PublicSectorInc.org to read Malanga's devastating response to Paul Krugman's comparison of government hiring and spending during the recovery of Ronald Reagan's first term: "Krugman says that if local government were growing at the rate of the Reagan recovery we'd have some 1.3 million more 'schoolteachers, firefighters, police officers, etc.' To Krugman it seems inconsequential whether we need those additional 1.3 million government workers."

In the Institute's home state, the public sector continues to fight important reform. Empire Center senior fellow

E. J. McMahon has fought back, exposing the unsustainable cost of New York's public pension obligations. This has prompted officials, including Governor Cuomo, to propose changes in the state's pension law—specifically, to permit new employees to choose a defined-contribution plan like those offered in the private sector.

When the proposal drew union fire, the Institute was ready with a groundbreaking new report showing that a group of New York State employees has already been availing itself of and benefiting from just such a plan. The report compares the defined-contribution plan managed by TIAA-CREF—which has been voluntarily chosen by SUNY and CUNY employees for decades—with the traditional defined-benefit plans enjoyed by New York's public workers. Though Cuomo's proposal was ultimately scaled back, it demonstrates that meaningful shifts are occurring in elected officials' policy narratives. Lawmakers are waking up to the reality that—as a result of our work—fewer New Yorkers are in the dark about the massive, unfunded public-sector benefits that taxpayers finance, while public services they deem essential are landing on the chopping block.







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