President’s Update
Policing and Public Safety

As protests swept the country this summer, the debate over policing in America took a radical turn. While some voices called for a defunding of the police, violent crime ticked up in cities across America. The Manhattan Institute developed and disseminated many of the foundational ideas of proactive policing that tamed crime in the 1990s and 2000s. Now we are committed to making the case for effective policing and protecting those hard-earned gains.

Race and Identity in America

America’s multiethnic composition has always been both a source of great national strength and profound challenges. In debates on race and identity, Americans are arguing about the very definition of what it means to be an American. Our scholars have argued for a color-blind ideal of citizenship that recognizes everyone’s inherent equality and rejects all claims to unique privileges.

The Post-Covid Urban Future

Covid-19 has placed cities under intense stress. In many places, it has also revealed long-standing issues in city government. Fiscal duress is made worse by bloated budgets. Remote education is failing to reach those most in danger of falling behind. To preserve their dynamism and vibrancy, city leaders across the country need to recommit themselves to building lean but effective public sectors.

An Opportunity Agenda for America

America cannot afford an economic recovery as halting and tepid as the one that followed the Great Recession. MI’s scholars have laid out plans to harness America’s energy abundance, open the higher-education sector to new providers, and provide free-market health-care reforms.
Dear friends and supporters,

America has elected a new president. President-elect Biden faces several interlocking crises: the Covid-19 pandemic and attendant economic recession, rising disorder in our cities, and racial and social polarization that is straining our country’s civic bonds. America’s ability to respond to these challenges with renewed dynamism will determine whether we remain the world’s premier power in the 21st century.

At this hinge point in our country’s history, the Manhattan Institute’s (MI) work is indispensable. Since our founding, we have been dedicated to fostering economic choice and individual responsibility. Yet these values are increasingly under threat. Some observers even believe that they will become fringe ideas in a country that is becoming more urban and diverse, and in which millennials constitute the largest voting bloc. We at MI believe that the threats to American dynamism and liberty are real, but we reject pessimism and fatalism in all its forms.

This is a country that desperately needs to reinvigorate economic growth. Throughout history, the surest route to sustainable growth has been the preservation of open and competitive markets, and we at MI intend to defend economic freedom as the cornerstone of American prosperity. This is a country whose cities are home to some of the world’s most innovative industries and most ineffective governments. If urbanites are running out of patience with administrations that promise too much and deliver too little, they may begin demanding fresh ideas from their elected officials—ideas that we are singularly equipped to provide. This is also a country founded on the rejection of tribal divisions; yet unity and patriotic feeling seem to be in short supply. At MI, we will continue to champion the color-blind ideal that rejects racial prejudices as well as racial preferences.

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Our work will play out across years and decades, not just one election cycle. But 2020 was a milestone in MI’s defense of the institutions and principles that undergird American exceptionalism. In the wake of
the summer’s protests and riots, shortsighted officials in city after city embraced starkly antipolice positions, only to see a rise in violent crime. In response, MI launched the Policing and Public Safety Initiative, which draws together leading academics, practitioners, and MI experts, including Heather MacDonald and Rafael A. Mangual, to make the case for data-driven policing to ensure that America’s cities remain safe places to live, work, and raise a family.

On the national level, many political leaders and opinion makers have argued that the government should take the lead on economic recovery. This would be a path toward statism and sclerosis, and we believe that there is a better way. Instead of taking another step toward the government takeover of health care, for example, MI senior fellow Chris Pope has a plan to remove the government-imposed barriers that prevent many people from purchasing affordable health care on their own. Instead of replacing America’s dynamic and innovative energy market with one dominated by command-and-control regulation, senior fellow Mark P. Mills explains how America’s energy abundance could reinvigorate American manufacturing. From K–12 education to taking control of our public debt and more, MI’s scholars are developing workable ideas to foster upward mobility and economic opportunity for all.

"We are gratified that MI’s ideas are reaching newer and larger audiences than ever before."

We are gratified that MI’s ideas are reaching newer and larger audiences than ever before. Our flagship publication, City Journal, enjoyed a banner year for its online readership and podcast audience, increasing 84% and 47%, year-over-year, respectively. Our scholars published op-eds in every major national newspaper and spoke (virtually) to thousands of young people through MI on Campus, Young Leaders Circle, and the Adam Smith Society. While continuing to maintain a high standard of excellence in our core research and journalism, we are continually breaking new ground and expanding our reach in new media, from YouTube to Instagram.

All this work is made possible by your generous support. We want to thank you for being part of our community and for standing with the Institute and our shared values in what has been a trying year. The work ahead of us will be challenging and prolonged, but we are confident that with your support, America and its great centers of commerce and creativity will emerge stronger than ever.
America’s long-simmering debate over policing and race boiled over this summer with a wave of protests, an alarming number of which devolved into riots and looting. Met with a crisis requiring courageous public leadership, too many city leaders instead outsourced their thinking to activists who quickly transformed “defund the police” from a protest chant into a policy goal. Against a backdrop of shattered storefronts and burning cars, television anchors and pundits solemnly informed Americans that their country suffered from an epidemic of racist over-policing. We are already seeing the consequences of the ensuing turn away from government’s foundational task of protecting life and property. In Minneapolis, where the city council has passed a resolution to abolish the city’s police department, shootings have more than doubled this year; across all of America’s large cities, violent crime is up 20% from the 2015–19 average.

When disorder broke out in America’s cities, no institution responded with more urgency or resolve than MI—an effort led by two of our outstanding fellows, Heather Mac Donald and Rafael Mangual. In the tumultuous three months following George Floyd’s death in police custody, Mac Donald—MI’s Thomas W. Smith fellow and a City Journal contributing editor—maintained a frenetic pace of writing and television appearances. Her three op-eds in the Wall Street Journal in summer 2020 sparked an ongoing conversation with the paper’s readership, who responded to Mac Donald with several letters to the editor, many echoing her concerns and some objecting vociferously. From Fox’s prime-time programs to public radio, the viewers and listeners who engage with Mac Donald are treated to rigorous analyses indifferent to the taboos and free from the illusions that inhibit so many other scholars of policing and crime.

Mangual, for his part, has been tireless in sharing his perspective, including with liberal and urban
audiences most in need of it. Across his 11 op-eds, including placements in the Washington Post and Wall Street Journal, seven MI events, and a bevy of appearances on television and radio, Mangual has thoroughly explained the role that Broken Windows policing, larger police forces, and incarceration played in halving crime in America between 1991 and 2015. It’s clear that policing in America is among the most contentious and important debates unfolding in our public life. As the debate continues, MI will draw on our immense stock of institutional and intellectual capital, using our research and arguments to beat back misleading yet pervasive narratives.

Though many are in the habit of saying that “cities” experience crime waves, in truth it is poor and minority neighborhoods that bear the brunt of the violence. Last year, homicide was the leading cause of death for young black men—and it claimed more lives than the other nine leading causes combined. Americans have bought into the misleading notion that the problem is ubiquitous police racism because their only exposure to policing comes in the form of viral videos seized on by activists and the media. So while policing reform groups and de-incarceration activists invoke “systemic racism” in arguments to ban cash bail or decriminalize petty crime, Mangual reminds us that almost all urban murders are committed by people who were lightly punished for an earlier, and seemingly more innocuous, crime. Beyond his writing for City Journal and other outlets, Mangual has engaged with policymakers of all ideological stripes who seek his counsel on how to maintain proactive policing in a hostile media environment. His work has led him to the White House, where he gave testimony before its Commission on Law Enforcement, and to high-profile public events with the NYPD, such as his conversation with Commissioner Dermot Shea. In all these diverse venues, Mangual has laid out the case for safety as the precondition for upward mobility in urban America.

That protests against police misconduct frequently turn into the vilification of police officers was recognized early on by Mac Donald, who documented this trend in her 2015 New York Times best-selling book, The War on Cops. In the years since, through her prodigious output of essays, op-eds, speeches, and media appearances, Mac Donald has argued that sweeping condemnations of the police do a good job of deterring high-quality candidates from matriculating at police academies but very little to weed out the small number of bad actors within departments. Of course, the main charge lobbed against police departments is not that they are incompetent but that they are intentionally prejudiced. Mac Donald has brought her characteristic fearlessness to this fraught conversation, where she has been joined by other freethinkers interested in challenging the established wisdom of liberal opinion.

For example, in an October 6 virtual event, “Vox Clamantis in Deserto: Heather Mac Donald and Glenn Loury on Policing, Race, and Ideological Conformity,” Mac Donald and renowned Brown University professor Glenn Loury joined Thomas W. Smith fellow Heather Mac Donald to discuss their views on policing, race, and ideological conformities.
economist and new MI senior fellow Glenn Loury dissected why so many academics have converged on a consensus position on race and policing that flies in the face of a long and substantial empirical tradition. Loury has resisted this consensus since he became the first black tenured professor of economics at Harvard in the 1980s. Described as a “thorn in the side of the civil rights establishment” by the New York Times, Loury’s life story is a testament to the power of individual initiative. Loury’s academic ascent began at Southeast Junior College in Chicago, where he would show up for morning classes straight from his overnight shift at a printing plant. A decade later, he had received a Ph.D. in economics from MIT, where he studied under Nobel laureate Robert Solow, and a job offer from Harvard. Loury is a challenging thinker whose ideas defy neat categorization; but through collaboration with MI, he is able to reach a wider public audience that stands to benefit from his scholarship and rigor. Loury’s conversation with Mac Donald was a case study in how scholarly insights can be put into conversation with journalistic experience to provide fresh and original insights, something that Mac Donald’s readers have come to expect from her work.

Of course, the quest to improve and defend policing from its most strident and misguided critics must include reforms to weed out officers who do abuse their power. In articles for National Affairs and the Washington Post, MI senior fellow Daniel DiSalvo called for a reset in the collective bargaining agreements between police forces and cities. Reforms should ensure that police officers retain their constitutional right to due process but lose “code of silence” protections, including having their disciplinary records expunged every two years, as was the long-standing practice in Cleveland. As DiSalvo makes clear, working in good faith to improve officer accountability is an important first step toward revitalizing the police-community bonds that strengthen communities and make policing safer for everyone. It is also a necessary condition for rebuilding officer morale, which has been decimated in cities across the country as officers have been vilified during protests and in the media. The wave of officer retirements sweeping the country and its implications for crime levels has been a recurring topic of interest for our incoming fellow Charles Fain Lehman, a reporter covering criminal justice and drug- and social-policy issues for the Washington Free Beacon.

Lehman, who joined the Institute this November as an adjunct fellow, will be a valuable contributor to the Institute’s work on crime and policing.

Recognizing that the fight over policing in America is still in its opening round, MI is preparing to redouble its efforts to grapple with emerging perils and opportunities. In October 2020, we launched the Policing and Public Safety Initiative, directed by Hannah Meyers, a veteran of the NYPD intelligence bureau and an expert on counter-extremism. As part of the initiative, we will conduct empirical research on leading policing issues, such as use of force, bail reform, incarceration levels, and much more. We have also been convening events with practitioners, scholars, in-house experts, and public leaders. The initiative began with the first annual George Kelling Lecture, delivered by former NYPD commissioner and giant of crime-fighting William Bratton, during which he reminded us: “The police are the public, and the public are the police.”

October 5: Senior fellow Rafael Mangual interviewed former NYC police commissioner William Bratton on proactive policing at our Policing and Public Safety Initiative inaugural event.

““The police are the public, and the public are the police.”

WILLIAM BRATTON
“If we now have a moral obligation to care more about certain lives than others based on skin color, or based on racial-historical bloodguilt, then everything that I thought I knew about basic morality—and everything that the world’s philosophical and religious traditions have been saying about common humanity, revenge, and forgiveness since antiquity—should be thrown out the window.” So MI fellow and City Journal contributing editor Coleman Hughes testified before Congress on the question of reparations for black Americans.

The racialized worldview that Hughes was criticizing—the notion that race is the essential component of human identity and should be a primary concern of public policy and the law—has been embraced by elite institutions with breathtaking speed, from universities to corporations to legacy media organizations. That embrace has meant a rejection of the principles of color-blindness and equal justice for all that America, at its best, has stood for and advanced. With the nation’s core principles at stake, MI has redoubled its efforts to beat back racialized thinking—and the academic theory behind it—and offer an agenda that can help all Americans, regardless of race, color, or creed, build proud and self-determined lives. MI advances
its mission by elevating thinkers who counter sweeping assertions with data and analytic rigor and whose lived experiences defy the lazy stereotyping of a homogenous and disempowered black community.

In the past few years, the color-blind ideal has gained an eloquent and brave champion in Coleman Hughes. While Hughes was an undergraduate at Columbia (he graduated in spring 2020), he grew disenchanted with the hyper-racialized worldview of campus progressives, which struck him less as an assault on white supremacy and more as a rebuke of Martin Luther King, Jr.’s vision for a post-racial America. Hughes quickly raised his sights above campus squabbles to the larger political and social landscape, prompting Washington Post columnist Megan McArdle to note in 2018 that Hughes had emerged as a “thinker to be reckoned with.” Indeed, Hughes’s arguments earned the attention of Congress, which called him, before his 24th birthday, to testify on the wisdom of reparations for black Americans. Since the turn of the 21st century, he observes, the incarceration rate for black men aged 18–29 has declined 72%, the teen pregnancy rate for black women has fallen 63%, and 37% of black Americans aged 25–34 have some type of degree from a higher-education institution—meaning that young black Americans now have higher educational attainment than the average German.

The importance of black self-empowerment has been a recurring theme of the work of MI senior fellow Jason L. Riley. Riley, who has been a member of the Wall Street Journal editorial board since 2005 and writes a weekly column for the paper, has consistently and unapologetically rebutted the argument that white racism remains the main impediment to black advancement in America. The uncomfortable corollary to this truth, which Riley has elaborated in two of his books, Please Stop Helping Us and False Black Power?, is that challenges emanating from within the black community cannot be fixed by a benevolent state. Since joining MI as a senior fellow in 2015, Riley has consistently highlighted the black community’s long tradition of self-empowerment, which too often gets undermined by a hypertrophied welfare state that crowds out religious institutions, community groups, and many other forms of community initiative. In “Thomas Sowell Has Been Right from the Start,” a column in the Wall Street Journal, Riley argues that successful charter networks do more to dismantle the legacy of racism than all the country’s diversity workshops combined. Indeed, amid the fervent calls to rectify America’s historical sins, there has been a conspicuous lack of interest in reforming public services to better serve the poor, even though doing so would go a long way toward empowering black Americans.

Calls for reparations, the New York Times’ 1619 Project, and the racial rhetoric of the past year all bear the hallmarks of critical race theory (CRT), a school of thought that rejects the notion of racial progress, believes that the public debate is an exercise in arranging power hierarchies rather than probing for truth,
and flouts many of the standard conventions of civil discourse. It is the logical conclusion of the intellectual project begun on college campuses in the 1960s, a project about which Heather Mac Donald has long sounded the alarm. In the autumn 1995 edition of City Journal, Mac Donald’s essay “Law School Humbug” identified CRT as a foundational assault on liberalism. “From its onset,” she wrote, “critical race theory has singled out the First Amendment for particular scorn: free speech, the theory argues, is nothing more than a tool of the powerful to oppress the weak. The marketplace of ideas will never correct racist views, the theorists claim, because racism silences its victims. Therefore, censorship is needed.” In the decades since, Mac Donald has been a powerful and energetic critic of victimhood ideology, diving into the campus fray to stand up for students who want a traditional liberal arts education, even when it means getting shouted down and protested at such schools as Bucknell, Penn, and Claremont McKenna. Her 2018 book, The Diversity Delusion, remains an invaluable resource for parents, students, and even faculty seeking to understand the intellectual roots of campus radicalism and to oppose its current manifestation.

CRT is no longer confined to the college campus, however. Its influence is spreading in the education system to the K–12 level. In Buffalo public schools, for example, fifth-graders are asked to consider the wisdom of organizing society in nuclear family units and whether this traditionalism contributes to our racial tensions. Senior fellow Max Eden, who has done consequential research into changes in school-discipline policies, has begun to cover the rise of CRT at elementary and secondary schools. Eden is now hard at work preparing resources to allow concerned parents—who want their children to be comfortable in a diverse and multiracial America but still believe in the color-blind ideal—to resist administrators who are on an ideological crusade.

CRT had also been quietly exerting an influence on the training of federal employees and employees of government contractors. But that has—at least for now—been formally ground to a halt, thanks largely to the work of City Journal contributing editor Christopher Rufo. In a series of articles for City Journal, Rufo alerted Americans to what goes on in the diversity trainings funded by their tax dollars, shining a light, for example, on the half-million-dollar “power and privilege sexual orientation workshops” attended by NASA engineers. In response to Rufo’s reporting and the massive public attention that it received, the White House issued an executive order on September 22 prohibiting federal agencies and contractors from mandating trainings that “promote race or sex-stereotyping or scapegoating.” Rufo has continued to cover the topic in City Journal and other national outlets. This is an issue on which the incoming Biden administration will likely face pressure to reverse course, but MI will be undeterred in exposing the divisive nature of critical race theory and defending color-blindness.

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On September 17, MI senior fellow and Harvard University economist Edward L. Glaeser delivered the James Q. Wilson Lecture from ... his home in Cambridge, Massachusetts. Our ability to carry on digitally underscored one of the central themes of Glaeser’s lecture: cities are once again at risk of seeing their economic models undermined by a combination of new technologies and poor governance. Just as the highways of mid-century enabled manufacturers to disperse across the country, remote work is weakening the place-based ties of knowledge industries. Layered over this technological revolution are near-term, Covid-related challenges—the trepidation that people feel toward mass transit, the enormous reduction of the in-person service sector, and the disappearance of quintessential urban amenities like plays, concerts, and other nightlife—and long-festering issues such as unaffordable housing, overgrown public sectors, ineffective schools, polarization over policing, and a political system dominated by narrow interests.

Taken together, these forces represent a threat to 21st-century urbanism, including in MI’s home city of New York. During the last urban crisis, MI helped American cities get back on their feet by showing what worked in the Big Apple. From Broken Windows policing to the charter-school movement, ideas developed by MI proved effective in New York and were then shared across the country. Now, through our newly launched New York City: Reborn initiative, we are laying out a new vision for what New York City needs to do to ensure that its best days remain ahead. Through research, policy journalism (including in City Journal), and public events, we intend to educate and inform New Yorkers heading into what will be an enormously consequential 2021 mayoral election. If New York can weather the current storm, reform-minded leaders in cities countrywide will heed its example.

Urban political leaders, who have embraced the most extreme position on issues ranging from public safety to taxation, are increasingly out of step with their constituents, who are interested in better government rather than more government. This was the resounding finding of polling that MI conducted this year. MI partnered with Echelon Insights and the Siena College Research Institute to conduct two polls of New Yorkers, asking them about the state of the city and their views on potential paths forward. The purpose of the polls was not to figure out what must be done—that is derived from our research and our principles—but to better understand how we might do it.

The major takeaways? New Yorkers are attached to some of their core public services (notably, the subway system and police force), frustrated by the performance of others (only 21% of New Yorkers are satisfied with the public school system), and incredulous about how such a mediocre public sector costs so much in taxes (75% of New Yorkers want to see their tax bill lowered). And among high-earning New Yorkers, who account for a disproportionate share of the city’s tax base, there is creeping interest in parting ways with Gotham: as of summer 2020, 44% of New Yorkers earning over $100,000 had thought about leaving the city in the previous four months. The results have helped us determine the priorities of New York City: Reborn and are shaping the larger conversation about the city; the polls were covered in 12 national publications, including the Wall Street Journal, National Review, New York Post, and Fox Business, as well as across local and national broadcast stations.
The chief problem that New York’s political leadership faces is that it has built a government that can support itself only when the city and country are at the top of the business cycle. In 2017, MI senior fellow and City Journal contributing editor Nicole Gelinas wrote a column, “De Blasio Is Spending NY into Trouble,” laying out the ways de Blasio was squandering New York’s economic boom and leaving the city unprepared for a downturn. Rather than modernize the city’s aged infrastructure, the mayor was using tax windfalls to fund an across-the-board wage hike for city employees, which raised labor costs 20%. In the years since, he has grown the city’s workforce by 20,000 employees. Gelinas did not foresee New York’s economy being derailed by a super-virus from a Chinese wet market, but she was certain that there would be some crisis and that New York’s fiscal house was not sturdy enough to meet it. Now the city is facing an estimated 6% budget shortfall—considering that 25% of private-sector jobs have been lost, this official estimate is almost certainly too optimistic—and its overtaxed citizenry has no interest in bearing the burden of chronic mismanagement. In a rerun of the 1970s, New York is once again counting on Washington’s generosity to secure its future. Put simply, MI does not believe that the world’s leading city should be in the business of begging for handouts.

The first place to jump-start an economic recovery is New York’s antiquated zoning code. In these dire circumstances, MI senior fellow Eric Kober, a longtime veteran of the NYC Department of City Planning, argues that reforming the zoning code is as close to a silver bullet as city leaders are going to find. Kober’s report “Barrier to Recovery: How New York City’s Obsolete Zoning Prevents Property Owners from Reusing Land and Buildings,” which was adapted for two op-eds in the New York Post, notes that the zoning code is loaded with arbitrary rules. Building owners are legally required to provide a certain number of parking spots to tenants, though the number of New Yorkers who use a car as their primary means of transportation has fallen dramatically since the rule was written in mid-century. The zoning code also dictates how large a hardware store can be relative to a grocery store, yet another remnant of a different era in city life. Condensing and rationalizing the zoning code would allow more taxpaying businesses and residents to call New York home. It should also be the first step in a broader liberalization of New York City’s land-use policies, which, as Kober has chronicled for City Journal, drive up the cost of living, push out families, and force low-wage workers into far-flung and overcrowded housing.

Improving the quality of life in cities will require a new and more effective approach to urban homelessness. Over the last decade, the street homeless population increased by 18% in San Francisco, 35% in Seattle, 50% in Los Angeles, and 59% in New York, injecting disorder into these cities’ business districts, mass transportation systems, and residential neighborhoods. But street homelessness is more symptom than sickness. Until cities commit to addressing severe mental illnesses and drug addictions among this population, the expensive, ballyhooed programs that their leaders have advocated will provide middle-class jobs to service providers and little else.

Unfortunately, instead of addressing the underlying causes of street homelessness, city governments have decriminalized behaviors associated with street living (encampments, drug
use, shoplifting) and poured ever more money into social services. New York City has ramped up its spending on homelessness such that, in 2019, the city spent $55,000 per homeless New Yorker. Over the last three years, MI partnered with the late DJ Jaffe, an outstanding scholar of mental health policy and advocate for the severely mentally ill, who worked alongside senior fellow Stephen Eide to argue for a paradigm shift in how we think about the homelessness. Jaffe came to this cause—which would be his life’s calling—when he and his wife took over the care of his schizophrenic sister-in-law, revealing all the ways New York State’s services fail the seriously mentally ill.

Across his career and during his time at MI, Jaffe fought to increase hospital capacity for the seriously mentally ill, renew the civil commitment process, and shift mental health dollars away from wellness initiatives and toward the treatment of debilitating diseases. Jaffe’s efforts secured some important victories; in New York, he was an indispensable part of the campaign to pass Kendra’s Law and was a muckraking critic of Mayor de Blasio’s ThriveNYC initiative. At the national level, he mounted a campaign against the Institutions for Mental Disease (IMD) exclusion, a provision in the 1965 Medicaid law that prohibits states from funding care for mentally ill adults so long as those adults are in hospitals or treatment facilities with more than 16 beds. After Jaffe presented on the topic in December 2019 at the White House’s conference “Transforming Mental Health Treatment to Combat Homelessness, Violence & Substance Abuse,” the Trump administration announced its intention to ease the exclusion. Jaffe’s work will endure through these accomplishments, his pathbreaking writings, and the countless mental health advocates inspired by his example and touched by his kindness.

Over the past several months, MI has been building on Jaffe’s proud legacy by responding to the threat that Covid-19 presents to the homeless population. Trying to prevent the spread of the pandemic within a community that is disconnected from information, in generally poor health, and plagued by drug and mental health issues is an extremely tall order. Senior fellow Stephen Eide, however, offered a plan of action for New York and other similarly situated cities in his report “Homelessness and Covid-19: Assessing the Response and Planning for the Reopening.” Thankfully, as Eide noted in a National Review op-ed, the worst-case scenarios have thus far been averted, but he is keeping close watch and intervening in the public debate as needed.

It is hard to envision a growth agenda for New York City that doesn’t include an overhaul of its public transportation system. Already plagued by long wait times, overcrowded cars, and a sclerotic pace of new building and repairs before the pandemic, the system must also survive the fallout of Covid-19, which has derailed many New Yorkers from using public transportation. In an op-ed for the New York Times, Nicole Gelinas invited readers to imagine New York City if it did not find a way to narrow the gap of the MTA’s predicted $14 billion shortfall across two years: the results, she wrote, would be service cuts to the subway and bus lines, more crowding on the remaining trains, further exodus in response to that overcrowding, and fare hikes for those with no choice but to continue riding New York’s more crowded and less convenient public transportation system. Rather than proceed down this path of cascading failures, the MTA can begin a long-overdue reform project.

Now the MTA faces an estimated $3.2 billion shortfall.

New York’s subway system is famously shoddy compared with those of peer cities in Europe and East Asia, but even heavy rail networks elsewhere in America put Gotham’s public management to shame: New York spends four times more than any other American rail system on maintenance per track mile. Now the MTA faces an estimated $3.2 billion shortfall. Improving service while cutting costs is no easy feat, but as MI fellow Connor Harris points out, the MTA has been so poorly run for so long that there is some low-hanging fruit to be picked. In his policy brief “Five Cheap Ways to Improve NYC Subway Operations,” Harris enumerated some of these no-brainer fixes, including moving more of the track maintenance work to the overnight hours to bring down costs and installing platform barriers on subway tracks to keep people and objects off the tracks. His research formed the basis of two op-eds, appearing in City and State and the transit-oriented publication Streetsblog.

American cities are at a crossroads, and the obstacles strewn in their path are formidable. But we should have faith that urbanites can see when ideas are failing all around them. Beset by soaring housing costs and failing schools, by rising crime and oppressive taxes, cities are struggling to succeed despite their governments. As the realities of poor urban governance increasingly come to light, people in cities may find a renewed openness to MI’s research and ideas. As the Wall Street Journal’s James Freeman wrote in his feature on MI’s research, “America’s biggest city may now be home to a rising number of budding conservatives who’ve been mugged by the reality of leftist governance.”
Thank you for three decades of loyal readership.
What happens in American cities will have a significant influence on the nation’s future. America’s status as an economic superpower depends on its high-tech industries in Seattle, Los Angeles, Austin, Boston, and, of course, New York. Healing the country’s social and political wounds will require new economic models in midsize cities like Flint, Buffalo, and Akron as well. And all cities, regardless of size or region, need to rededicate themselves to public safety, sustainable balance sheets, and policies that encourage stable families and strong communities.

City Journal’s 30th year in print was a banner one for the magazine, with readers drawn to its deeply reported stories told in crisp, economical prose. Take, for example, contributing editor Christopher Rufo’s “Anarchy in Seattle,” his account of Seattle’s famed Capitol Hill Autonomous Zone (CHAZ), a six-block stretch that the city government ceded to left-wing anarchists. Rufo’s reporting confirmed timeless truths about human nature and society: the alternative to the rule of law is not spontaneous cooperation but the arbitrary rule of the strong.

Almost as stunning as the facts on the ground in Seattle was how the country’s major media outlets were largely ignoring the real story of what was happening there. The New York Times depicted CHAZ as a charming commune run by idealistic, if rebellious, youth—until the paper of record published a harrowing account of a neighborhood plagued by shootings, roving militias, and merchants unable to operate their businesses. City Journal readers understood what was happening six weeks earlier.
Throughout this challenging year, City Journal has covered the coronavirus pandemic across all aspects—medical, economic, and governmental. Taking a long-term view in “The Crisis’s Impact on Budgets,” City Journal senior editor and George M. Yeager Fellow at the Manhattan Institute Steven Malanga described how many cities and states never filled the budget holes and pension liabilities that emerged during the Great Recession, leaving them even more vulnerable to a shock like the one we’re living through now. As Covid-19 caseloads ticked up in the early fall and as many places, from Brooklyn to the United Kingdom, considered returning to lockdowns, contributing editor John Tierney published “A Failed Experiment,” showing how the effects of lockdowns have been devastating for school-age children, those battling serious diseases other than Covid-19, hourly employees, and small-business owners—all in exchange for near-negligible benefits.

In working to influence the policy debate, City Journal understands that it must reach audiences that do not yet share its views—but could. Under the leadership of editor Brian C. Anderson, the magazine works hard to reach skeptical readers: it thoroughly presents opposing points of view, grounds arguments in empirical evidence, conducts original reporting, and assumes an intelligent and informed audience. The magazine’s stable of talented and urbane contributing editors and frequent contributors includes Heather Mac Donald, Coleman Hughes, Nicole Gelinas, Kay Hymowitz, John Tierney, Edward Glaeser, Rafael Mangual, Seth Barron, and Theodore Dalrymple. Anderson and the City Journal team are always on the lookout for new talent and emerging voices to include in its pages, such as Martin Gurri, Bruno Maçães, and Brian Patrick Eha.

In 2020, across the print magazine, website, and 10 Blocks podcast, more people than ever engaged with City Journal’s work. The website has garnered 18.7 million pageviews from 9.8 million unique viewers—54% and 84% gains, year-over-year, respectively. Many of these pieces go on to republication and adaptation in outlets including the Wall Street Journal, New York Post, Los Angeles Times, and New York Daily News. Ten Blocks has averaged 40,000 downloads a month, a 47% increase from last year. At the same time, City Journal has been a pioneer in nonprofit journalism, sticking with substantive stories and in-depth reporting at a time when many media outlets have abandoned those values in pursuit of clicks. City Journal has brought those values into the world of new media more successfully than any other publication.

Eventually, New York City will turn the page on Covid-19. With a mayoral election approaching in 2021, the city will need to make weighty decisions about its future. As a part of MI’s New York City: Reborn initiative, City Journal will survey the political, policymaking, and cultural landscape and offer fresh ideas to move the city forward. The magazine is already rolling out stories under New York City: Reborn each week. Highlights of the series—including a substantial number of feature-length articles—will appear in a special print issue of the magazine in early 2021, well in advance of the election.
The past four years saw a sea change in the federal judiciary. Between 2017 and 2020, the Trump administration appointed new judges at an unprecedented pace, amounting to 24% of the federal bench. Trump also put three justices onto the Supreme Court, giving the high court a majority of justices committed to interpreting the Constitution and Bill of Rights based on their plain language, rather than through confected and convoluted legal theories. Over time, the legislative branch has ceded lawmaking authority to its executive and judicial counterparts in a distortion of the original constitutional design. But this transformation of the federal bench presents an invaluable opportunity for the judiciary to restore the rule of law by reining in administrative rulemaking, respecting the separation of powers, and taking federalism seriously. As the courts embark on this important project, they gain an invaluable resource in senior fellow James R. Copland’s new book, *The Unelected: How an Unaccountable Elite Is Governing America*. Copland’s book combines an indictment of our current system of outsize administrative authority with a plan to return to our constitutional form of government.

Over the last six months, Americans previously uninterested in the inner workings of their government have come to know the leaders of the CDC and FDA as familiar TV personalities, underscoring the impact that these agencies have on every American’s life. Many of these people are intelligent and dedicated professionals, but the agencies they head and work for are plagued by structural problems divorced from any one person’s competence or good intentions. So when the CDC failed to ship out Covid-19 test kits in a timely fashion, or when the FDA slow-walked approval for private labs to do their own testing, Americans were left fuming at people whom they had not elected and would have no opportunity to replace or otherwise hold to account. Copland’s book is an erudite account of how the country arrived here, recounting how Congress has abdicated its authority, the administrative state has expanded its reach, and the invisible system of regulation-through-litigation has entrapped businesses.

Copland discusses the relinquishing of congressional authority at the federal level (of the 300,000 federal crimes on the ledger, 98% were written through administrative action rather than legislation) and the insidious pattern of “predatory federalism,” wherein large states like New York and California regulate businesses in Texas and Arkansas by threatening to close their markets to products that don’t meet their state’s standards.

*The Unelected* is not simply a tale of despair, however, as Copland charts a path to restoring our government to its constitutional structure. This, he counsels readers, will require a judiciary that is willing to insist that Congress reclaim its constitutional powers from the executive branch, rather than promulgating vague and unobjectionable mandates and leaving it to civil-service employees to translate those into real policy. Copland’s timely message is already making waves in the legal world, earning advance praise from Leonard Leo, cochairman of...
“Copland identifies multiple aspects of the regulatory state that are fairly opaque and unaccountable but wield considerable unchecked power over Americans, who should expect elections to matter more.”

— LEONARD LEO, CO-CHAIRMAN, FEDERALIST SOCIETY FOR LAW AND PUBLIC POLICY STUDIES


— PHILIP K. HOWARD, AUTHOR, THE DEATH OF COMMON SENSE; FOUNDER, COMMON GOOD

“How do unelected power players exploit law and regulation to call the shots in American government and policymaking, while often doing very well for themselves in the process? Jim Copland knows more about this subject than almost anyone—and after you read this book, you will know too.”

— WALTER K. OLSON, AUTHOR, THE LITIGATION EXPLOSION; SENIOR FELLOW, CATO INSTITUTE
the Federalist Society, who called it “valuable reading for anyone committed to a republican form of government,” and a glowing review by Mark Pulliam in *Law and Liberty*, who wrote: “Copland offers the clearest and most succinct summary of these complicated subjects that I have ever seen.”

Among the most urgent problems facing the new Congress and administration is that America carries the largest debt-to-GDP ratio since the close of the Allied victory in World War II. MI senior fellow Brian Riedl, long a leading voice explaining the major drivers of the national debt and offering sensible paths back to fiscal sustainability, made his case in 2020 through 31 articles, three full-length research reports, and countless conversations with lawmakers and staffers in the Capitol. Riedl debated America’s fiscal health with the former head of the Council of Economic Advisers in the Obama White House, Jason Furman, in a conversation that has reverberated around economic circles right and left. Riedl’s prudent perspective has gained a large following on Capitol Hill. In January 2020, he offered testimony to the Senate Homeland Security Committee in connection with Senator Romney’s efforts to identify America’s debt burden as a national security risk.

Today’s increasingly assertive deficit doves argue that because there was no sovereign debt crisis or runaway inflation during the Obama years, we should not pay attention to those scholars, such as Brian Riedl, who raised concerns about America’s deteriorating fiscal position at that time. Yet just because America did not follow Greece into default in 2011 does not mean that mounting deficits are harmless—far from it. As the federal government moves deeper into the red, it becomes more and more susceptible to rising interest rates, which would make servicing our debt prohibitively expensive. Riedl is an important voice for Republicans and Democrats alike who don’t want to see America live at the whims of financial markets.

The Covid-19 crisis did not prompt only a fiscal response. The Federal Reserve also became involved, purchasing private debt, establishing a credit facility for midsize businesses, and pushing out dollars to cash-strapped central banks around the world. The Fed’s actions during the pandemic have led to calls for the bank to assume a permanently larger role in economic policy, from taking on more power in financial regulation to using monetary policy to reduce minority unemployment. MI’s Shadow Open Market Committee (SOMC), which monitors the Fed’s own Federal Open Market Committee (FOMC), has taken up these important questions in its two conferences this year. Bringing together leading scholars of monetary policy and former Fed board members, the SOMC emphasized the danger of permanently expanding the Federal Reserve’s mandate to include partisan goals.

The gargantuan levels of new spending proposed by many Democrats, including President-elect Joe Biden,

![Chart: Rising Spending–Not Falling Revenues–Drives the Long-Term Deficit](chart.png)

Source: CBO 2020 Long-Term Budget Outlook
are not only problematic because of America’s worsening fiscal position. They also respond to “crises” that are, in many instances, greatly exaggerated, if not wholly imagined. On the campaign trail, Biden frequently invoked the notion of an American “retirement crisis,” purportedly owing to the decline in defined-benefit pension plans. Yet America’s seniors are in far less precarious a situation than the president-elect suggested. In a report, “Are Americans Prepared for Retirement?” senior fellow and City Journal contributing editor Allison Schrager notes that defined-benefit pensions, even at their high-water mark in the 1970s, covered only 38% of American workers. Today, in contrast, a majority of America’s workforce has access to a 401(k) or some similar defined-contribution plan. Among today’s retirees, the picture is heartening, with Americans in their seventies in every quintile of the income distribution earning more than similarly situated Americans in 2000. The poverty rate among the elderly is also at its historical low.

For those looking for ways to finance a dramatic expansion of the welfare state, wealth taxes have emerged as a fashionable option, particularly among those who insist that wealth inequality constitutes a major problem in American society. Participating in a debate sponsored by Bloomberg and Intelligence Squared, alongside former Treasury Secretary Lawrence Summers against former labor secretary Robert Reich and former Greek finance minister Yanis Varoufakis, Schrager explained why the preoccupation with redistributing wealth—as opposed to helping people escape poverty—is misguided. Drawing on a report that she coauthored with MI senior fellow Beth Akers, Schrager notes that two-thirds of the European countries that had a wealth tax in place in 1990 have since repealed it because wealth taxes are enormously inefficient to enforce and frequently succeed only in redistributing wealth from entrepreneurs to tax lawyers.

Rather than more government subsidies for traditional degrees, America’s young people would benefit much more from new education models that prepare them for job opportunities more quickly and efficiently. Over the last decade, a narrative of millennial immiseration has taken hold. At the center of their plight, we are told, is a crushing mountain of student debt, which justifies calls for policies such as “free college.” The underlying assumption is misleading, explains Akers, who has shown that the debt burden is overwhelmingly concentrated on holders of advanced degrees, who remain well positioned to pay it down over time. Policies for “free college” would disproportionately benefit this group, the majority of which does not need the help. A far greater concern of policymakers ought to be the half of the population who are not college-bound and who have been disadvantaged by the cult of higher education.

Rather than more government subsidies for traditional degrees, America’s young people would benefit much more from new education models that prepare them for job opportunities more quickly and efficiently. In an event with Yahoo Finance, Akers discussed ideas to allow more business-model innovation in the education sector. Right now, the underserved segment of the market comprises those who are willing to forgo the amenities—new campus centers and micro-targeted academic departments—that many colleges offer to lure the children of well-to-do parents in favor of a low-cost, no-frills education offering them an in-demand skill. It is time we let these options proliferate, insist on full disclosure from schools so that prospective students know what they are paying for, and then let consumers decide which options best meet their needs. It is a testament to Akers’s empirically grounded and pragmatic approach that she was asked to discuss her work with members of the Trump administration’s Domestic Policy Council as well as with former New York mayor Michael Bloomberg’s campaign-policy staff.
Writing for TechCrunch, senior fellow Mark Mills reminded us of a central truth for our digital economy: while our energy needs are becoming less visible, they are not, in fact, declining. In mid-century America, the iconic image of U.S. business was a smokestack belching black clouds into the air as a factory churned beneath it. Today, many of us are working from home, manipulating spreadsheets and pixels rather than auto parts or steelworks. But Mills notes that the energy needed to run two hours of Zoom sessions is greater than the fuel that an individual would have consumed on a four-mile train ride. Even as America’s economy becomes more digitized and less dependent on heavy industry, America’s electricity and mineral needs will only continue to rise. MI’s energy team is communicating to the public that efforts to wean America off our most powerful sources of energy (oil, natural gas, and nuclear) are incompatible with robust economic growth and fly in the face of the laws of physics.

We are increasingly told that a Green New Deal, or some watered-down version of it, would both move our economy to a more sustainable footing and launch a renaissance of blue-collar employment. This is merely the latest in a string of bold predictions and seductive promises from the environmental movement. Before making a $4 trillion bet on the country’s future, perhaps we should give more thought to the challenges and pitfalls inherent in a rapid transition to renewable energies. Mills’s report “Mines, Minerals, and ‘Green’ Energy: A Reality Check” does exactly that. Mills notes that while batteries, solar panels, and wind turbines don’t require hydrocarbon—at least not in their final form—they do require a mind-boggling amount of minerals, almost all of which would come from abroad, and which require a large carbon footprint to extract in the first place. The Green New Deal would do for many unsavory regimes around the world what the oil shock of 1973 did for the Gulf states: give them an injection of cash to solidify their authority and fuel their adventurism abroad.

And for all our trouble, we would be left with an energy infrastructure that produces far more physical waste than the entirety of the current global economy, a point that the secretary of energy made in an op-ed in the Orange County Register, citing Mills’s work. California, the state that has gone the furthest in converting environmental orthodoxy into public policy, stands as a cautionary tale. In autumn 2020, Californians battled rolling power blackouts, government-mandated energy reductions (during a heat wave), and devastating wildfires. MI adjunct fellow Jonathan Lesser, in his report “Playing with Fire: California’s Approach to Managing Wildfire Risks,” noted that the state’s policies on controlled burns and forest maintenance interact with the dreadful management of Pacific Gas & Electric (PG&E) Company to turn a manageable problem into an annual catastrophe.
“Today, many of us are working from home, manipulating spreadsheets and pixels rather than auto parts or steelworks. But Mills notes that the energy needed to run two hours of Zoom sessions is greater than the fuel that an individual would have consumed on a four-mile train ride.”
“The dysfunction of the health-care sector, where government inserts itself into every nook and cranny, has left the industry in an untenable position. It can either take steps toward the rest of the economy by embracing markets and competition; or it can march toward a single-payer system, where price controls and bureaucrats would have to make up for the lack of competition and incentives to innovate.”
Since the turn of the 21st century, health-care costs have risen 150% faster than economy-wide inflation. For those who still receive health insurance from their employer, such increases have prevented many from seeing rising wages, as additional compensation gets diverted toward insurance. The share of people with employer-provided insurance, moreover, has also fallen dramatically over the last 20 years, from 68% to 58% of the population. Some slice of this group has moved on to the Medicare or Medicaid rolls, but most are now shopping for insurance on the individual market, where they find policies that are prohibitively expensive for middle-class families. This means that a growing number of people have experienced shopping for plans before realizing that none makes sense for them or their families. Put simply, the need for free-market thinkers to offer a positive vision for health-care reform is nonnegotiable.

MI senior fellow Chris Pope has put forth both an insightful diagnosis of our current health-care woes and a path toward broader coverage, less regulation, and more robust competition. Currently, health care suffers from too much government intervention in the industry, which stifles new technologies and new business models, both of which could flatten the cost curve. When the pandemic was at its height in the spring, Pope published a piece in The Hill imploring Congress to make its aid to the hospital system contingent on hospitals no longer engaging in surprise billing of patients, a practice that is not only wrong but that alienates many people from the private medical system. After garnering attention in the Capitol and the White House, Pope’s proposal was included in the Trump administration’s funding request two weeks later.

Chris Pope’s larger-ticket vision for health-care reform shows that proponents of free markets don’t just oppose bad policy; they also stand ready to enact good ideas. In his issue brief “Principles for Building Better Health Insurance,” which was adapted for the summer issue of National Affairs, Pope lays out a framework for health-care reform. He makes a convincing case that market reformers should focus their efforts on the individual marketplace, since the poor and elderly are covered by Medicaid and Medicare, and, for all the flaws of employer-sponsored insurance, businesses are still willing to compete for talent with generous health-care packages. Thus, the individual market ends up serving people who are working but are independent contractors or at firms that are too small to offer insurance. Right now, an ill-considered provision of the ACA prevents insurance companies offering plans in the individual market from offering lower rates to those who sign up before they get sick, forcing costs to go up for everyone. America, Pope argues, should follow Australia’s and Germany’s lead and allow insurers to offer lower premiums to enrollees who sign up before they are sick and who maintain continuous coverage. This would then allow public subsidies to be concentrated on those whose preexisting conditions make their insurance prohibitively expensive.

As Pope makes clear, in the 80% of the American economy that is not health-care spending, consumer choice and robust competition reign. Because of that, Americans have seen technological breakthroughs and dramatically declining prices. The dysfunction of the health-care sector, where government inserts itself into every nook and cranny, has left the industry in an untenable position. It can either take steps toward the rest of the economy by embracing markets and competition; or it can march toward a single-payer system, where price controls and bureaucrats would have to make up for the lack of competition and incentives to innovate.

As we head into a new year, we’re excited to be bringing Randall Lutter on board. The former senior science and regulatory advisor in the Office of the Commissioner of the U.S. FDA, he is an expert in pharmaceutical markets, drug pricing, medical supply chains, and much more. Lutter’s firsthand experience in government will be a major asset as we chart a practical path for pro-market reforms.
K–12 EDUCATION

For decades, MI has been working to expand the educational options available to parents in urban areas, where too many poor children are trapped in chronically failing schools. The case for choice applies to the full range of educational options, from making traditional public schools more effective and rigorous to empowering charter networks and allowing parochial schools to compete on an even playing field. While MI’s goals and commitments remain unchanged, the policy landscape has evolved over time. Today, rather than try to extinguish the charter sector altogether (it has had too many high-profile successes for that to be a tenable strategy), opponents of charter schools argue that charters have reached the natural limit of their growth, lest their continued expansion start to cannibalize resources and students from the public school system—a glib idea with a potential to do real harm.

The challenges facing parochial schools have changed alongside the city’s demographics as well. In earlier eras, parochial and religious schools predominantly served children from middle-class families, which provided these schools the financial wherewithal to also serve poor and newly arriving immigrant families. The continued exodus of middle-class families, especially middle-class Catholics, has left urban parochial schools in a precarious position. MI believes that ensuring a healthy market means ensuring multiple healthy competitors. We are committed to an agenda that strengthens each of these educational options and lets students and their families choose the best match for their needs.

Critics of charter schools frequently contend that the improved outcomes that they achieve reflect something other than their ingenuity and hard work. Indeed, charter schools are regularly accused of “skimming” the best students from the public school system, stacking the deck in their favor and harming the students left over in the public system. This charge is particularly common in jurisdictions where charters are widely deployed, such as Newark, New Jersey, where charter schools serve a third of the city’s 55,000 public school students. MI senior fellow Marcus Winters, in his report on the effect that large charter networks in Newark have had on the city’s public school system, has convincingly demonstrated that charter networks serve their students as well as those remaining in the public system. Particularly at a time when so many cities and communities face resource constraints, charter schools, which tend to operate at a lower per-pupil cost, offer a low-cost way to improve educational performance.

Parochial and religious schools received a boost from the Supreme Court’s decision in Espinoza v. Montana Department of Revenue, which forbade states from excluding religious schools from programs that would fund other forms of private education. As MI director of education Ray Domanico laid out in an op-ed for the New York Post, this is a particularly fortuitous development at a time of acute fiscal distress for many parochial schools. The sector has been shrinking for some time, but the coronavirus has put that distressing trend on fast-forward, forcing 98 Catholic schools to close permanently since the pandemic began. But the pandemic has also shown the enduring value of institutions driven by shared beliefs and a shared mission, managing the transition to remote education and physical distance much better than many public school systems. Domanico presented a larger vision for the reinvigoration of parochial education, calling for all but the best-situated parish schools to form networks (a common practice among charter schools) and incorporate more laypeople and education experts into the administrative hierarchy.

The federal government’s expanded role in primary education has also come at the expense of local and state authority, diminishing ordinary citizens’ say in devising education policy. Senior fellow Andy Smarick, who joined MI in spring 2020 and is former president of the Maryland State Board of Education and a veteran of George W. Bush’s Domestic Policy Council, is one of the country’s most nuanced thinkers in the education-policy world and an incisive defender of federalism. Aside from sounding the alarm on federal overreach, another trend that Smarick and MI plan to monitor closely is the use of racialized thinking to discredit standardized testing. It is now a mainstream position to denounce standardized testing as an expression of “whiteness,” a puzzling turn of phrase that demoralizes and discriminates against black and Latino students.

This line of thinking is driving efforts to change admissions standards for magnet high schools in New York and Seattle. Rather than let the education reform movement get mired in the politics of ethnic resentment, MI is presenting a vision for pluralism, choice, and opportunity for all.
**MI-Rasmussen Survey Questions and Responses** (% from all and black respondents)

Does giving parents the right to choose the school that their child attends raise or lower the overall quality of K–12 education for students?

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<td>19%</td>
<td>10%</td>
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Does your state give parents too much, too little, or the right amount of choice when deciding where their children will attend school?

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“The case for choice applies to the full range of educational options, from making traditional public schools more effective and rigorous to empowering charter networks and allowing parochial schools to compete on an even playing field.”
As government has expanded over the last half-century, America's civic muscles have atrophied. Citizens have come to expect more from their government and less from one another. For nearly 20 years, the Manhattan Institute has worked to arrest this trend and support the civil society institutions that do so much to instill bourgeois virtues. This is the goal of our Civil Society Awards, which recognize nonprofit organizations and their leaders who develop effective solutions to our nation's most pressing public problems with the help of volunteers and private philanthropy.

This year, MI reviewed hundreds of these organizations and selected five inspiring winners for our annual $25,000 Civil Society Awards. The 2020 awardees include: a faith-based program in Ohio that provides weekly training and support for those suffering from dementia and their caregivers at no cost to participants, an organization that provides year-round character building and mentorship to foster-care youth from New York City and Los Angeles, a nonprofit library in rural New Mexico that provides critical services to thousands in its region, and a classical music education program in El Paso, Texas, that provides a pathway to academic and career success for immigrant children. One of the honorees, Invisible Hands, was created by three New York City–based twentysomethings who organized thousands of young volunteers to deliver groceries and medicine to those at high risk for contracting Covid-19 during the worst of the pandemic.

This year’s awards ceremony also featured notable presenters from Carnegie Hall and the Dollywood Foundation, as well as Oscar-nominated actor Carol Kane, among others. One keynote speaker was Harvard professor and leading scholar on civil society Robert Putnam, who authored the groundbreaking book *Bowling Alone*. The 2020 Civil Society Awards celebrate local leaders who remedy the problems that Putnam insightfully describes as contributing to the decline in America’s sense of community and social capital in recent decades.

In addition to the awards, the Institute launched its second cohort of Civil Society Fellows this fall, whose success in transforming their own neighborhoods positions them to influence the public debate on a variety of social challenges. To help them get their message out, the program provides the fellows with education, media training, and promotional opportunities to advance their causes and inspire others around the country to take action. For example, earlier this year Civil Society Fellow Sharpel Welch and her organization, Community Renewal International, in Shreveport, Louisiana, were featured by CBS Sunday Morning News for their...
inspiring Friendship House program. Sharpel’s Friendship House is a home to her family, the seven neighborhood children they are helping to raise, and many other area kids who view Friendship House’s youth and educational programs as a refuge.

This year’s fellows are hard at work on similarly inspiring work. Take Brandon Chrostowski of EDWINS Leadership & Restaurant Institute in Cleveland, Ohio, who trains 100 students every year, all formerly incarcerated individuals, in the culinary arts. While most cities have declining need for blue-collar manual labor, dining and hospitality has been a growth industry for every city in America. The path from ex-offender to sommelier is long, but with Chrostowski’s guidance, it is navigable—and we look forward to helping him expand his reach.

LIVE: Sinclair Broadcast Group  The 2020 Civil Society Awards, winner profile videos, and MI’s historical awards footage were featured on STIRR, a streaming service owned by one of the nation’s largest TV broadcasters.
A lot of ink has been spilled trying to understand why socialism has so much purchase among millennials and their now college-aged successors in Generation Z. Much of the problem pertains to their education: young people receive very little exposure to the nature of capitalism as a moral system. The next generation of people on the path to leadership in government, business, and society ought to hear the best of that idea—and the Manhattan Institute, through its MI on Campus, Young Leaders Circle, and Adam Smith Society programs, enables just that.

At business schools across the country, future leaders of the American private sector are taught the how of American capitalism without the why. Through our 42 chapters (on campus and for young professionals), the Manhattan Institute’s Adam Smith Society gives future business leaders an education in the moral and intellectual underpinnings of capitalism. Modeled after the Federalist Society, the mission of the Adam Smith Society is to help ensure that America’s next generation of leading capitalists are also articulate defenders of the system. This year provided countless case studies of “woke capitalism” at work, as some of America’s leading businesses threw their cash and resources behind the trendy cause of the day. Some of that reflects shrewd judgment—using social issues to curry favor with politically-minded consumers—but in other cases, businesses sincerely profess the idea that their mission is social change while profit-making is a secondary concern. Such attitudes undermine America’s economic competitiveness and threaten to take social policy out of the democratic sphere. Defending the traditional understanding of the role and purpose of business is a first-order concern of the Adam Smith Society, as our events and speakers demonstrate.

In addition to on-campus programming, MI brings members together from across chapters and cities, helping them network with similarly interested MBA students, professionals, scholars, and business leaders. In February 2020, this took the form of our conference “Healthcare 2040: Business Model Innovation in Healthcare,” where attendees heard from keynote speaker and former FDA chairman Scott Gottlieb on the future of precision medicine; and from Matthew Cook, executive director of strategic projects for Gilead Sciences, on the state of research into rare diseases. In December 2019, we convened members in Jackson Hole, Wyoming, for a discussion of the future of financial services, with former MI book fellow and Columbia Business School professor Charles W. Calomiris. In November 2019, members were in Edinburgh, Scotland, to discuss Adam Smith’s writings on ethics and economics in his home city.
Even after the pandemic began, the Adam Smith Society program continued, pivoting to a virtual format that gave students access to the same lineup of great speakers and business leaders. Within a week of New York’s lockdown, the Adam Smith Society was live with its first virtual event. Since then, our members have heard from the entrepreneur Scott Gottlieb, Washington Post columnist George Will, and MI’s own Nicole Gelinas and Allison Schrager. Despite all the disruptions that 2020 has thrown into campus and city life, the Adam Smith Society was able to secure banner membership growth this year, with total membership across campus and professional chapters growing by 64%.

MI’s Young Leaders Circle (YLC) provides a forum where more than 1,400 local young professionals working in finance, law, media, tech, and related fields have the opportunity to meet monthly to network and hear lectures from authorities at the forefront of policy and culture. In early 2020, for example, they heard Wall Street Journal editor Mary O’Grady and Venezuelan activist Andrés Guilarte discuss how Venezuela has devolved, under socialism, from a prosperous democracy to an impoverished dictatorship.

YLC also pivoted to virtual events early this year. Since March, we have hosted nine virtual events, ranging from an interview with author Jonah Goldberg on the future of the conservative movement, to writer Douglas Murray of The Spectator discussing Brexit and Europe’s ongoing culture wars. YLC offered a bonus September event: a preview of the Supreme Court’s coming term, with participants including, among others, MI senior fellow James Copland. Our fall slate includes postelection analysis by Victor Davis Hanson of the Hoover Institution and a talk by author, congressman, and former Navy SEAL Dan Crenshaw on his homage to grit, Fortitude: American Resilience in the Era of Outrage. We plan to return to hosting in-person events as soon as we can in spring 2021.

Feedback from YLC’s membership (now 270 and growing) remains strongly positive. A longtime member, Colette Arredondo, had this to say about her experience: “I joined the Young Leaders Circle and its advisory committee more than ten years ago, and it’s been one of the best things I’ve done with my time in New York. I remember that the first lecture I went to was by Niall Ferguson, and I immediately knew that this was a dynamic group that I wanted to be a part of.”
MANHATTAN INSTITUTE
BY THE NUMBERS

in the last year

11,773,208
unique users across
all MI brands

994
media outlets

120+
virtual “eventcasts”

300
broadcast hits
for CJ articles
(200% increase)

46,156
new social media
followers

516
op-eds
by MI experts

22,230,156
pageviews
across brands
(6.8 million more than last year)

550K
views on YouTube
For 20 years, the Alexander Hamilton Award Dinner has been the Manhattan Institute’s signature event. This year, with the COVID-19 pandemic, we held our first all-virtual event to great success. The 2020 Alexander Hamilton Awards were presented to Leonard Leo and Eugene Meyer of the Federalist Society; and Daniel S. Loeb of Third Point LLC.

Daniel S. Loeb
CEO, Third Point LLC

I rely on MI for the deep thinking and forward-looking policy prescriptions they provide, which inform my activities. I know MI research will be based on principles we all share and will not be shaped by pressure to be PC.

Leonard Leo
Co-chairman and former executive vice president of the Federalist Society

I am a longtime admirer of the Manhattan Institute. Since 1977, you have helped to foster a society where all people can flourish.

Eugene Meyer
President and CEO of the Federalist Society

I am especially honored to receive the Alexander Hamilton Award. This is because the Manhattan Institute exemplifies the type of serious discussion and analysis we desperately need and receive far too little of these days.
This year, MI is thrilled to welcome outstanding new thinkers to our roster of scholars.

Coleman Hughes joins as a fellow and contributing editor to City Journal. Hughes has emerged as one of our nation’s most interesting voices on the hot-button issues of race, diversity, and free speech.

Glenn Loury, Merton P. Stoltz Professor of the Social Sciences at Brown University, joins MI as a senior fellow with an initial focus on affirmative action, the black family, and black patriotism.


Daniel Kennelly, former senior managing editor of The American Interest, brings 15 years of editing experience and an expertise in covering politics, policy, and culture to City Journal, where he joins as associate editor.

Charles Fain Lehman is a reporter for the Washington Free Beacon, covering criminal justice, policing, and social policy. Lehman will join MI as an adjunct fellow working on policing and public safety.

Glenn Loury, John P. Murphy Foundation Professor of Law at Notre Dame Law School, will join MI as an adjunct fellow working on urban education. Before entering academia, Garnett clerked for Associate Justice Clarence Thomas of the United States Supreme Court.

Charles Fain Lehman joins as a senior fellow to continue his research on health care and innovation.

Randall Lutter, former senior science and regulatory advisor in the Office of the Commissioner of the U.S. FDA and a veteran of the Council of Economic Advisers, joins as a senior fellow to continue his research on health care and innovation.

Nicole Stelle Garnett, John P. Murphy Foundation Professor of Law at Notre Dame Law School, will join MI as an adjunct fellow working on urban education. Before entering academia, Garnett clerked for Associate Justice Clarence Thomas of the United States Supreme Court.

Andy Smarick, former president of the Maryland State Board of Education and a veteran of George W. Bush’s Domestic Policy Council, will focus his research on education policy and civil society.

Hannah Meyers will direct our new Policing and Public Safety Initiative. Meyers served for five years with the intelligence bureau of the NYPD before transitioning to an NGO, where she led its research efforts into counter-extremism.
Why Invest in MI? An investment in the Manhattan Institute (MI) is a demonstration of belief in the principles and moral ideals that our scholars advance: economic choice; individual liberty; the rule of law; free markets; and responsible governance. Your contribution also represents a uniquely American approach to social engagement, in which private citizens, foundations, and organizations direct their resources to the causes of their choosing. MI’s trustees, scholars, and staff deeply value this trust, your contribution, and the confidence it signifies. When you give to MI, your generosity turns intellect into influence.

How to Support MI
You can donate to MI via check, wire, or stock transfer, or make a donation online: manhattan-institute.org/donate. If you have questions, please call the MI development office.

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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 contact the MI development office.

Membership
Supporting the Manhattan Institute through membership, the NYC Reborn Council, or the Trustee’s Circle can unlock access to various benefits, including invitations to events, a subscription to MI’s City Journal, and MI books. Young professionals who join MI’s Young Leaders Circle have access to monthly lectures and receptions and receive additional benefits at the Advisory Committee level. MBA students and professionals who join MI’s Adam Smith Society have access to a series of benefits depending on the level of dues. For questions about membership with MI, Young Leaders Circle, or the Adam Smith Society, please contact MI’s development office.

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REIHAN SALAM, President
ILANA GOLANT, Chief Operating Officer
BRIAN C. ANDERSON, Editor, City Journal
BRANDON FULLER, Vice President, Research & Publications
Manhattan Institute advances growth-oriented, evidence-based public-policy solutions to some of the most pressing economic and urban issues. Covering such areas as health care, urban economics, K–12 education, public safety, and public budgets, MI scholars shape the policy landscape by authoring reports, essays, and books; testifying at government hearings; commissioning qualitative surveys; and reaching the public directly through earned media.

Since our founding in 1977, MI’s policy prescriptions have been influential in changing the country for the better—from tax and regulatory reform to laying the groundwork for the end of the crime wave in the 1990s. As the policy landscape evolves, MI is developing new ideas to unleash the potential of our cities and allow all Americans to live safe, prosperous lives.

MI’s scholarship on criminal justice and urban revitalization is at the heart of both our legacy and our future. The Policing and Public Safety Initiative, launched in 2020, is home to our work on urban policing, which treats public safety as an imperative while soberly evaluating potential reforms to the criminal-justice system. The New York City: Reborn project, also launched in 2020, seeks to preserve the best attributes of our home city by combining detailed knowledge of the city’s policy landscape with creative, courageous reforms.

In addition to amplifying the work of MI scholars through op-eds, podcasts, TV, radio, books, and social media, the Institute has published digital and print commentary for more than three decades through its own magazine, City Journal.

City Journal was founded in 1990 as an intellectual and journalistic response to New York’s downward spiral and to the illness of the American city generally. Called “the best magazine in America” by the Wall Street Journal’s Peggy Noonan and “the great Fool Killer in the arena of urban policy” by the late novelist Tom Wolfe, City Journal has advanced ideas in response to the challenges facing urban America in order to make cities safe, entrepreneurial, and vibrant.

Books by MI scholars often spark national conversation and reframe the public debate, from Charles Murray’s seminal Losing Ground to Heather Mac Donald’s prescient best-seller The War on Cops and the late DJ Jaffe’s Insane Consequences.

MI is home to an expansive community of networks. Through our event programming, special projects, and next-generation groups, we regularly convene current and future leaders from academia, public policy, journalism, civil society, and the professional world. Our signature annual events such as the Alexander Hamilton Awards, have honored former presidents, governors, philanthropists, police commissioners, sitting presidential cabinet members, and remarkable local civic leaders making a difference in their communities.

Via outreach both on- and off-campus, MI has developed initiatives to engage with and support the next generation of leaders. Through our MI on Campus program, MI fellows lecture at U.S. colleges and universities. The Adam Smith Society, an association of MBA students at top business schools across the globe, promotes debate and discussion about the moral, social, and economic benefits of capitalism. Adam Smith Society alumni enjoy a growing network of city-based professional chapters. And our NYC-based Young Leaders Circle convenes a network of young professionals with an interest in public policy.

The mission of MI is to develop and disseminate new ideas that foster greater economic choice and individual responsibility.

Policy Research

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Journalism

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