COMING SEPTEMBER 2018

THE DIVERSITY DELUSION
How Race and Gender Pandering Corrupt the University and Undermine Our Culture
HEATHER MAC DONALD
New York Times bestselling author of THE WAR ON COPS
Heather Mac Donald, MI Thomas W. Smith Fellow and author of the 2016 bestseller The War on Cops, has her next book coming out this September: The Diversity Delusion: How Race and Gender Pandering Corrupt the University and Undermine Our Culture. This new book chronicles the rise of victimhood ideology on our nation’s campuses and the sprawling diversity bureaucracy that has accompanied it. Diversity commissars, earning lavish salaries and overseeing expansive staffs, reinforce the misguided notion that America is endemically racist and sexist, encouraging students to think of themselves as perpetual victims. In a video for MI’s “Broadcasting City Journal” series, directed by veteran newsman John Stossel, Mac Donald discusses how identity politics has led to a stifling of free speech on campus, which she has experienced firsthand, with protesters disrupting her speaking engagements at UCLA and Claremont McKenna College last year. In The Diversity Delusion, Mac Donald warns of the consequences of these trends for higher education and society at large, and she calls for a return to the authors, composers, and artists who have long inspired the best in us and who help us discover our common humanity.

This degradation of the liberal arts on many campuses occurred as the college-for-all mentality became a lodestar in education–policy reform. In his May Wall Street Journal op-ed, “Not Everyone Should Go to College,” senior fellow Oren Cass challenged this guiding assumption and called for a holistic rethinking of the K–12 education system—and, specifically, the place of vocational education within it. Despite per-pupil spending that has risen 80 percent since the early 1970s, average test scores and high school graduation rates have remained flat. While a serious vocational education system could offer millions of young people a pathway to opportunity and meaningful, well-paying work, for far too long it has been relegated to second-class status. Cass asks us to imagine if, instead, students could begin preparing for a career as early as 11th grade, go on to a paid internship or apprenticeship, and then graduate with significant work experience, certified skills, and $40,000 in the bank—all before being old enough to drink legally. A new approach to vocational education is but one part of the broader agenda that Cass will present in his forthcoming book, slated for publication in November, The Once and Future Worker: A Vision for the Renewal of Work in America.
City Journal convened two symposiums devoted to exploring an ambitious yet practical agenda for the future of work in America. Based on its special issue, “The Shape of Work to Come,” experts weighed in on long-term joblessness, occupational licensing, vocational education, and more.
America’s crisis of work, to which Cass’s book responds, is among MI’s chief concerns. Today, only 85 percent of prime working-age males have jobs, compared with 95 percent a half-century ago, with the most affected communities surrendering to social despair and breakdown. Last summer, MI published a special issue of our magazine, *City Journal*, on “The Shape of Work to Come,” analyzing the roots of this crisis and presenting ideas for how to bring people back into the labor force. This spring, we convened a series of symposia, “America’s Crisis of Work,” based on the special issue, to elevate the writers’ analyses and policy prescriptions in public discourse. At the second symposium, on the subject of upgrading K–12 education, panelists discussed how reforming vocational education can help address the skills gap—the millions of decent-paying, blue-collar positions in America that go unfilled because companies cannot find qualified workers. Yet panelists also mentioned the barriers that will have to be overcome to modernize vocation-education, such as teacher licensing regulations, schools’ traditional lack of engagement with the private sector, and many parents’ bias against non–college pathways.
A city that has been a national leader in developing new models of vocational education happens to be New York, MI’s hometown. For decades, Gotham has pursued educational innovation in numerous areas—perhaps the most important being the growth of high-performing charter schools. With the hiring of Ray Domanico as our new education policy director, MI intends to bring new research to bear on K–12 education and how school choice can help improve learning outcomes, particularly among economically disadvantaged students. These efforts come as the current mayoral administration has been reluctant to embrace the principle of school choice. In his May report, MI senior fellow Charles Sahm highlights how the de Blasio administration has been slow to approve charter colocations, in which charter schools share building space with other schools, a study that provided the foundation for a blistering New York Post editorial, “De Blasio Is Trying to Kill NYC’s Charter Schools.” Eva Moskowitz, CEO of Success Academy Charter Schools, one of the most impressive charter networks in the nation, discussed the importance of colocation and her battles with the mayor, among other issues, when she spoke at the May forum for MI’s Young Leaders Circle, our membership group for young metropolitan-area professionals.

The crisis of work is perhaps most acute in the eastern heartland, a swath of America that begins in Louisiana and Mississippi and extends north through Michigan and western New York State. In his James Q. Wilson Lecture delivered last September, senior fellow Edward Glaeser analyzed the problems affecting this part of the country—currently
ground zero for rising male mortality, the opioid epidemic, and joblessness—and sketched out a broad agenda for encouraging homegrown entrepreneurship and business growth. This coming fall, MI intends to build on these ideas through the sponsorship of a major conference, “The New American Heartland.” Our plan is to convene this event in the Midwest, inviting policy experts and public officials to discuss the region’s biggest economic and labor-force-related challenges, reforms that have been tried, and new ideas to revive struggling communities. Regulation and education are two issues that we intend to focus on in depth at the conference.

Predictions about the effects of technological innovation have further heightened concerns about the crisis of work and the future of many workers. It is widely assumed, for example, that improvements in artificial intelligence and increasing automation will displace millions of jobs and cause mass unemployment. In response, a number of prominent business leaders, particularly in the tech space, have called for a government-provided universal basic income (UBI) to assist the predicted legions of permanently unemployed—and unemployable—Americans. Yet as senior fellow Mark Mills argued in his latest book, *Work in the Age of Robots*, published by Encounter, such fears about the effects of technology on employment—and hence the proposed UBI solution—are ungrounded. Having previously debunked the fears of “peak oil” in his 2006 book, *The Bottomless Well* (coauthored with senior fellow Peter Huber), Mills now refutes the claim that we have reached “peak jobs.” In his new book, Mills explains how this time will not be different from previous eras of rapid innovation—that technology-enabled increases in productivity will pave the way for new forms of work to replace the jobs that are lost. Cass, too, has been a critic of a UBI. In March, for example, the *Wall Street Journal* featured Cass in an article and video, in which he was juxtaposed with Facebook co-founder Chris Hughes, a UBI advocate.

**YOUNG LEADERS CIRCLE**

At a Young Leaders Circle (YLC) forum held in May, MI executive vice president Vanessa Mendoza interviewed Success Academy Charter Schools founder and CEO Eva Moskowitz about the fight for school choice in New York. Moskowitz fielded questions from YLC members like Allison Lee Pillinger Choi, pictured right.
Concerns about the future of work and rising economic inequalities among regions—metropolitan areas compared with rural and postindustrial areas, in particular—have also led to doubts about the defensibility of capitalism itself. The question of the morality of the free-enterprise system is a perennial one, and one to which MI has historically devoted great attention. MI has been especially focused on fostering discussion and debate about the social, moral, and economic benefits of capitalism on business school campuses. Through our Adam Smith Society, now with chapters at more than 30 business schools and professional chapters for alumni members in cities from London to San Francisco, we’ve been introducing future industry leaders to the seminal thinkers that they do not otherwise encounter in the MBA curriculum—such as Adam Smith, Friedrich Hayek, and Milton Friedman. Our goal through this program is to educate tomorrow’s business leaders to articulate and, when necessary, defend the virtues of free markets.

On April 20–21, the Adam Smith Society convened its fifth annual National Meeting in New York. The conference featured a mix of academics, journalists, and business leaders discussing issues such as the importance of principled business leadership, the dangers of crony capitalism, and trade policy. It concluded with a debate, cosponsored with Intelligence Squared U.S., on the future of cryptocurrency. Because network-building is one of the Adam Smith Society’s main goals, this is one of the most important annual events, in that it brings together members from across chapters. This year, there were more than 350 MBA students, professionals, and other guests in attendance.
"The Adam Smith Society has given me a forum for debating ideas that don’t come up in class. Most business school economics classes don’t leave room for debate [as it relates to the] traditional role of government or the actual study of political economy.”

PETER WEICHER | DARDEN STUDENT MEMBER

"I went to the National Meeting this time last year and was blown away by the quality of speakers and what was being discussed; so, I brought it upon myself to start a chapter at USC this academic year.”

LAURA MILLER | USC CHAPTER LEADER
Among the greatest challenges facing American capitalism is the dramatic increase in the national debt, a phenomenon driven largely by the growth of entitlements. To pave the way for difficult but necessary reform in this area, citizens must understand the core problem of many entitlement programs, which is that they inevitably invite unsustainable expansions. Professor John Cogan, the Leonard and Shirley Ely Senior Fellow at the Hoover Institution and a faculty member in the Public Policy Program at Stanford University, has done our nation a great service by demonstrating this reality in his book *The High Cost of Good Intentions: A History of US Federal Entitlement Programs*. In June, MI was pleased to recognize this book by presenting Cogan with the 2018 Friedrich Hayek Book Prize. The Hayek Prize, conceived of and sponsored by MI trustee Thomas W. Smith, honors the book published within the past two years that best reflects Hayek’s vision of economic and individual liberty. With its $50,000 award, the Hayek Prize is among the world’s most generous book prizes. Professor Cogan delivered MI’s annual Hayek Lecture, based on the book, further elevating his analysis in public discourse. This event helped reinforce the message that MI scholars have been advancing about debt issues: Brian Riedl, most notably, in regard to federal spending; and fellows such as Daniel DiSalvo, Stephen Eide, Nicole Gelinas, Steven Malanga, and E. J. McMahon with respect to public-pension debt at the state and local levels.

It is because of the generosity of our friends and supporters that MI has been able to pursue these efforts in the marketplace of ideas. I was delighted to see many of you at MI’s annual Alexander Hamilton Award Dinner, held in May, where we honored Stanley F. Druckenmiller and Ambassador Nikki Haley, who have done so much to advance the principles that inform our work. With your continued support, we can bring those principles to bear on policy debate and the culture at large. I wish you a happy summer.

Sincerely,

Larry Mone
MI mourns the passing of our longtime friend and literary master, Tom Wolfe. As MI president Lawrence Mone noted in his *New York Post* op-ed, published the day after Wolfe’s death, “While he’ll always be remembered for his much-copied, but ultimately inimitable prose style, he was also a man of ideas.” In 1988, Wolfe delivered the Institute’s Walter B. Wriston Lecture on the topic “Fact and Fiction in the New York of the 1980s.” In 2006, MI presented Tom Wolfe and Mayor Rudolph Giuliani with our annual Alexander Hamilton Award. Said Mone, “It was an honor to fete the author of *Bonfire*, alongside the mayor who had done so much to put out the flames.” We will be ever grateful to Wolfe for his contribution to American letters—and for his friendship with the Institute.