

# MI

# 2013



# PRESIDENT'S YEAR-END UPDATE



MANHATTAN INSTITUTE FOR POLICY RESEARCH

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# INTRODUCTION



DEAR MI FRIENDS AND SUPPORTERS,



With our economic future in doubt and political paralysis in Washington, there is ample reason for concern about the country's future. But I urge you to consider what can still be accomplished.

Every day the American public understands more and more about what the “Affordable” Care Act really means. The cost of health care will increase dramatically for many, and at MI we have focused on making sure that there is no escaping that fact. On page 24-27 of this update you'll get a close look at how our communications strategy has shaped the debate over the past six months. I'm proud of the impact we have had. Looking to 2014, you can be sure that the Institute will continue to bring light to this debate. And in terms of what can be accomplished, we have a series of viable alternatives to the ACA that we will be releasing over the coming months. The ACA is not with us to stay—at a minimum, not in the way the president imagined it.

Across the nation, in the “laboratories of democracy” at the state and local level, serious opportunities remain. While the federal government can paper over certain issues by printing money or kicking the can down the road, governors and mayors must confront problems in the here and now. As usual, the Manhattan Institute is well positioned to help.

In July, when Detroit became the largest municipality in U.S. history to file for bankruptcy, the Manhattan Institute stepped in to assess the implications for local governments across the country. As senior fellows Daniel DiSalvo, Stephen Eide, Nicole Gelinas, Steven Malanga, and E. J. McMahon have demonstrated, the cost of public-employee pension and healthcare benefits—often promised by officials long since departed from office—are becoming too onerous for many of our cities to bear. On this front and others, the Manhattan Institute in 2013 spoke with a clear, consistent voice about policies that work to reduce crime, provide quality education to all children, stimulate business growth and entrepreneurship, and keep state and local governments financially sound.

I'm pleased to report that the Institute has taken the reins of the D.C.-based think tank e21, welcoming them as a new research center focused on macroeconomics. In just a few months under the leadership of senior fellow Diana Furchtgott-Roth, e21 has launched several successful new projects. You will read a short overview of these activities in this update, but I also hope you might visit the e21 website and sign up for their e-briefs. For those of us who care about economic growth and prosperity, e21 will point the way to a better future.

The coming year will bring many opportunities to advance ideas that favor economic freedom, individual responsibility, and a vibrant civil society. In these debates, as ever, fellows at the Manhattan Institute will continue to perform rigorous analysis of the challenges facing our cities, states, and nation, and introduce intellectually robust policy solutions. Ideas have consequences, and we are dedicated to ensuring that the best ideas stay at the forefront of the public mind. I deeply appreciate your interest in our efforts and hope that we earn your admiration in 2014. Thank you from all of us at the Manhattan Institute.

Sincerely,

A handwritten signature in dark ink that reads "Lawrence Mone". The signature is written in a cursive, flowing style.

Lawrence Mone  
President

# ALL POLICY IS LOCAL



**H**ealthy cities exemplify the strength and character of our nation. Spurred by a steady stream of striving newcomers, commerce and entrepreneurial imagination have historically flourished in the American metropolis. But to thrive, cities rely on effective governance at the state and local level. Too often today, mayors and governors have found themselves hamstrung by the increasing and unsustainable cost of public-employee pensions and retiree health-care benefits. These costs often must be paid at the expense of vital public services.

In response to this problem, the Manhattan Institute has been working to pave the way for reform-minded leadership in America's cities and states. Fellows at the MI Center for State and Local Leadership and the journalists of our quarterly magazine *City Journal* provide data and analysis that can help get mounting expenses under control. They also develop ideas that can help governors and mayors improve core services such as public safety and education.



Edited by senior fellow Stephen Eide, PSI shines a light on the ways in which public-sector unions deprive local governments of the resources to fund current services and, in the worst cases, push them to the brink of insolvency.

[www.PublicSectorInc.org](http://www.PublicSectorInc.org)

Many cities and states have struggled to rebound from the Great Recession, held back by high taxes, burdensome regulations, and a political juggernaut that we call Public Sector Inc. As public-employee pensions and retiree health-care benefits consume greater and greater amounts of taxpayer dollars, municipalities have been forced to take cops off the street and teachers out of the classroom while much-needed repairs to roads and bridges are canceled or delayed. These cuts to core public services undermine communities' quality of life and the possibility of economic opportunity—especially for the poor and vulnerable. Upward economic mobility is always challenging—but when streets are unsafe, schools are understaffed, and infrastructure is deteriorating, it becomes almost impossible. Unless cities and states seriously rethink the terms of public employment, resources available for essential public services will continue to be “crowded out.”

For many years, the fellows of our Center for State and Local Leadership have sought to drive this message home and inform people about the gravity of the problem. In an October paper, senior fellow Stephen Eide found that New York, under pressure from a 400 percent increase in pension costs, was forced to reduce the NYPD by 2,300 officers. In Los Angeles, pension costs forced a reduction of 1,000 employees in public works and more than 300 uniformed personnel in the fire department. As senior fellow Daniel DiSalvo has noted, unless pension and retiree health-care costs are reined in, “Americans will increasingly live in a paradoxical world of government that spends more and more to do less and less.”

The most tragic example of less for more—until there isn't any more—is Detroit. Our fellows have been chronicling the fall of this formerly great city for over a decade. During the week following the city's bankruptcy announcement, MI fellows, led by *City Journal* senior editor Steven Malanga, were featured in virtually every major media outlet urging cities around the country to draw lessons of fiscal prudence from Detroit's experience.

To help distressed municipalities avoid Detroit's fate, the Institute has introduced a slate of proposals to reform public-sector retirement benefits. Our October

Public-employee pensions, as currently structured, don't just harm the quality of city services; they don't even serve public employees very well. That's one of the conclusions of a paper discussed at our “Save Our Cities” conference: senior fellow Marcus Winters's recent study, co-authored with economist Josh McGee, *Better Pay, Fairer Pensions: Reforming Teacher Compensation*. Winters and McGee found that the typical compensation model in most school districts is a bad deal for most educators, especially those who do not remain in the district for the 30 years typically necessary to obtain the maximum pension payout. They propose a method to preserve the financial integrity of pension systems—and serve teachers better: increase teacher salaries, rather than concentrating compensation in the retirement years. Teachers would be free to invest their earnings, and school districts, by offering more attractive salaries, could recruit top-quality new teachers.





conference on the subject, cosponsored with RealClearPolitics.com, was headlined by former Michigan governor John Engler, former Los Angeles mayor Richard Riordan, and current San Jose mayor Chuck Reed, and focused on what is possible when policymakers work to keep public pensions from decimating the resources available for public services. As in the past, elevating the example of courageous local leaders remains a central component of our strategy of showing that meaningful change is possible—and that public-spirited citizens must demand reform. In pushing back against union-led grabs for a disproportionate share of city and state budgets, we are laying the groundwork for shared prosperity.

We recognize that reform will not be easy. What is necessary, as Steven Malanga wrote in *The Wall Street Journal* in March, is a taxpayer movement that will send the signal to public officials that they must cease to mortgage the future to pay back political debts.

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**“Why would a Democrat take on pension reform over the objections of [public sector unions]? Because doing nothing put us at risk of service delivery insolvency and ultimately, bankruptcy.”**  
—San Jose Mayor Chuck Reed

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From left to right: Howard Husock, Stanford professor Josh Rauh, E.J. McMahon, Marcus Winters, and Stephen Eide.



# SAVE OUR STREETS

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“While it will take years for Detroit to regain its financial footing, the city can move quickly to turn the corner on crime.”

—Michael Allegritti, RealClearPolicy

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For more than 20 years, the Manhattan Institute has been a thought leader in promoting effective ways for big cities to control crime—an effort predicated on our understanding that, absent public safety, cities simply cannot succeed. MI senior fellow Heather Mac Donald has led the way this past year, highlighting the important role of tools such as “stop-question-and-frisk” in dramatically reducing crime—especially violent crime. Mac Donald has emphasized that the major beneficiaries of the reduction in crime have been residents of poor and minority neighborhoods.

Longtime MI senior fellow George Kelling and the late James Q. Wilson understood this. As the intellectual leaders of the Broken Windows crime-reduction revolution, Kelling and Wilson argued that when police crack down on so-called minor offenses, a reduction in more dangerous crimes follows. Data-driven policing has helped make New York among the safest large cities in the world, and influenced police practices nationally and internationally. Preventing a return to the lawlessness of previous eras will require a resolute commitment. Now and in the future, policymakers in cities across the nation must resist those looking to deprive law enforcement of the tools necessary to keep crime at bay.

Over the years, our work on this issue has occasionally led to collaborations with reform-minded leaders on the implementation of these ideas—in cities such as Newark and Detroit, long characterized both by concentrated poverty and high crime. Since early 2012, we have worked closely with the Detroit Police Department (DPD). At the request of the mayor, the Manhattan Institute initiated a community policing pilot program based on the Broken Windows approach. In Detroit, our team urged a focus on breaking-and-entering—so-called home invasions, which threatened to undermine some of the city’s few remaining healthy neighborhoods. The approach has





Michael Allegretti and George Kelling give a press conference in Detroit.

shown progress: home invasions declined by 26 percent in the pilot neighborhood—and we were asked to expand our efforts in the Motor City. This year, working with the city’s state-appointed emergency manager, we have partnered with the DPD to implement a community policing program in additional neighborhoods. We also recruited William Bratton, a longtime friend of the Institute who has served as police commissioner in New York, Boston, and Los Angeles, to help the DPD develop a new plan of action.

It is our hope that Detroit, along with other former dynamos of commerce and productivity, will thrive once again. Clearly, many reforms will be important, such as innovations in public education, investment in new infrastructure, and pro-growth economic policies. But for these locales to have a chance at recovery, it is essential that they be able to keep their residents safe.

We believe that if we can encourage and preserve public-safety gains in Detroit—one of the most dangerous cities in the United States and currently in the throes of the largest municipal bankruptcy in our nation’s history—other locales will take notice and pursue similar reforms.

From left to right: NYU professor Dennis C. Smith, William Bratton, Heather Mac Donald, and Brian Anderson.



The Manhattan Institute has been a longstanding leader of the education-reform movement, injecting ideas and urgency into the debate. Choice and competition, quality instruction, and content-rich curricula—all are essential to improving American education in the twenty-first century, and all have been hallmarks of the Institute’s work in education.

In recent years, the seeds of reform planted by MI and other advocates have begun to flower. States such as New York, New Jersey, and Connecticut recently passed stricter teacher-accountability measures, introducing rigorous requirements for obtaining and retaining tenure. In addition, the nation’s charter-school sector has continued to enjoy great momentum. In New York City alone, during the past decade, 160 charter schools have been founded and are educating approximately 70,000 students. These schools are setting examples of effective practice and, in those cases of poor performance, a new level of teacher accountability.

The Institute has promoted these reforms and empirically analyzed the results. MI senior fellow and education-policy scholar Marcus Winters has found, for instance, that student test-score data is essential for evaluating teacher effectiveness—and thus a step toward improving student performance. Winters has also examined the charge that charter schools tip the achievement scales by not enrolling hard-to-teach students with learning disabilities. In his September study *Why the Gap? Special Education and New York City Charter Schools*, he found that charter schools in New York have lower enrollments of special-education students in part because charters resist classifying students as learning-disabled in the first place. Unlike district schools, charters are refusing to lower their expectations and are mainstreaming many students who had been previously classified as learning disabled.

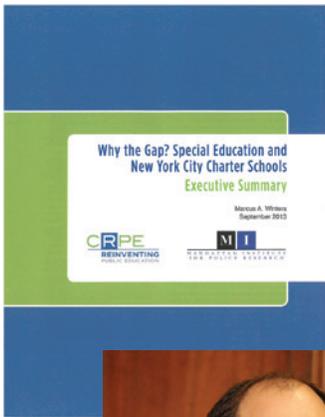
The Institute’s scholars know that high-quality, content-rich curricula is just as important to our kids’ future as choice and competition in education. As senior fellow



## In Memoriam: Peter Flanigan (1923-2013)

This year, the Manhattan Institute lost good friend and longtime trustee Peter Flanigan. But the country and city he loved lost more than that. Peter was a strong believer in educational choice and devoted much of his time and money to New York’s Catholic schools. He founded Student Sponsor Partners, one of the country’s first and largest private school choice programs, which has helped 6,000 at-risk New York City students graduate high school. He also was instrumental in the launch of the Center for Educational Innovation at the Manhattan Institute, a hands-on think tank that works to create a number of exceptional public schools across the city.

We were privileged to work with Peter over the past 25 years as he immersed himself in the world of ideas. His legacy will live on through all those whose lives he touched.



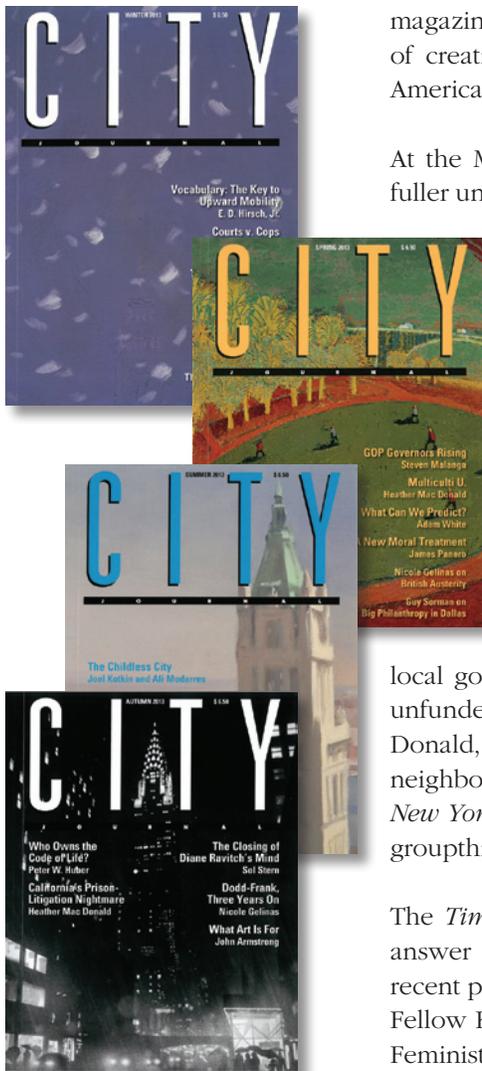
Marcus Winters

Sol Stern has unrelentingly driven home, so-called progressive theories of education have, over the past generation, contributed to a diminution of the rigor of much in-class instruction in America. Stern, an ardent proponent of the work of education reformer E. D. Hirsch, has insisted that schools must reacquire a focus on inculcating knowledge in traditional subject areas. In its winter issue, *City Journal* ran an article by Hirsch himself, “A Wealth of Words,” which made the argument that curricula that enhance students’ vocabulary are crucial for helping disadvantaged children obtain upward mobility. As many states adopt the new Common Core standards, Stern has argued that it is essential that districts employ truly high-quality, content-rich curricula.

Alongside our efforts to improve academic achievement, we have called attention to the resurgence of a career-focused curriculum at the high school level that can help students at greatest risk of dropping out acquire the skills they need to find rewarding, well-paying work. Our June conference on career and technical education showcased the new wave of CTE—career and technical education—in New York, which is preparing young people for jobs in specialized modern trades and high-tech industries. In November, we published a report by former senior fellow Tamar Jacoby on the rise of CTE and how it might become more effective by implementing European-style apprenticeship models of instruction.

In these efforts and others, whether the focus is accountability, choice, charter schools, or curriculum, our work on education is guided by a simple notion: encouraging what works best for kids. Unfortunately, not all those with interests in our public education system share that commonsense priority. Teachers’ unions and their allies have resisted many of these developments. Charter schools, in particular, are under attack, and a new wave of policymakers is advancing ideas to make it more difficult for them to open and operate. Our scholars will continue to combat the rhetoric of reform opponents with facts and analysis, and articulate ideas that improve education for kids rather than serve the special interests of adults.

“*City Journal* offers creative ideas about the hard truths that must be addressed to keep the world’s greatest city thriving in this young century.” This line, taken from a June *New York Post* editorial about a special issue focused on the New York City mayoral election, encapsulates the mission of the Manhattan Institute’s quarterly magazine. For more than two decades, *City Journal* has been a constant source of creative ideas to meet the toughest challenges facing cities and states across America.



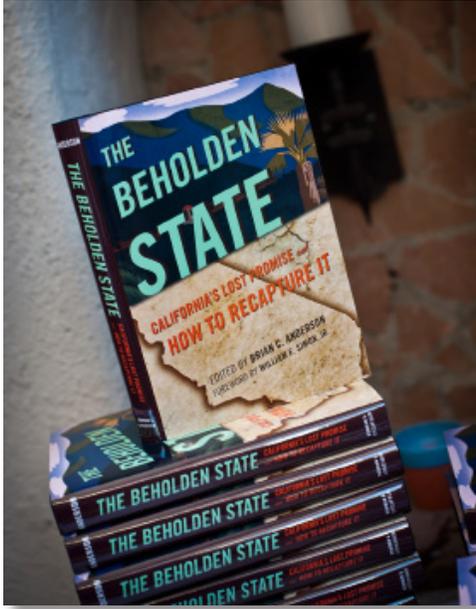
At the Manhattan Institute, we believe that high-quality journalism can lead to a fuller understanding of public policy issues. To gain insights into the concrete effects of laws, court rulings, programs, nonprofit ventures, and ideological currents, *City Journal* undertakes the methodical, drawn-out work of hitting the pavement, talking with people, and digging through archives. Even as traditional commercial journalism continues to struggle in the Internet age and major papers have been forced to cut back on their reporting staffs, the Manhattan Institute remains committed as ever to providing a platform for rigorous reporting about policy questions that matter.

*City Journal* editor Brian Anderson oversees a roster of in-house journalists and outside contributors whose expertise runs the gamut of public policy issues. Senior editor Steven Malanga, whom former Florida governor Jeb Bush praised as “the best thinker on state and local government fiscal problems,” provides masterful coverage of the dangers of unfunded pension liabilities and escalating debt. Contributing editor Heather Mac Donald, who ventures into public housing projects, prisons, and gang-plagued neighborhoods to get the facts on policing and social policy, has, in the words of *New York Times* columnist David Brooks, a gift for “puncturing sentimentality and groupthink.”

The *Times* itself regularly calls on Searle Freedom Trust Fellow Nicole Gelinas to answer questions pertaining to transportation, infrastructure, and local finance. A recent profile of another longtime *City Journal* contributing editor, William E. Simon Fellow Kay Hymowitz, by the Independent Women’s Forum, “Portrait of a Modern Feminist,” notes that Hymowitz is a “leading voice challenging liberal orthodoxy” on issues pertaining to poverty, inequality, family breakdown, and culture and a writer who “has never shied away from her search for the truth, no matter where it takes her.” Harvard University economics professor Edward Glaeser, urbanist Joel Kotkin, psychiatrist and social critic Theodore Dalrymple, and Guy Sorman, one of France’s leading public intellectuals, round out the mainstays of *City Journal*’s distinguished stable of writers.

We are pleased to see our work reach more and more readers throughout the country—

**Jeb Bush** @JebBush 30 Mar  
Steve Malanga is the best thinker on state and local government fiscal problems. [on.wsj.com/XpWuzP](http://on.wsj.com/XpWuzP)  
[View summary](#)



through print subscriptions, our website, newspaper adaptations, and anthologies. One of the anthologies produced this year, *The Beholden State: California's Lost Promise and How to Recapture It*, brings together several years of *City Journal* essays dissecting the Golden State's fiscal, economic, educational, and social problems—providing ideas to help California and other states facing similar challenges. Californian Charles Kessler of the Claremont Institute observed: “The editors and writers of New York’s sprightly *City Journal* have gone west, young man, and have returned with a gold nugget of political wisdom. How California became a basket case, and why it needn’t remain one—these are the twin veins worked in this sobering and inspiring volume.”

It is no coincidence that “city” is part of *City Journal*'s name. As Ed Glaeser argued in an essay in the winter 2013 issue, “The GOP and the City,” too many conservative policymakers have become dismissive of cities. Not only does this attitude compromise their own chances of electoral success; it also deprives urban areas of advocates for the kinds of ideas that truly help cities prosper. Law and order, school choice, and welfare reform—ideas that have been integral to the American urban renaissance of the past two decades—originated largely among the right-of-center policy discourse, in the pages of *City Journal*, in particular. In the years to come, this magazine will remain the leading voice of conservative urbanism, a philosophy that envisions cities as safe, law-abiding, culturally vibrant, and the loci of innovation and economic growth.

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“The *Times* never seems able to find people like Felix—minority New Yorkers who fervently support the police.”  
—Heather Mac Donald




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“Boys see that men have become extras in the lives of many families and communities, and it can’t help but depress their aspirations.”  
—Kay Hymowitz

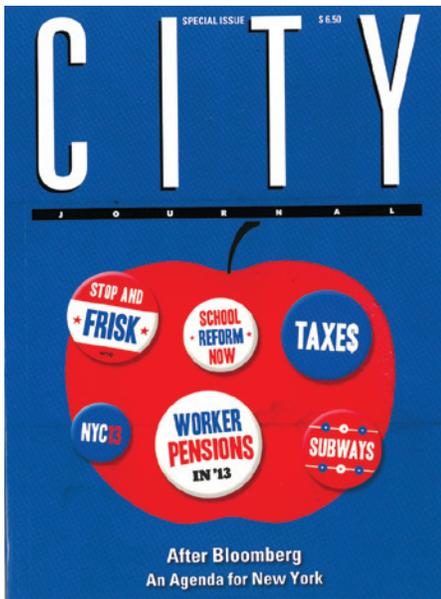



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“CalPERS has piled up a crushing amount of pension debt, which California residents—and their children—will somehow have to repay.”  
—Steven Malanga



# NEW YORK'S UNCERTAIN FUTURE



After 20 years of sensible—and, at times, inspired—leadership from Rudolph Giuliani and Michael Bloomberg, who brought the city back from near-ruin and made it again a symbol of urban flourishing, New York faces serious challenges to its prosperity and well-being. Yet the campaign to succeed Bloomberg as mayor mostly ignored those challenges. This year, our contribution to New York’s civic discussion centered on a special edition of *City Journal*, a “state of the city” assessment at the sunset of Bloomberg’s tenure that offered practical advice to his successor on how to keep the city healthy in the years ahead.

In producing this special issue, we were guided by the findings of a Zogby poll of New Yorkers commissioned by the Institute—a poll that revealed that safe streets and good schools remain voters’ top priorities. In the special issue, we argued, as *City Journal* has relentlessly insisted over the years, that nothing has been more important to New York’s turnaround than the triumph over crime. In “What Is a Mayor’s Job?,” Myron Magnet eloquently evoked what the city was like prior to the policing revolution of the 1990s, when citizens had to avoid eye contact on the street and triple-lock their doors. The crime turnaround—murders down from 2,262 in 1990 to just 414 last year, the lowest per-capita rate ever recorded in the city, with other felonies similarly plummeting—resulted from the proactive, data-driven policing (described earlier) championed by the Manhattan Institute and introduced by Giuliani and his first police chief, William Bratton.



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“If you’re looking for gurus on New York, look to Myron Magnet and Heather Mac Donald. They know everything.”

—*National Review* senior editor Jay Nordlinger

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“[This special issue] proposes solutions that many are afraid to speak honestly about.”

—*New York Post* editorial board

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These new tactics were maintained and refined by Bloomberg and his top cop, Raymond Kelly, who, over the last 12 years, developed the nation’s most effective antiterrorism intelligence operation. In “Safe Streets Ahead?”—an adaptation of which was published in *The Wall Street Journal*—Heather Mac Donald cataloged the legal and political forces that threaten to reverse that policing revolution and make the streets safe again for predators.

The special issue also offered a slate of policy prescriptions concerning other problems, grounded in the Institute’s core principles of economic choice and individual responsibility. To alleviate some of the impending budget crunch posed by public-employee compensation and retirement costs, Steven Malanga recommended requiring city workers to contribute to their health-care premiums. Howard Husock proposed phasing out rent stabilization to bring greater competition into the frozen, overregulated New York housing market. And, in the view of Edward Glaeser, the city could make itself more fertile ground for new small businesses to sprout by reforming taxes and cutting burdensome regulations. The education advice for the next mayor included resisting calls for additional charter school regulations, pressing the teachers’ union to agree to rational changes in the salary schedule, and using the bully pulpit to mobilize a rescue effort for the city’s Catholic schools, which have done much to educate disadvantaged students of many backgrounds.

It is critical that the next mayor work to preserve the gains made over the past 20 years, as well as deal intelligently with the city’s emergent challenges. As the incoming administration formulates its agenda, the Manhattan Institute will continue to remind the city of the public policies that have made New York stronger, as well as the ideas that can make it flourish well into the twenty-first century.

From left to right: E.J. McMahon, Steven Malanga, Edward Glaeser, Nicole Gelinas, and Brian Anderson.



# A Strong Voice in the Nation's Capital



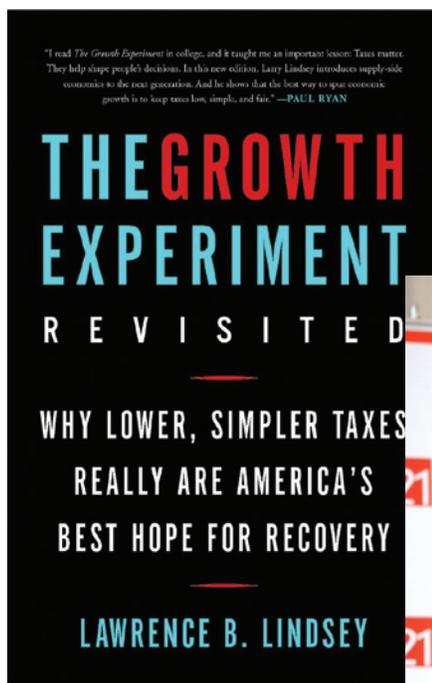
For 225 years, the prosperity and security of the United States of America has benefited from the providential interplay of several unique—and historically rare—factors: Constitutionally protected freedoms of speech and assembly which safeguard a vibrant civil society; a legal system that protects and enforces property rights in order to encourage innovation and reward hard work; and a market economy that promotes growth, creates opportunity, stewards our natural resources, and generates surplus to help those in need.

Throughout our over three decades of work, the Manhattan Institute has focused on preserving this noble experiment in self-government for future generations of Americans. In the current environment of record deficits, multi-trillion-dollar debts, and an entitlement state consuming an ever-increasing portion of our national wealth, the stakes couldn't be higher. That's why Institute scholars are on the ground in the nation's capital, moving the debate in Washington and across the country, and advancing policies that increase prosperity and promote upward mobility.

As we struggle to cope with the slowest recovery in postwar history, the United States is in desperate need of policies that will spark economic growth and spur job creation. Instead, the economy sags under the weight of burdensome regulations and mandates that discourage entrepreneurship and innovation as participation in the labor force spirals downward and young people put their dreams on hold. Changing course will start with a clear understanding of our policy choices—and a strong voice providing constructive policy guidance. These are the goals of the Institute’s new research center, Economic Policies for the 21st century—or e21.

Established three years ago as an independent think tank, e21 has developed a reputation on Capitol Hill as a go-to source of rigorous economic policy analysis. Now under the leadership of senior fellow and distinguished labor economist Diana Furchtgott-Roth, e21 will expand its research on monetary and fiscal policy and identify current policies that hold back recovery. Furchtgott-Roth will be joined by MI’s new Walter B. Wriston fellow, Scott Winship, formerly of the Brookings Institution, who’s been called one of the “go-to guys” in the debate over the actual extent and significance of income inequality. We will share findings by Winship, Furchtgott-Roth, and other contributors through e21’s daily e-brief, an e-mail “blast” that is widely read by congressional staffers.

As Washington grapples with the federal budget and debt limit, the Institute will intensify its efforts to guide policymakers in these and related areas.



Lawrence Lindsey



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**“This is the book that Paul Krugman is terrified everyone will read.”**  
—Kevin A. Hassett, *National Review*

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This fall the Manhattan Institute sponsored the publication of a new edition of *The Growth Experiment* (Basic Books), the seminal book authored by former MI fellow and former director of the National Economic Council Lawrence Lindsey. In *The Growth Experiment*, Lindsey makes clear that basing fiscal policy on wealth redistribution—so much in fashion in Washington today—will neither spur growth nor ultimately help its purported beneficiaries. His proposal for tax policy, in contrast, is one that would encourage real and lasting growth—and, as John F. Kennedy said, create that rising tide to lift all boats. Lindsey’s ideas are, once again, attracting attention at the highest levels. At an event moderated by *Wall Street Journal* editorial page editor Paul Gigot, Congressman David Camp, chairman of the House Ways and Means Committee tasked with writing tax policy, noted that Lindsey has “really given [the Committee] the up-to-date insightful economic analysis that we need as we try to deal with the tax policy, trade policy, and all the other issues that come before the Committee.”



The e21 initiative brings to the Institute the opportunity to support and promote the work of the Shadow Open Market Committee, long among the most respected monitors of macroeconomic policy. Founded in 1973 by Karl Brunner and Allan Meltzer, the SOMC evaluates—and not infrequently offers criticism of—the policy choices and actions of the Federal Reserve’s Open Market Committee. Its work is particularly timely, in light of the impending change in leadership of the Federal Reserve, for the first time since 2005, and given the controversial emergence of monetary policy as a preferred means to jumpstart economic growth. The Institute’s location in New York, the financial capital of the world, makes the MI/SOMC partnership a natural fit. We look forward to the many fruitful years of research and analysis that it will surely produce.

Rep. Dave Camp (R, MI)



**“A trillion dollars later, we have weaker GDP, we have lower inflation, we have higher interest rates.”**  
**—Kansas City Fed president Esther George**

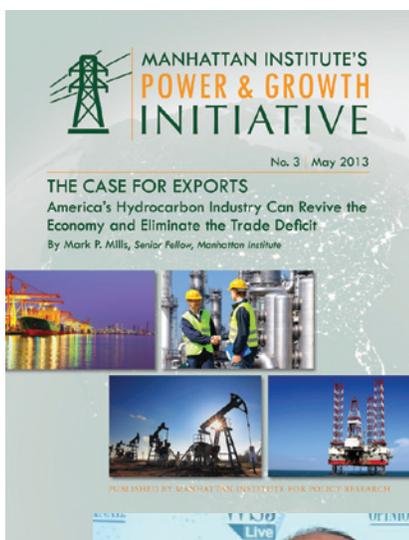


Esther George



Diana Furchtgott-Roth

“Download a copy of *The Economic Effects of Hydrofracturing on Local Economies: A Comparison of New York & Pennsylvania*, written by Diana Furchtgott-Roth, a senior fellow with the Manhattan Institute. It shows how smart choices can bring great financial benefit to rural communities”—*U.S. News and World Report*



Nearly a decade ago, when predictions of oil shortages and eco-disasters were common, Manhattan Institute senior fellows Peter Huber and Mark Mills wrote that our supply of energy was actually “a bottomless well.” Human ingenuity and investment meant we would “never run out of energy,” they wrote then. They were right. New technologies have produced a boom in natural gas production and are poised, incredibly, to make the U.S. the number one oil producer in the world.

In the past five years alone, the shale hydrocarbon revolution has contributed over \$400 billion a year to the U.S. economy and attracted nearly \$200 billion in foreign direct investment in America. As senior fellow Mark Mills explained last May in his report, *The Case for Exports*, the U.S. has become a net exporter of refined hydrocarbons (gasoline and diesel); it is not a question of whether but when we will become a net exporter of natural gas. To achieve this potential, Mills says, the federal government simply needs to get out of the way.

Center for Energy Policy and the Environment scholars have brought attention to these stunning developments and highlighted the economic boom that the energy sector promises to ignite—so long as it is not stymied by anti-growth policies. In addition to producing policy research, they have educated the public about this potential through articles in MI’s *City Journal* (adapted coast to coast, including in *The Wall Street Journal* and the *Los Angeles Times*) as well as op-eds in papers such as *Politico*, read by the most influential players in Washington.

To generate forecasts about our energy future from top industry and market analysts, MI convened an October CEPE conference titled “The American Oil and Gas Renaissance.” Moderated by senior fellows Robert Bryce and Mark Mills, the conference featured a discussion about the public energy demand and underappreciated technological innovation that jumpstarted the U.S. shale revolution. We also explored the geopolitical implications of expanding U.S. hydrocarbon output. Panelists agreed that we have supplanted OPEC as the dominant player in international energy markets. As Bryce stated, “The energy superpower of today is

**AMERICA'S OPPORTUNITY: ENERGY EXPORTS**

For nearly 50 years, Americans worried about domestic energy scarcity. But we are now on track to become the world's largest hydrocarbon producer.

A new Manhattan Institute report finds that over two-thirds of America's \$750 billion annual trade deficit can be eliminated if the Obama administration and Congress follow three easy steps to increase oil and gas production, and exports.

**DIRECT BENEFITS TO THE U.S. ECONOMY**

- MANUFACTURING JOB GROWTH**  
Americans will see job growth in a variety of industries, largely in the hard-to-manufacturing and high-value services sectors.
- HEALTHIER ECONOMY**  
Decreasing imports and increasing exports will generate approximately \$600 billion or more to stimulate both GDP and job growth.

IMPORTS + EXPORTS = **\$600 BILLION** or more for the U.S. Economy

**WHAT WASHINGTON SHOULD DO**

- APPROVE** all pending export applications
- REMOVE** Commerce and Energy Departments' authority over exports
- REPEAL** legislation discouraging oil and gas production

Read our full report, *The Case for Exports* by Mark P. Mills to learn more about how our country can rise as the #1 source for hydrocarbons.

Manhattan Institute for Policy Research  
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manhattaninstitute.org

the United States,” and this is a tremendous achievement that shifts the world’s balance of power in America’s favor.

Mills brought a similar message to Capitol Hill, educating congressional offices from across the political spectrum, including: House Minority Whip Steny Hoyer (D-MD), Senator Heidi Heitkamp (D-ND), Republican staffers from the Senate Committee on Energy and Commerce, and staffers for the bipartisan Congressional LNG Export Working Group. While testifying before the House Energy and Commerce Subcommittee on Energy and Power this October, he reminded policymakers that “No fiscal stimulus is required to unleash all these benefits. The key to unlocking the opportunity is to revise—perhaps the better word is ‘revitalize’—regulations and legislation.”

In 2014, Mills and Bryce will continue to articulate why and how we can take America’s energy revolution to greater heights, especially by freeing the private sector to export our resources to other countries. Bryce will publish his third major book on energy policy, examining the benefits both for the U.S. and the developing economies of increasingly efficient energy-use technologies. *Smaller, Faster, Lighter, Denser, Cheaper: The Catalysts Driving Business and Innovation* will be released in May of 2014 by Public Affairs. It is sure to build on the ideas in his April 2013 CEPE report on the convergence of technologies—ranging from better drill bits and seismic data to robotic rigs and high-performance pumps—that has driven the American energy revolution forward.

Like all of the Institute’s work, our interest in energy policy is fundamentally motivated by our vision of greater prosperity for greater numbers of people. In the coming year, our energy policy team—which in addition to Bryce and Mills includes Diana Furchtgott-Roth, Peter Huber, and James Manzi—will continue to call attention to misguided, subsidy-based policies that undermine that potential for growth, and promote those policies that have proven so successful at increasing prosperity.

“The energy superpower of today is the United States.”  
—Robert Bryce



# THE FUTURE IS NOW FOR PRECISION MEDICINE



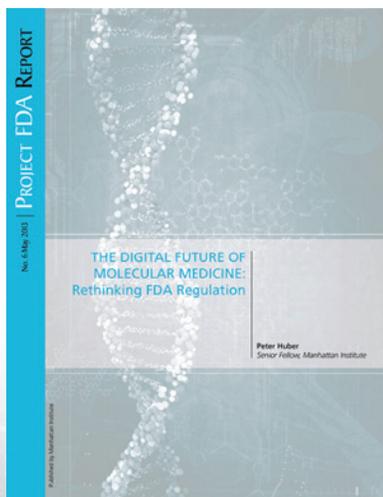
**PETER HUBER**  
MEMBER, PROJECT FDA  
SENIOR FELLOW, MANHATTAN INSTITUTE

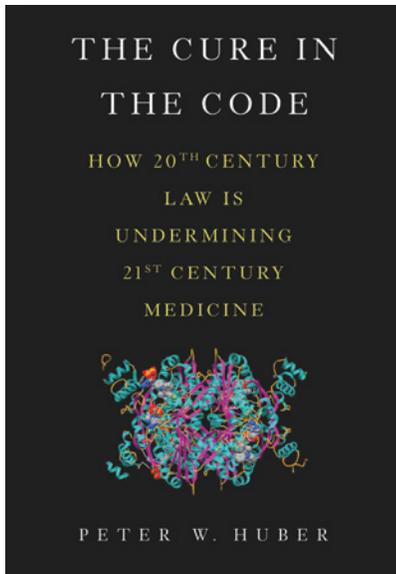
We are in the midst of a revolution in medicine. Even as Washington focuses narrowly on health insurance, science is moving in breathtaking new directions. Consider the example of an illness that has historically condemned its victims to a lifetime of suffering: cystic fibrosis. Last year, the U.S. Food and Drug Administration approved a new drug, Kalydeco, to treat CF. Significantly, however, it's a drug that has proven effective for just a small group (4 percent) of CF patients, with a very particular gene abnormality. For that 4 percent, it's as good as a cure—though not for other CF patients. Breakthroughs like Kalydeco reflect what we are learning about many diseases: the root causes of what appear to be a single illness can vary widely patient by patient. Human beings are, in many ways, genetically distinct—and they require treatments that account for that variation.

But as science and medicine leap forward, our regulatory system has fallen behind. Too often, in contrast to the approval of Kalydeco, the FDA has been reluctant to approve new drugs which work for some—perhaps even a few—but not for all. One-size-fits-all has worked in some areas—such as vaccines—but now risks denying life-saving treatments to those who can benefit from them.

Encouraging change at the FDA offers the hope of both saving lives and, because the agency regulates so great a share of the U.S. economy, spurring prosperity. The goal of FDA reform has inspired the Institute's Center for Medical Progress to initiate our Project FDA, led by CMP director Paul Howard and former FDA commissioner Andrew von Eschenbach. Through this effort, we are working to stimulate public demand for policies that create faster, more efficient pathways for developing “precision medicine” that is custom-made to attack disease at the individual, molecular level.

Few have been more effective in changing the terms of the conversation than MI senior fellow and Project FDA committee member Peter Huber. His work over the past six years—through *City Journal* articles and research papers such





as *The Digital Future of Molecular Medicine: Rethinking FDA Regulation*—has culminated in the release of his new book, *The Cure in the Code: How 20th Century Law is Undermining 21st Century Medicine*. In it Huber points the way for patients, doctors, investors, and policy makers to capture the full life-saving and cost-saving potential of the revolution in molecular medicine.

Called “the most important policy book of the decade” by George Gilder, *The Cure in the Code* explains how the advent of new technology, such as at-home genetic testing kits from companies like 23andMe, is making it easier and cheaper for people to understand their own biochemistries. Huber envisions a future in which, as more and more people obtain such personalized health information, they come to demand much needed change at the FDA.

At stake for America is not only the health of the nation but also the power to lead the world in mastering the most dynamic, competitive, and intelligent natural resource on the planet—the molecular code that spawns human life

and controls our health. Yet even as President Obama’s own President’s Council of Advisors on Science and Technology (PCAST) calls for policies similar to those of Huber and our Project FDA, the Affordable Care Act risks consigning us to the outdated, one-size-fits-all model, compromising health in the name of controlling costs. The work of

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**“This is the most important policy book of the decade, and it could only have been written by Peter Huber, a polymathic master of both the deadly menace and huge promise of bioscience, and scathing critic of the blindness of healthcare bureaucracy.” —George Gilder**

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Peter Huber—one of our era’s most original and imaginative minds—has already influenced energy policy (*The Bottomless Well*) and legal policy (*Galileo’s Revenge*). His work on the future of medicine may be his most important yet.

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Along with other industry leaders, scientists, and investors, 23andMe’s Linda Avey took part in our May conference titled, “The Digital Future of Molecular Medicine: Rethinking FDA Regulation.” Please visit the videos page on our website to view our new Project FDA short film, *Building a 21st Century FDA: Advancing Science, Saving Lives*.

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# THE HIGH COST OF OBAMACARE

When he spoke to the American Medical Association on June 15, 2009, President Obama said, for the first time, but not the last: “No matter how we reform health care, we will keep this promise to the American people: If you like your doctor, you will be able to keep your doctor, period. If you like your health-care plan, you’ll be able to keep your health-care plan, period. No one will take it away, no matter what.” It was a pledge that played a key role in rallying support for the passage of his Affordable Care Act. As that law took effect, it was Manhattan Institute senior fellow Avik Roy who demonstrated, for the first time, that the president’s claim was not true.

On his popular Forbes.com blog, “The Apothecary,” Roy crunched the numbers in California—the first state to mount one of the law’s insurance exchanges—and made a startling and significant discovery: the cost of individual premiums was rising as much as 146 percent, assurances of state officials notwithstanding. First through the Drudge Report—when Roy’s finding stayed at the top

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“Obamacare renders illegal the majority of the privately sponsored health plans in America issued prior to 2014, not merely 5 percent of them.”  
—Avik Roy, The Apothecary



# OBAMACARE NIGHTMARE: 146% RATE HIKE IN CALIFORNIA

## DRUDGE REPORT



**T-MINUS 5 DAYS: Obama's Health-Law Premiums Test Limits of Affordability...**

despite senators' opposition...

'You may not take any executive action to implement this'...

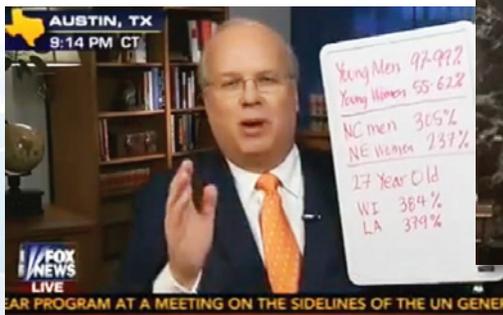
IRS scandal figure Lois Lerner negotiating for immunity...

RECORD TAXATION AT STATE/LOCAL LEVEL...

IRS rides 1884 'dead horse' law to defense of preparer rules...

REALITY TV: Couples to have sex live during

of the page for a full day—and then as the centerpiece of a *Wall Street Journal* editorial, Roy's finding changed the national discussion about the health-care law. He sparked a heated debate that spurred policy analysts from across the political spectrum to weigh in, forcing Obamacare supporters such as *The New York Times's* Paul Krugman, *The Washington Post's* Ezra Klein, and *The New Republic's* Jonathan Cohn to defend what had previously been unspoken: the Affordable Care Act relies on increasing premiums on young, healthy individuals to subsidize the rest of the population—a cost shift that many Obamacare defenders had refused to acknowledge.



Karl Rove analyzes the Impact Map on FOX News's "On the Record with Great Van Susteren"



Senator Ted Cruz (R-TX) discusses the Impact Map on the Senate Floor



SEN. DEB FISCHER (R) NEBRASKA

Senator Deb Fischer (R-NE) mentions the Impact Map on the Senate Floor



Senator John Thune (R-SD) cites the Impact Map on the Senate Floor



Senator Orrin Hatch (R-UT) cites the map during the shutdown debate



## OBAMACARE: KNOW YOUR RATES



STATE RATES

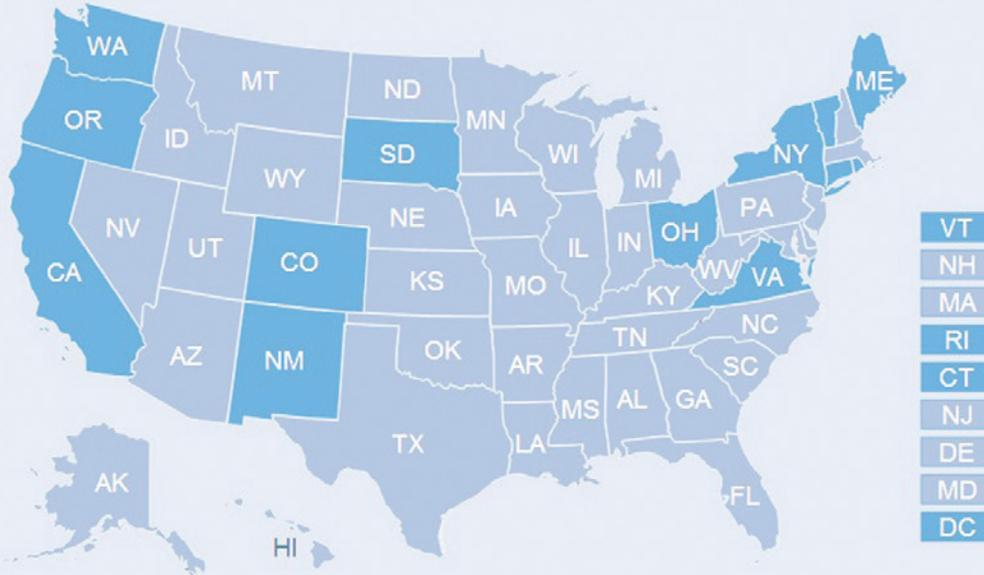


WHO QUALIFIES?



YOUR DECISION

This map illustrates how the Affordable Care Act (AKA Obamacare) affects health insurance premiums for people who buy coverage on their own. Click on your state to learn more.



**Speaker John Boehner** @SpeakerBoehner 1m  
 From @Forbes: new @ManhattanInst study shows "Obamacare to increase individual-market premiums by avg. of 41%" j.mp/1aYPZH7  
 Hide summary

**Forbes**  
**49-State Analysis: Obamacare To Increase Individual-Market Premiums...**  
 By Avik Roy @avik  
 One of the fundamental flaws of the Affordable Care Act is that, despite its name, it makes health insurance more expensive. Today, the Manhattan Institute released the most comprehensive analysis...  
 View on web

12 RETWEETS 3 FAVORITES  
 4:11 PM - 4 Nov 13 - Details

**Steve Forbes** @SteveForbesCEO 4 Nov  
 .@Avik Roy and @ManhattanInst colleagues find #Obamacare will increase premiums by 41%: forbes.com/sites/theapoth...  
 View summary

**Karl Rove** @KarlRove 20 Sep  
 Indispensable tool from @ManhattanInst on Obamacare bit.ly/18oiacm #KnowYourRates  
 Collaps  
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21 RETWEETS 7 FAVORITES  
 2:43 PM - 20 Sep 13 - Details

During the subsequent weeks, Center for Medical Progress (CMP) scholars published round-the-clock commentary (41 op-eds and original commentaries) and participated in 74 TV and 96 radio interviews. Having brought national attention to Obamacare’s “rate shock” in California, we endeavored to do the same for all 50 states.

In September, we launched the “Obamacare Impact Map,” an online interactive tool that, for the first time, lets people see how much more (or, in some cases, less) they have to pay for insurance in the individual market as a result of the ACA. The map made headlines and the CMP team’s work, highlighted on “The Apothecary,” drew over 8 million views.

Policymakers across the country, including Speaker of the House John Boehner, and Senators John Thune, Orrin Hatch, Ted Cruz, and Debbie Fisher quickly began citing our reporting on the subject. Karl Rove, former deputy chief of staff to President George W. Bush and *Wall Street Journal* columnist, featured our map on FOX News's *On the Record with Greta van Susteren* and encouraged viewers—and his many Twitter followers—to visit the site to understand their rates and the implications of the law. The reach of our

CMP scholars was deep and broad: they appeared on the *Larry Kudlow Show*, *PBS Newshour*, *The Wall Street Journal's Opinion Journal*, and many other popular shows.

This work to document and highlight the deficiencies of Obamacare is only the beginning. Look for Avik Roy

to publish a new report that spells out tangible steps that policymakers could take to ameliorate the worst parts of Obamacare while making our health system more patient-focused and cost-effective. MI will disseminate Roy's ideas among our expanded audience of readers and listeners and continue to pave the way for policies designed not just to expand insurance coverage but to help people live healthier lives.

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**“There has been a lengthy, multi-sided debate...over whether California’s insurance premiums are going up because of Obamacare... Avik Roy is responsible for starting it.” —Ross Douthat**

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For the economy to grow, the rule of law must remain sacrosanct. Proliferating regulations, arbitrary enforcement, and use of the justice system as a means for rent seeking stifle innovation and dampen entrepreneurial energy. For decades, the MI Center for Legal Policy (CLP) has sought to uphold the rule of law, exposing actors who abuse legal rules for private gain and advancing policies that rein in this behavior. Led by senior fellow James Copland, the CLP spent 2013 focused on threats to the rule of law posed by trial lawyers, politically ambitious state and federal prosecutors, and certain shareholder activists.

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**“Elected state and city comptrollers have used the public’s pension investments to advance positions favored by labor unions and other political special interests.”—James R. Copland**

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Those who have followed the Manhattan Institute’s work on legal reform know that we have historically paid great attention to the trial bar, documenting how its interests and those of defendants are not always aligned. To the contrary, trial lawyers’ primary motivation is often to maximize their own profits, to the detriment of businesses and consumers. The CLP has been a steadfast

advocate of tort reform, and we are pleased to see progress being made on this front, particularly at the state level. But just as policymakers impose restrictions on one line of the trial bar’s business, the litigation sector discovers other cash cows. In recent years, abuse of patent law has provided a fresh income stream, with some entities now holding and acquiring patents for the primary purpose of suing for their enforcement—not in order to generate new products. This summer, as Congress was considering legislation to protect small businesses from frivolous patent-infringement suits and require greater transparency from those who file them, the CLP published another edition of its *Trial Lawyers, Inc.* report series, *Patent Trolls: A Report on the Litigation Industry’s Intellectual Property Line of Business*. To bring the report’s main argument to the attention of audiences inside the Beltway, Copland penned an op-ed for Politico.com, and the report was covered by the *Washington Post*.

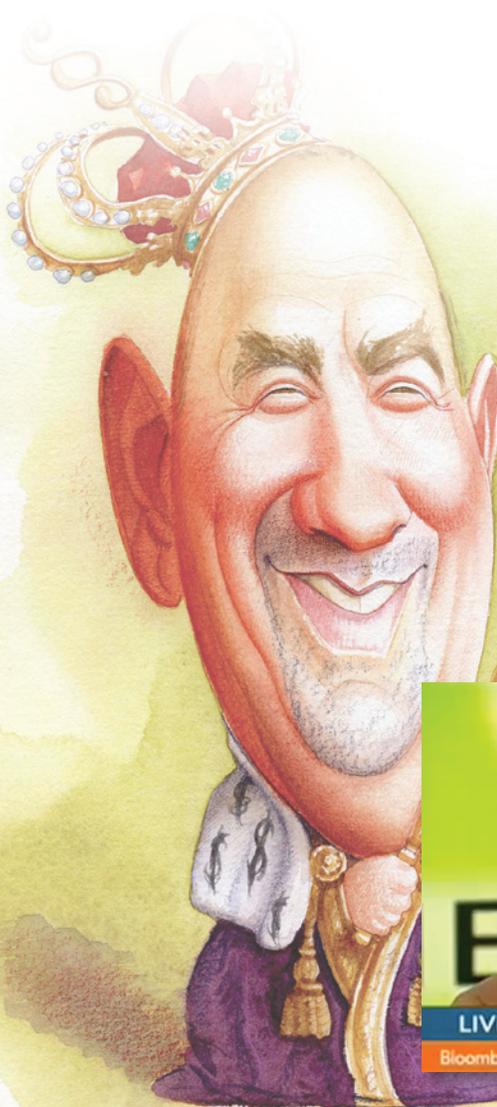


In 2013, the CLP also highlighted the need to rein in the “overcriminalization” of corporate conduct. Historically, criminal law was limited to proscribing conduct that was clearly morally objectionable, actions for which ignorance was no excuse. But in recent years, coinciding with the proliferation of major regulatory statutes like Dodd-Frank and rule-making agencies, the U.S. criminal code has become voluminous, filled with vague, complex regulations. In the hands of ambitious prosecutors looking to make a name for themselves, these ambiguous laws can pose great threats to American businesses. When charged with violating such a rule, businesses may seek to avoid negative publicity and the cost of litigation by entering into “deferred- or non-prosecution agreements” (DPAs and

NPAs), which can force them to pay hefty fees and alter their internal practices—all this taking place without the oversight of a judge. Through original research, including an MI-commissioned paper by white-collar defense attorney Paul Enzinna on the Foreign Corrupt Practices Act (under which many DPAs and NPAs have been enforced), and collaborations with other groups in the legal reform movement, the CLP helped encourage the House Judiciary Committee to form an Overcriminalization Task Force, which will conduct hearings and investigations on these issues. In addition, the CLP has underscored the problem of overcriminalization at the state level, holding events in states such as Ohio, Illinois, and North Carolina, convening judges, prosecutors, defense lawyers, legal experts, and state Supreme Court justices.

Further, CLP director James Copland has continued to establish himself as the preeminent authority on trends and developments in the shareholder proposal process. Traditionally, this process was meant to provide investors with a means of holding management accountable and promoting reforms that enhance the company's profitability. In recent years, however, some investors—such as labor-union pension funds, social-investment funds, and various corporate gadflies—have submitted a flurry of proposals that seek to advance social and political agendas unrelated to companies' financial performance. These proposals are, in effect, attempts to impose regulations on companies; sometimes, after attempts to influence public policy through normal channels have failed. Through the CLP's Proxy Monitor online database tracking shareholder submissions at all Fortune 250 companies—and media coverage in outlets including *The Economist*, *The Wall Street Journal*, CNN, and *The Washington Post*—this brand of activism has been brought to light. Copland is determined to continue exposing this abuse of corporate governance and remind the public that company managers and boards of directors should be able to focus their energies on increasing shareholder value, not responding to proposals that deal with issues better left to the democratic process.

James Copland



RGEN

# PHILANTHROPY UNDER FIRE

## PHILANTHROPY UNDER FIRE

HOWARD HUSOCK

 ENCOUNTER NO 34  
BROADSIDE

America's long-standing confidence in the potential of free citizens to govern themselves lies behind our extraordinary ecosystem of nonprofit organizations. Aided by the generosity of private philanthropy, thousands of citizens have founded cultural, scientific, educational, and charitable institutions to improve the quality of life for other Americans and, indeed, people around the world. The Manhattan Institute is determined to help preserve this flourishing civil society, particularly in the face of calls for Washington to assert ever-greater influence over the independent sector, too much of which already relies on government contracts.

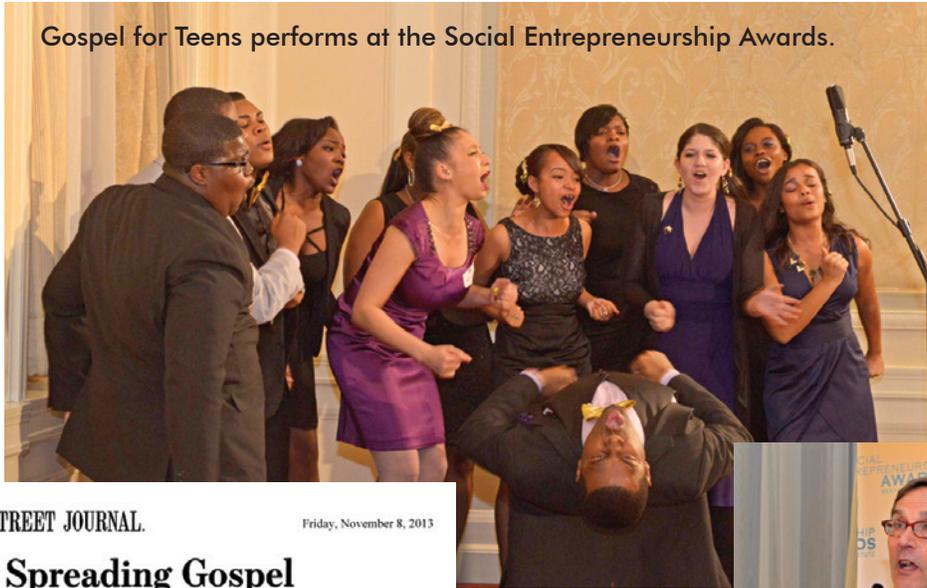
Shining a spotlight on the founders of new nonprofits that exemplify voluntarism and innovation at their best, the MI Social Entrepreneurship Awards program has since 2001 recognized individuals and organizations that have found innovative approaches to helping those in need—relying primarily on private philanthropy to put their own original ideas into effect. This year, the winners of our \$25,000 Richard Cornuelle Award included the founder of an organization that marshals volunteers in response to natural disasters (including Superstorm Sandy); one who links Denver's at-risk urban children with mentors in their own neighborhoods; the founder of a national organization connecting Iraq and Afghanistan veterans with pro bono mental health

services; and the leader of a Harlem group that combines the preservation of gospel music with guidance for minority teenagers.

As important as it is to recognize these new nonprofit leaders, the Institute also recognizes those who embody a lifetime of significant achievement. Recipients of the \$100,000 William E. Simon Prize for Lifetime Achievement in Social Entrepreneurship, have included Eunice Kennedy Shriver, founder of the Special Olympics; Geoffrey Canada, founder of the Harlem Children's Zone; and Brian Lamb, founder of C-SPAN. The 2013 winner, Fr. Timothy Scully, a professor of political science at the University of Notre Dame, founded the Alliance for Catholic Education (ACE) in 1993. In the 20 years since he founded it, ACE has recruited and trained some 1,500 new college graduates to serve disadvantaged students—including many non-Catholics—in Catholic schools in underserved areas across the United States.

MI vice president for policy research Howard Husock, who has overseen the Social Entrepreneurship Awards program since its inception, has redirected much of his time in 2013 to the urgent need to maintain the autonomy of the independent sector. He has pushed back against pressure to change the tax code to direct philanthropy toward government-approved causes, even as the government seeks to enlist nonprofits as agents of the welfare state. The Obama administration has consistently

Gospel for Teens performs at the Social Entrepreneurship Awards.



Howard Husock

THE WALL STREET JOURNAL

Friday, November 8, 2013

## Spreading Gospel Over a Lifetime

By CAROL GRIFFITZ

"Tonight's award is for lifetime achievement, which means I am old as hell," the Rev. Timothy R. Scully said to the attendees at the Manhattan Institute's 2013 Social Entrepreneurship Awards, where he was receiving the William E. Simon Prize for Lifetime Achievement in Social Entrepreneurship on Tuesday night. All jokes aside, Father Scully's acceptance speech highlighted one of the main goals of his Alliance for Catholic Education: believing "in the transformative power of faith-based education."

ACE was founded by Rev. Scully and is part of the University of Notre Dame's Institute for Educational Initiatives, where Father Scully is also a professor of Political Science. The program annually provides hundreds of Catholic-school teachers and leaders a way to serve under-resourced schools.



## Social Entrepreneurship Awards, November 5, 2013



pushed to limit the value of the charitable tax deduction, which motivates the nearly \$300 billion in private philanthropy that marks the U.S. as the world's most generous nation. Husock's essay, "Philanthropy Under Fire," published in September by Encounter Books as part of its Broadside series, is a clarion call to the American public to oppose policies which subject nonprofits to the heavy hand of government. In "Philanthropy and Society," his twice-monthly column for Forbes.com, Husock reminds us that philanthropic freedom has been a source of astonishing innovation and a core aspect of democracy and liberty.

Our intellectual defense of independent philanthropy emphasizes the virtues of capitalism, which makes large-scale philanthropy possible. In an essay for *National Affairs*, "The Dangers of Quasi-Capitalism," Husock outlined America's traditional distinction between philanthropic and for-profit enterprises, questioning the purported advantages of the corporate social responsibility movement and benefit corporation model. Free enterprise is a value in and of itself—a notion supported by the market economy's unparalleled success in lifting millions out of poverty worldwide. As detractors of capitalism and proponents of statist solutions to social problems advance their respective (and often overlapping) agendas, Husock will continue to remind Americans that for-profit business and a truly independent sector are the twin pillars of a free, prosperous, and compassionate society.

Follow Howard Husock's  
"Philanthropy  
and Society" on

**Forbes**

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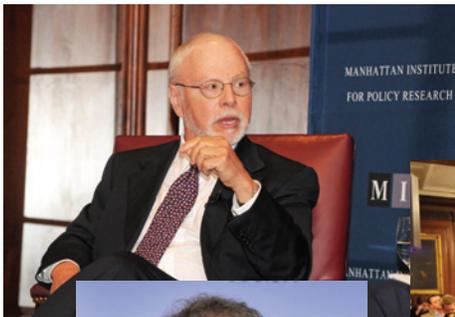
**“No society can surely be flourishing and happy of which the far greater part of the members are poor and miserable.”—Adam Smith**

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**T**hrough the research and commentary described within this update, MI has advanced new ideas that can bolster our nation’s economy and increase economic opportunity for all. Neither can be achieved, however, absent a dynamic system of free enterprise. So it is that the Institute has sought to foster a broader appreciation for the basic virtues of the free enterprise system. We understand that there will always be legitimate room for debate over taxes, regulation, corporate governance, the monetary regime, and other public policies. But as a people, Americans must never forget where opportunity comes from: free people at work in free markets.

We believe that business leaders, as creators of wealth, have a unique opportunity and responsibility to articulate and defend the great moral and philosophical underpinnings of our economic system. Yet, in recent years, the default position in which many executives and financiers find themselves has been a defensive one. Honest individuals who take risks, start new ventures, and succeed on their merits

Paul Singer



Cliff Asness



John Mackey



Marilyn G. Fedak



Dan Loeb

should not have to apologize for their success. Rather, they should be among the foremost exponents of free markets, helping their fellow citizens understand how a competitive economy has been the wellspring of innovation, prosperity, and individual liberty—benefiting the nation.

For the past several years, the Manhattan Institute—in partnership with the Marilyn G. Fedak Capitalism Project—has been developing a program for next-generation business leaders desirous of deepening their understanding of the moral and philosophical foundations of the free-enterprise system: the Adam Smith Society. Based in chapters at elite business schools, the Adam Smith Society aims to provide opportunities for education and debate about the nature of capitalism and public policy issues. Chapters are now up and running at 15 campuses, and MI’s goal is for the organization to be at the top 20 ranked business schools by the end of 2015.

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**“Business is what has lifted humanity out of the dirt.”—Whole Foods CEO John Mackey**

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Student members of the Adam Smith Society have shown tremendous enthusiasm for going beyond the technical instruction that comprises the bulk of the business school curriculum. They are particularly interested in hearing from

successful businessmen and women who have a deep appreciation for the need to preserve free markets. Chapters, which receive continual guidance and support from the Manhattan Institute, have hosted events with a number of high-level executives, public officials, and financial journalists—speakers who might not have otherwise appeared on campus. MI is grateful to speakers including Carly Fiorina, Paul Singer, Dan Loeb, Clifford Asness, Marilyn Fedak, Steve Forbes, John Mackey, and many others who give their time to cultivate this next generation of business leaders.

To enable Adam Smith Society members to continue their education after they have graduated, MI has created an Adam Smith alumni association, to be based in major cities across the country—beginning in New York City. For the New York alumni chapter’s inaugural event, we were delighted to have MI chairman and Elliott Management Corporation CEO and founder Paul Singer speak about his approach to investing, as well as his views on the economy, public policy, and philanthropy. This event, which had an attendance of 180 people, was cosponsored by the Institute’s Young Leaders Circle—MI’s membership group for New York area professionals in their 20s and 30s.



SAVE THE DATE

*Second National Meeting*

February 21st & 22nd, 2014  
The Roosevelt Hotel, New York City

Featuring:  
**Carly Fiorina**  
Chair Good360 & Former CEO, Hewlett-Packard



# PUBLICATIONS 2013

The Manhattan Institute annually publishes numerous high-quality, full-length research reports on topics related to key issue areas. This body of work—authored by our resident fellows, associated scholars, and outside experts—has shaped the thinking of policymakers, thought leaders, the media, and the general public.

**Vocational Education 2.0: Employers Hold the Key to Better Career Training** by Tamar Jacoby  
Civic Report 83, November 2013

**Twenty Myths About Public-Sector Pension Plans** by Richard Dreyfuss  
Civic Report 82, October 2013

**Quantifying Crowd-Out** by Stephen Eide  
Civic Report 81, October 2013

**Why the Gap? Special Education and New York City Charter Schools** by Marcus Winters  
Civic Report 80, September 2013

**The FDA's Misguided Regulation of Stem-Cell Procedures: How Administrative Overreach Blocks Medical Innovation**  
by Richard Epstein  
Legal Policy Report 17, September 2013

**Corporate Governance and Shareholder Activism** by James R. Copland  
Proxy Monitor Report 6, September 2013

**Better Pay, Fairer Pensions: Reforming Teacher Compensation** by Josh McGee and Marcus Winters  
Civic Report 79, September 2013

**Constitutional Public Pension Guarantees: Unfair, Unaffordable, and Bad Policy** by Stephen Eide and Dean Ball  
Issue Brief 25, August 2013

**Defeating Fiscal Distress: A State Responsibility** by Stephen Eide  
Civic Report 78, July 2013

**Rhetoric and Reality—The Obamacare Evaluation Project: Access to Care and the Physician Shortage**  
by Paul Howard and Yevgeniy Feyman  
Medical Progress Report 15, June 2013

**College Credit: Repairing America's Unhealthy Relationship with Student Debt** by Judah Bellin  
Issue Brief 24, June 2013

**Pipelines Are Safest For Transportation of Oil and Gas** by Diana Furchtgott-Roth  
Issue Brief 23, June 2013

**The Case for Exports: America's Hydrocarbon Industry Can Revive the Economy and Eliminate the Trade Deficit**  
by Mark Mills  
Power & Growth Initiative Report 3, May 2013

**The Digital Future of Molecular Medicine: Rethinking FDA Regulation** by Peter Huber  
Project FDA Report 6, May 2013

**2013 Proxy Season Review** by James R. Copland  
Proxy Monitor Finding, 2013

**The Economic Effects of Hydrofracturing on Local Economies: A Comparison of New York and Pennsylvania**  
by Diana Furchtgott-Roth and Andrew Gray  
Growth and Prosperity Report 1, May 2013

**Government Crowded Out: How Employee Compensation Costs Are Reshaping State and Local Government**  
by Daniel DiSalvo  
Civic Report 77, May 2013

**2013 Proxy Season Wrapping Up**  
Proxy Monitor Finding, 2013

**Special Report: Public Pension Fund Activism**  
Proxy Monitor Finding, 2013

**The High Costs of Proposed New Labor-Law Regulations** by Diana Furchtgott-Roth  
Issue Brief 21, April 2013

**The Unacknowledged Value of For-Profit Education** by Judah Bellin  
Issue Brief 20, April 2013

**Revisiting the High Tax Rates of the 1950s** by Arpit Gupta  
Issue Brief 19, April 2013

**New Technology For Old Fuels: Innovation in Oil and Natural Gas Production Assures Future Supplies** by Robert Bryce  
Energy Policy & the Environment Report 12, April 2013

**Watching the 2013 Proxy Season: Union Funds Pushing Companies to Separate Chairman and CEO Roles**  
by James R. Copland  
Proxy Monitor Finding, 2013

**Measuring Immigrant Assimilation in Post-Recession America** by Jacob L. Vigdor  
Civic Report 76, March 2013

**Rhetoric and Reality—The Obamacare Evaluation Project: Cost** by Paul Howard and Yevgeniy Feyman  
Medical Progress Report 14, March 2013

**Proxy Monitor 2013: Political Spending, Say on Pay, and Other Key Issues to Watch in the 2013 Proxy Season**  
by James R. Copland  
Proxy Monitor Report 5, March 2013

**America's Growth Corridors: The Key to National Revival** by Joel Kotkin  
Civic Report 75, February 2013

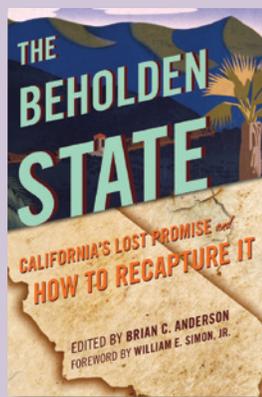
**Class Actions, Arbitration, and Consumer Rights: Why Concepcion is a Pro-Consumer Decision** by Ted Frank  
Legal Policy Report 16, February 2013

**The Economic Benefits of Immigration** by Diana Furchtgott-Roth  
Issue Brief 18, February 2013

**Fixing The Public Sector Pension Problem: The (True) Path to Long-Term Reform** by Richard C. Dreyfuss  
Civic Report 74, February 2013

**The Foreign Corrupt Practices Act: Aggressive Enforcement and Lack of Judicial Review Create Uncertain Terrain for Businesses** by Paul R. Enzinna  
Issue Brief 17, January 2012

# BOOKS 2013

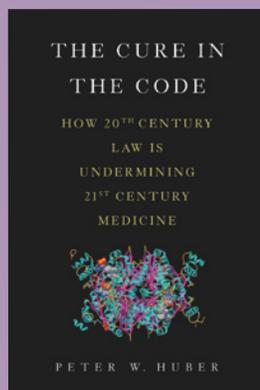


## The Beholden State: California's Lost Promise—And How to Recapture It

The Manhattan Institute's *City Journal* has for years been cataloging the political and economic issues of our nation's largest metropolitan areas, and in this collection compiled and introduced by *City Journal* editor Brian C. Anderson, the cracks in California's flawed policy plans are displayed in detail, and analyzed by a diverse set of experts in the state's design. While there is plenty of literature on California's history, topography, and attractions, *The Beholden State: California's Lost Promise and How to Recapture It* is the first book examining in rigorous detail how a place seen just a generation ago as the dynamic engine of the American future could, through bad policy ideas, sink into some of the highest unemployment rates and poorest educational outcomes in the country. The book is as thoroughly analytical as it is pragmatically prescriptive, complete with policy solutions mapping the way forward for a struggling state.

## The Growth Experiment Revisited: Why Lower, Simpler Taxes Really Are America's Best Hope for Recovery

The Manhattan Institute sponsored publication of Larry Lindsey's original *The Growth Experiment*, which proved that Ronald Reagan's supply-side tax cuts benefitted all Americans, regardless of income level. This timely update by a former Federal Reserve Board Governor and Bush economic adviser debunks the conventional wisdom about the past four presidents' fiscal records, gravely warns against President Obama's redistributive strategy, and engineers an ascent out of America's deepening economic abyss. U.S. Rep. Paul Ryan says that Lindsey "shows that the best way to spur economic growth is to keep taxes low, simple, and fair."



## The Cure in the Code: How 20th Century Law Is Undermining 21st Century Medicine

Medicine is fast becoming a true information industry, with drug designers able to read every letter of life's code, create precisely targeted drugs to control it, and tailor their use to individual patients. But the translation of these advances into better medical care is lagging far behind the science, argues Manhattan Institute senior fellow Peter Huber in his new book, *The Cure in the Code: How 20th Century Law Is Undermining 21st Century Medicine*. Washington can't handle the torrents of data that now propel the advance of molecular medicine and is reluctant to embrace the statistical methods of the information age that can. Huber demonstrates that we are at the beginning of a medical revolution with the potential to extend and dramatically improve the quality of our lives—but only if we get beyond a framework of scientific and economic regulation that is a relic of the past.

# SOCIAL MEDIA



According to the Pew Research Center, 72 percent of adult Americans use social networking sites in their daily lives. True to our commitment to turn intellect into influence, we've leveraged the use of social media in many of our projects this year. Our social media efforts reach decision-makers and opinion-shapers around the country, from New York City journalists to D.C. politicians like Karl Rove and John Boehner. Networks of young professionals and college students engage with MI's issues through new tools and platforms such as infographics and videos. Join the conversation today @ManhattanInst and @CityJournal.



# WEBSITES

The Manhattan Institute publishes several websites that provide ready access to our scholars' work. In addition to the comprehensive Manhattan Institute and *City Journal* homepages, we host issue-specific sites that have each earned devoted niche audiences interested in New York City policy, public-sector pension and benefits reform, health care, tort reform, shareholder activism, and intellectual pluralism in higher education. Making the work of our scholars easily accessible to journalists, policymakers, and lay readers is essential to our mission of turning intellect into influence.



The Manhattan Institute's website offers the latest research and articles from our senior fellows and policy centers, including features such as podcast interviews and event videos.  
[www.manhattan-institute.org](http://www.manhattan-institute.org)



*City Journal*, the quarterly magazine of the Manhattan Institute, offers online articles from each issue, daily op-eds, cultural reviews, and podcasts on its website.  
[www.city-journal.org](http://www.city-journal.org)



Public Sector Inc. provides a national forum to develop solutions to issues in state and local government.  
[www.publicsectorinc.org](http://www.publicsectorinc.org)



Proxy Monitor is the first and only searchable public database to aggregate information on shareholder proposals and proxy voting in an easy-to-use format.  
[www.proxymonitor.org](http://www.proxymonitor.org)



The Medical Progress Today blog provides a forum for economists, scientists, and policy experts to explore the scientific, regulatory, and market frameworks that support medical innovation.  
[www.medicalprogresstoday.com](http://www.medicalprogresstoday.com)



Minding the Campus seeks to revive the best traditions of the American university while covering the major challenges facing higher education today.  
[www.mindingthecampus.com](http://www.mindingthecampus.com)



Point of Law is a web magazine sponsored by the Manhattan Institute's Center for Legal Policy that brings together information and opinion on the U.S. litigation system.  
[www.pointoflaw.com](http://www.pointoflaw.com)



e21 covers macro and micro economic issues across a variety of policy areas organized into five categories: budget, energy, finance, healthcare, and employment.  
<http://www.economics21.org>



Our Future of NYC site is where MI scholars provide recommendations to New York City's new mayor on keeping the Big Apple safe, well-run, and economically vibrant.  
<http://www.manhattan-institute.org/nyc2013/>

# VIDEO

The Manhattan Institute regularly hosts forums in New York City and Washington, D.C., for policymakers, business people, researchers, and journalists. Select events are videotaped and made available to the general public on our website. To catch up on events you've missed, or to watch one of our specially produced short films—such as *The Beholden State: Reclaiming California's Lost Promise*—please visit <http://www.manhattan-institute.org/video/> or visit our homepage and click on the Videos tab.

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**STEVEN MALANGA**  
SENIOR EDITOR, *CITY JOURNAL*

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**SELECT EVENTS**

**Making Americans: Civic Education and the Common Core**  
 Speakers: Lesley Herrmann, Sol Stern, Charles Upton Sahn, Tim Bailey, Lynne Munson, Robert Pandiscio, Juan Rangel, Stefanie Sanford  
 November 11, 2013

**The 2013 William E. Simon Prize for Lifetime Achievement in Social Entrepreneurship**  
 Speakers: Rev. Timothy R. Scully, David Campbell, Vy Higginson, Dr. Kent Hutcheson, Howard Husock  
 November 5, 2013

**Save Our Cities: Reforming Public Pensions To Protect Public Services - Part I**  
 Speakers: Michael Allegretti, Joshua Rauh, Steve Ekke, Marcus Winters, E.J. McMahon, Howard Husock  
 October 24, 2013

**Save Our Cities: Reforming Public Pensions To Protect Public Services - Part II**  
 Speakers: The Honorable John M. Engle, Michael Allegretti  
 October 24, 2013

**Save Our Cities: Reforming Public Pensions To Protect Public Services - Part III**  
 Speakers: The Honorable Richard B. Riordan, Eileen Norcross, Daniel DiSalvo, Steve Malanga  
 October 24, 2013

**Save Our Cities: Reforming Public Pensions To Protect Public Services - Part IV**  
 Speakers: The Honorable Chuck Reed, Carl Cannon  
 October 24, 2013

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The Manhattan Institute's 2012 Hayek Prize honors John B. Taylor, author of "Five Keys to Restoring America's Prosperity".

**About Manhattan Institute**

Developing and disseminating new ideas that foster greater economic choice and individual responsibility.

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**Latest Activity** Nov 13, 2012

**Date Joined** Jul 1, 2009

**Featured Playlists**

- Energy Policy** by Manhattan Institute (6 videos)
- Legal Reform** by Manhattan Institute (5 videos)
- 2012 State of the Union Address** by Manhattan Institute (3 videos)

# BANNER EVENTS 2013

## Alexander Hamilton



The Alexander Hamilton Award was created to celebrate New York and honor those individuals helping to foster the revitalization of our nation's cities. We chose to name the award after Hamilton because, like the Manhattan Institute, he was a fervent proponent of commerce and civic life, and he believed that the health of the nation hinged upon vibrant cities. He was also the quintessential New Yorker. Hamilton went to university, joined the army, and practiced law in New York. His last home stands in Harlem; his grave is at the crown of Wall Street across from the bank he started; and the newspaper he founded is still shaking things up. New York's style—passionate, entrepreneurial, ambitious, inclusive—reflected his vision of America and shaped his politics. The 2013 Alexander Hamilton Awards were presented to Home Depot founder Kenneth Langone (pictured left) and Louisiana governor Bobby Jindal (not pictured). The Harlem Children Zone's Geoffrey Canada (pictured right) introduced Langone.

## THE HAYEK LECTURE

The annual Hayek Lecture is delivered by the recipient of the Hayek Prize, which honors the book published within the past two years that best reflects F.A. Hayek's vision of economic and individual liberty. The Hayek Prize, with its \$50,000 award, is among the world's most generous book prizes.

It was conceived and funded by Manhattan Institute trustee Thomas W. Smith to recognize the influence of Hayek and to encourage other scholars to follow his example. The winner of the Hayek Prize is chosen by a selection committee of distinguished economists, journalists, and scholars. Past winners include: Amity Shlaes for *The Forgotten Man*, Matt Ridley for *The Rational Optimist*, and, most recently, Yang Jisheng (pictured at far right) for *Tombstone: The Great Chinese Famine 1958-1962*.



## SOCIAL ENTREPRENEURSHIP AWARDS



Each year since 2001, the Institute, in conjunction with a committee of distinguished scholars, practitioners, and foundation leaders, selects up to five individuals who have originated and effectively steered a nonprofit organization providing direct services to those in need as winners of the Richard Cornuelle Award for Social Entrepreneurship. In keeping with the social entrepreneurship program's emphasis on the vitality of American civil society, the award is aimed at those with original ideas brought to fruition with predominantly private support, rather than in response to government grant programs. In addition, the Institute annually presents the William E. Simon Prize for Lifetime Achievement in Social Entrepreneurship. This year's winner was Alliance for Catholic Education founder Rev. Timothy Scully, C.S.C.

## The Wriston Lecture



In 1987, the Manhattan Institute initiated a lecture series in honor of Walter B. Wriston: banker, author, government adviser, and member of the Manhattan Institute's board of trustees. The Wriston Lecture has since been delivered annually in New York City with honorees drawn from the worlds of government, the academy, religion, business, and the arts. In establishing the lecture, the trustees of the Manhattan Institute—who serve as the selection committee—have sought to inform and enrich intellectual debate surrounding the great public issues of our day, and to recognize individuals whose ideas or accomplishments have left a mark on their world. The 2013 Wriston Lecture was delivered by the Manhattan Institute's John M. Olin Fellow, Heather Mac Donald.

## YOUNG LEADERS CIRCLE

The Manhattan Institute's Young Leaders Circle program provides a unique forum for young professionals in the New York metropolitan area who are concerned about free-market ideas and public policy. Speakers at YLC events examine a wide range of public policy issues, from energy and health care to immigration and culture. Past speakers have included Harvey Pitt, Paul Atkins, Charles Kessler, Irshad Manji, and Jonah Goldberg as well as some of the Manhattan Institute's very own senior fellows such as Luigi Zingales, Diana Furchtgott-Roth, Nicole Gelinas, and Paul Howard. The stimulating lectures and engaging conversation offered by the ten exclusive YLC cocktail parties each year are unparalleled opportunities for New York's policy-minded young professionals.



## URBAN INNOVATOR AWARD



In January, the Institute's Center for State and Local Leadership presented its annual Urban Innovator Award to New York City Human Resources Administration commissioner Robert Doar. One of the pillars of Mayor Michael Bloomberg's tenure has been the continuation and enhancement of work-focused welfare reform policies aimed at discouraging dependency and encouraging upward mobility. Doar, the 30th commissioner of the Human Resources Administration, has played the central role in preserving and protecting "work first." Doar has insisted on performance-based contracts for those charged with finding jobs for welfare recipients. His leadership has been marked by strong stances and anti-fraud efforts that have helped encourage upward mobility in New York City and set an example for other cities.

# EXPERTS



**BRIAN C. ANDERSON** is the editor of *City Journal* and the author of several books, including *South Park Conservatives*.



**JAMES R. COPLAND** is an MI senior fellow and director of the Manhattan Institute's Center for Legal Policy.



**YEVGENIY FEYMAN** is a fellow at the Manhattan Institute's Center for Medical Progress.



**RICK BAKER** is the former mayor of St. Petersburg, Florida, and an MI adjunct fellow. He is the author of *The Seamless City*.



**THEODORE DALRYMPLE** is the Dietrich Weismann Fellow at the Manhattan Institute and a contributing editor of *City Journal*.



**TED FRANK** is an adjunct fellow with the Center for Legal Policy and editor of PointofLaw.com.



**MICHAEL KNOX BERAN** is a *City Journal* contributing editor and the author of *The Pathology of the Elites*.



**DANIEL DISALVO** is an MI senior fellow with the Center for State and Local Leadership and an assistant professor of political science at the City College of New York.



**DIANA FURCHTGOTT-ROTH** is a senior fellow at the Manhattan Institute and director of e21.



**CLAIRE BERLINSKI** is a *City Journal* contributing editor and the author of *There Is No Alternative: Why Margaret Thatcher Matters*.



**RICHARD DREYFUSS** is an MI senior fellow with the Center for State and Local Leadership. He is a pension and healthcare expert.



**NICOLE GELINAS** is the Searle Freedom Trust Fellow at the Manhattan Institute, a contributing editor of *City Journal*, and author of *After the Fall*.



**BEN BOYCHUK** is associate editor of *City Journal*, where he writes on education and California politics.



**STEPHEN D. EIDE** is an MI senior fellow with the Center for State and Local Leadership and editor of PublicSectorInc.org.



**EDWARD GLAESER** is an MI senior fellow, a *City Journal* contributing editor, and the Fred and Eleanor Glimp Professor of Economics at Harvard University.



**LESTER BRICKMAN** is a Manhattan Institute visiting scholar and a professor of law at the Benjamin N. Cardozo School of Law at Yeshiva University.



**RICHARD A. EPSTEIN** is a Manhattan Institute visiting scholar and the author of numerous books, including *Takings: Private Property and the Power of Eminent Domain*.



**VICTOR DAVIS HANSON** is a contributing editor of *City Journal* and author of numerous books, including *The Immigration Solution* and *Mexifornia*.



**ROBERT BRYCE** is an MI senior fellow with the Center for Energy Policy and the Environment. His books include *Power Hungry* and *Gusher of Lies*.



**DR. ANDREW C. VON ESCHENBACH** is director of the Manhattan Institute's Project FDA and a former FDA commissioner.



**STEPHANIE HESSLER** is an MI adjunct fellow writing on issues of constitutional law, national security, counterterrorism, and judicial nominations.



**PAUL HOWARD** is an MI senior fellow and director of the Manhattan Institute's Center for Medical Progress.



**HERBERT LONDON** is an MI senior fellow with the Center for the American University and author of *The Transformational Decade*.



**PETER SALINS** is an MI senior fellow and the author of *Scarcity by Design: The Legacy of New York City's Housing Policies*.



**PETER HUBER** is an MI senior fellow and the author of numerous books, including *The Bottomless Well* and *Galileo's Revenge*.



**HEATHER MAC DONALD** is the John M. Olin Fellow at the Manhattan Institute and a contributing editor of *City Journal*.



**FRED SIEGEL** is an MI senior fellow, a *City Journal* contributing editor, and author of *The Prince of the City: Giuliani, New York and the Genius of American Life*.



**HOWARD HUSOCK** is vice president for policy research at the Manhattan Institute, director of its Social Entrepreneurship Initiative, and a contributing editor of *City Journal*.



**MYRON MAGNET** is editor-at-large of *City Journal* and author of numerous books, including *The Dream and the Nightmare*.



**GUY SORMAN** is a *City Journal* contributing editor. His books include *Economics Does Not Lie* and *The New Wealth of Nations*.



**KAY S. HYMOWITZ** is the William E. Simon Fellow at the Manhattan Institute, a contributing editor of *City Journal*, and author of *Manning Up*.



**STEVEN MALANGA** is *City Journal's* senior editor, an MI senior fellow and author of *Shakedown*.



**HARRY STEIN** is a *City Journal* contributing editor and author of *No Matter What...They'll Call This Book Racist*.



**STEFAN KANFER** is a contributing editor of *City Journal* and the author of more than a dozen books.



**JAMES MANZI** is an MI senior fellow and author of *Uncontrolled*.



**SOL STERN** is a contributing editor of *City Journal* and a Manhattan Institute senior fellow.



**GEORGE L. KELLING** is an MI senior fellow, a professor at Rutgers University, and a fellow in the Kennedy School of Government at Harvard University.



**EDMUND J. MCMAHON** is an MI senior fellow and president of the Empire Center for Public Policy.



**SCOTT WINSHIP** is the Walter B. Wriston Fellow at the Manhattan Institute.



**ANDREW KLAVAN** is a *City Journal* contributing editor and bestselling novelist of *True Crime*, *Don't Say a Word*, and *Empire of Lies*.



**JUDITH MILLER** is an adjunct fellow at the Manhattan Institute and a *City Journal* contributing editor.



**JACOB VIGDOR** is an MI adjunct fellow, professor of public policy and economics at Duke University, and author of *From Immigrants to Americans*.



**JOEL KOTKIN** is a *City Journal* contributing editor.



**MARK P. MILLS** is an MI senior fellow with the Center for Energy Policy and the Environment. He is coauthor of *The Bottomless Well*.



**MARCUS A. WINTERS** is an MI senior fellow, an assistant professor at the University of Colorado Colorado Springs, and author of *Teachers Matter*.



**JOHN LEO** is an MI senior fellow and editor of *MindingTheCampus.com*. He is also a contributing editor of *City Journal*.



**AVIK ROY** is an MI senior fellow with the Center for Medical Progress and writes *The Apothecary* blog at *Forbes.com*.



**LUIGI ZINGALES** is a *City Journal* contributing editor and the Robert C. McCormack Professor of Entrepreneurship and Finance at the University of Chicago.

# THE INSTITUTE EXPANDS



No public policy area has been hotter in the last few years than health care, and our newest fellow, **Yevgeniy Feyman**, has emerged in 2013 as one of the freshest and most intelligent voices in the fray. Feyman has been extremely busy writing on health care policy, entitlement reform, and the Affordable Care Act. He has had articles published in the *New York Post*, the *Washington Examiner*, the *Washington Times*, FoxNews.com, National Review Online, and the foremost journal of health policy, *Health Affairs*. He has also been a constant presence on television and radio offering his well-informed opinions on the latest developments in the health care space. His invaluable research formed the basis of our Obamacare rate-shock map and we look forward to his many important contributions to the debate in the years to come.



We are pleased to welcome **Leigh Harrington** to the senior staff of the Manhattan Institute as our new vice president for communications and marketing. Harrington started her career working in television at the FOX News Channel headquarters in New York. Upon moving to D.C. in 2005, she worked as a producer for longtime television show host John McLaughlin, then moved on to Washington Post Radio as a producer and guest booker. Most recently she was the director of media relations at the Mercatus Center at George Mason University. Prior to that she worked at the Cato Institute as their director of broadcast. Harrington moved back home to New York with her family in 2012.



**Molly M. Harsh** returns to the Manhattan Institute this year as director of programs for the Adam Smith Society. An experienced event planning professional with more than ten years in the industry, Harsh served as MI's director of development from 2003–06. More recently she was a principal at Revere Advisors and RealClearPolitics, where she worked with numerous think tank and non-profit clients to successfully plan and execute scores of headline-generating events. Harsh holds a master's degree in political science with a concentration in political philosophy from Fordham University.



After a 30-year career at the *New York Post*, where he was editorial page editor for over a decade, **Bob McManus** joins MI as an adjunct fellow. A former submarine sailor in the U.S. Navy, McManus brings to the Institute a wealth of knowledge about the politics and personalities of New York City and State. He also brings a journalist's eye for detail that will come in handy as the Institute monitors the progress of the de Blasio administration.



Walter B. Wriston Fellow **Scott Winship** comes to us from the Brookings Institution, where he made a national name as one of the preeminent scholars working on the red-hot issue of income inequality. Winship is a Harvard Ph.D., and his pathbreaking research—often challenging the conventional wisdom on issues such as living standards and economic mobility—has been published in *National Affairs*, *National Review*, *The Wilson Quarterly*, *Breakthrough Journal*, and Real Clear Markets, among other outlets. Earlier in his career, Winship was research manager of the Economic Mobility Project of The Pew Charitable Trusts and a senior policy advisor at Third Way. His is a major voice in the economic and social policy world, and we are excited to amplify that voice through our new D.C.-based policy center, e21.

## SUPPORTING THE MANHATTAN INSTITUTE

### WHY INVEST IN MI?

For over 35 years, the Manhattan Institute has shaped American public policy by developing ideas that foster economic choice and individual responsibility. By supporting the Manhattan Institute, you affirm your commitment to pragmatic ideas and sound policy prescriptions. We take your investment in our work seriously, and with your support we will continue to turn intellect into influence.

### TRADITIONAL WAYS TO SUPPORT MI

There are many ways to support the Manhattan Institute. You can contact us by **e-mail** at [support@manhattan-institute.org](mailto:support@manhattan-institute.org), or by **phone** at 212-599-7000. Contributions may also be made via regular **mail**, by **stock** or **wire transfer**, and **online** at our website. In some cases, your employer may be willing to match your gift. Please inquire at your place of business if this is possible. The MI sponsorship office will work with you to get the proper authorization.

### OTHER WAYS TO GIVE

In addition to the traditional ways to give, the Institute has several programs worthy of your generous support. For more information on any of these programs, please contact the MI sponsorship office at 212-599-7000.

- **Young Leader's Circle**

The Young Leader's Circle (YLC) welcomes members (membership fee is \$250/year) who are in their twenties and thirties to 10 evening cocktail parties per year. These events feature guest speakers on a variety of public policy topics. Donors under forty who give at the \$1,000 level are invited to join the Young Leader's Advisory Committee which, in addition to the monthly YLC events, holds two private events with Manhattan Institute trustees and fellows. We are proud to report that our program is growing by leaps and bounds. If you know anyone under the age of forty who might be interested in membership, please be sure to let us know.

- **VERITAS Fund for Higher Education Reform**

The Manhattan Institute's VERITAS Fund for Higher Education Reform at DonorsTrust is a donor-advised fund that seeks out professors at top-tier universities who are committed to bringing intellectual pluralism to their institutions. Working with these professors, we fund centers of academic excellence within universities that help introduce a new generation of students to broader perspectives than are available on most campuses. The VERITAS Fund is actively seeking out philanthropic partners. If you are interested in supporting or learning more about the VERITAS Fund, please contact the sponsorship office and request an information packet.

- **Planned Giving**

Please consider making a planned gift to the Manhattan Institute. Such gifts can include bequests by will or living trust, charitable trusts, a designation in a retirement plan, charitable gift annuities, or a designation in a life insurance policy. For more information, please visit our website at [www.manhattan-institute.org](http://www.manhattan-institute.org) and download the printer-friendly information sheet on our sponsorship page or contact the MI sponsorship office at 212-599-7000.

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## ABOUT THE MANHATTAN INSTITUTE

*The mission of the Manhattan Institute is to develop and disseminate new ideas that foster greater economic choice and individual responsibility.*

For over 35 years, the Manhattan Institute has been an important force shaping American political culture. Our research has won new respect for market-oriented policies and helped make reform a reality. Some of the country's most innovative mayors, governors, and policymakers have acknowledged a debt to the Manhattan Institute.

Since 1990, the Manhattan Institute has published *City Journal*, a cutting-edge magazine devoted to culture, urban affairs, and civic life that commands the attention of all who think seriously about urban policy. Edited by Brian Anderson, *City Journal* boasts a stable of outstanding regular contributors, among them Nicole Gelinas, Theodore Dalrymple, Kay S. Hymowitz, Heather Mac Donald, Myron Magnet, Steven Malanga, Judith Miller, Guy Sorman, and Sol Stern. Television commentator Lawrence Kudlow calls *City Journal* "a powerful counterpunch to those who believe that our lives must be governed by tangled nanny state webs of complex regulations and high taxes, which stifle entrepreneurship and depress opportunity."

The Manhattan Institute's book program has a long and successful record of shining a light on public policy problems—and sparking reform: Charles Murray's *Losing Ground* (Basic Books, 1984) reframed the dialogue about welfare and led to historic reform-legislation. Peter Huber's *Liability* (Basic Books, 1988) and *Galileo's Revenge* (Basic Books, 1991), and Walter Olson's *The Litigation Explosion* (Dutton, 1991), sparked national debates on civil justice, junk science, and tort reform. Myron Magnet's *The Dream and the Nightmare* (William Morrow, 1993) was a paradigm-shifting exposé of the 1960s counterculture and its devastating impact on the underclass. In *Fixing Broken Windows* (Free Press, 1996), George Kelling and Catherine Coles articulated the policing strategies that reduced crime at record rates. In the year past, that tradition continued, with the publication of major books on education (*Teachers Matter* by Marcus Winters [Rowman & Littlefield]); program effectiveness (Jim Manzi's *Uncontrolled* [Basic Books/City Journal]); the risks of crony capitalism (*A Capitalism for the People* by Luis Zingales [Basic Books]); and misguided government energy investments (Diana Furchtgott-Roth's *Regulating to Disaster* [Encounter]).

Our websites such as [PublicSectorInc.org](http://PublicSectorInc.org), [PointofLaw.com](http://PointofLaw.com), [ProxyMonitor.org](http://ProxyMonitor.org), and [MindingTheCampus.com](http://MindingTheCampus.com) communicate practical ideas—everything from health-care innovation to pension reform—to our diverse online audience. Videos of our events and weekly podcast interviews allow people across the country to see and hear our scholars and their ideas.

Combining intellectual seriousness and practical wisdom with intelligent marketing and focused advocacy, the Manhattan Institute has achieved a reputation not only for effectiveness, but also for efficiency. Through a continuing emphasis on quality, we hope to sustain and augment our record of success.

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**Lawrence Mone**, President  
**Vanessa Mendoza**, Executive Vice President  
**Michael Allegretti**, Vice President, Program  
**Brian Anderson**, Editor, *City Journal*  
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