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Building on the success of its NYC: Reborn initiative, MI recently launched Metropolitan Majority—to cultivate a national network of pragmatic local leaders sharing the best policy solutions to problems in metros across the country.

Critical Race Theory
Christopher Rufo is nationally recognized as a leader in the anti-CRT movement. Together with scholars such as Rufo, James Copland, who penned model legislation for states seeking to limit CRT-inspired teaching in schools, Jason Riley, who wrote that foisting wokeness on children comes at the expense of teaching basic skills, and Heather Mac Donald, who revealed how identity politics have seeped into our cultural institutions, MI will continue to vigorously counter these divisive ideas.

Infrastructure and Economics
An insatiable progressive appetite for bureaucratic and regulatory growth continues to threaten American opportunity and prosperity. MI scholars such as Brian Riedl, Allison Schrager, Randall Lutter, Chris Pope, and Noah Williams have been an indispensable part of the public conversation and will continue to advance policy proposals that foster economic dynamism and government that is fairer, more effective, and more affordable.

A New Beginning
MI is proud to unveil our newly renovated headquarters in midtown Manhattan, where we have prioritized teamwork, network building, and digital performance through various meeting rooms, a formal events space, and a multimedia studio, among other enhancements to help MI further disseminate ideas and reach new audiences.
Dear friends and supporters,

This year, the Manhattan Institute has been at the forefront of the nation’s most urgent policy debates. At the start of 2021, many believed that America was entering a new age of government activism. Yet as the year closes, discontent over the rush toward new entitlement programs, new regulatory mandates, and new taxes has become impossible to ignore. In major metropolitan areas, the breakdown of public order and soaring housing costs are driving a desire for policy change at the local and state levels. And across the country, the rise of race essentialism in school curricula, training programs, and other areas has provoked a powerful reaction from a multiethnic coalition of parents. With energy and creativity, MI’s scholars have been offering practical policy solutions to our most formidable challenges—and our audience and impact have been growing as a result.

We begin this year-end update with a look at New York City. Not long ago, the conventional wisdom was that Mayor Bill de Blasio’s successor would embrace such causes as defunding the police, blocking the expansion of charter schools, socializing the city’s housing stock, and further expanding the unionized workforce. Throughout 2021, MI’s New York City: Reborn initiative made the case for a different approach, grounded in an embrace of proactive policing, expanding access to high-quality educational options, increasing housing supply, and boosting the efficiency of local government. Ultimately, voters in the city’s Democratic primary backed Eric Adams, the Brooklyn borough president and a veteran of the New York Police Department. Adams campaigned as a pro-business, pro-charter candidate who would invest in the NYPD, not defund it. With the city facing a sharp rise in shootings and homicides and an unemployment rate almost twice the national average, Adams’s pragmatism spoke to working- and middle-class voters in the outer boroughs, and he won a sweeping victory in November’s general election.

New York’s move to the center is part of a national trend, as evidenced by MI’s Metropolitan Majority effort. Drawing on a survey of 4,000 residents in 20 of America’s growing metros, we found that urban and suburban voters care about the basics: safe neighborhoods, more jobs, lower cost of living, and high-quality education. MI is uniquely positioned to speak to this multiethnic majority in our cities and suburbs.

Amid rising violence and disorder afflicting many American cities, a bipartisan majority of respondents expressed worries about crime—and a vast majority preferred that the police presence in their neighborhood either grow or remain the same. Throughout 2021, MI’s Policing and Public Safety Initiative played a crucial role in countering false narratives about policing and criminal justice, exposing the moral and intellectual bankruptcy of the “defund” movement. MI fellows engaged police leaders and prominent academics, publishing rigorous research and taking to op-ed pages and the airwaves to change the national conversation on crime and policing.

In November, urban voters rebuked several radical candidates who had sought to burnish anti-cop bona fides. Buffalo’s mayoral election saw the unprecedented write-in defeat of a socialist who originally had embraced the “defund” idea.
In Minneapolis, voters rebuffed a plan to dismantle the city’s police department. And in Seattle, the race for city attorney saw voters reject an avowed police abolitionist. As Americans search for answers on crime and disorder, MI will remain a beacon for solutions that can restore safety, vitality, and opportunity to communities around the country.

Perhaps no issue dominated headlines late in the 2021 election cycle as much as education. Our survey of metro residents found majority support for school choice and charter school expansion, as well as majority opposition among black, white, and Hispanic parents to the teaching of lessons based on critical race theory (CRT) in public schools. These results augured the breakout of the Parents Matter movement, which proved pivotal in Virginia’s gubernatorial race. A diverse assemblage of parents and other concerned voters, the movement is rooted in ideas that embody MI’s work on education policy and identity politics: that race essentialism is corrosive, that schools should be accountable to parents, and that school choice is key to providing families with higher-quality educational alternatives.

MI will continue to advocate for educational pluralism, accountability, and local ingenuity. And MI will continue to lead the way in turning the tide on divisive identity politics, building a broad-based coalition that values America’s diversity but recognizes that it is wrong to define someone’s character or culture based on skin color.

Finally, our survey highlighted significant anxiety about the availability of jobs and affordable housing, as well as dissatisfaction with the high cost of living and excessive tax burdens, particularly in America’s coastal metros. These concerns were reflected in the shockingly close race for governor in New Jersey, and they will only be compounded by problems at the national level, where the combination of global supply-chain disruptions and Washington’s seemingly insatiable appetite for fiscal expansion is creating inflationary pressures and unsustainable debt burdens. As always, MI will push back on ineffective and unaffordable federal spending, and we will make the case for fiscally prudent energy, health, and economic policies that unleash the private-sector dynamism necessary to drive economic growth.

Thank you for your support of our mission, which makes possible all the important work that you will read about in the following pages. We at MI are eager to work with you in the year ahead on our shared commitment to advancing economic choice and individual responsibility in America and its great cities. I wish you and your family a joyous holiday season.

Sincerely,

Reihan Salam
President
With a local labor market still recovering from the pandemic, New Yorkers have been clamoring for new policy solutions. MI’s New York City: Reborn initiative has heeded the call. The work-from-anywhere lifestyle ushered in by Covid-19 has coaxed newly mobile professionals out of America’s costliest cities into more affordable environs, and Gotham has been no exception. The pandemic has exacerbated existing trends, accelerating domestic outmigration and further slowing immigrant inflows. Like it or not, New Yorkers can no longer take for granted that people from around the world will pay any price to live in the city that never sleeps. Yet where others see a fading metropolis whose best days are behind it, we see a city of tremendous promise: a Big Apple that, guided by practical policy measures, can emerge from the pandemic stronger and more prosperous than ever.

Throughout the year, our scholars weighed in on the critical issues facing the city. In an issue brief for MI and an op-ed in the New York Times, Nicole Gelinas made the case for improving public safety in the subway system, pointing out that violent crime will remain high and ridership will remain low so long as the police presence is lacking. Eric Kober and Connor Harris examined the ways in which outdated zoning laws and onerous land-use regulations worsen the availability and affordability of housing in both the city and its surrounding metro area. And Arpit Gupta demonstrated the potential for “value capture” to finance new transit infrastructure projects.

Looking to the year ahead, the NYC: Reborn initiative published “A Policy Playbook for New York City’s Next Mayor: Growth, Opportunity, and Safety,” bringing together the Institute’s leading thinkers on the city’s most pressing issues: housing costs, educational choice, public transportation, the city budget, rising crime, and obstacles to business and entrepreneurship. The playbook was featured in a special New York Post opinion series adapted from the compendium and outlining its key proposals.
Polling featured prominently in our NYC: Reborn effort as well, with MI conducting five polls in conjunction with polling experts such as Echelon Insights, the Siena College Research Institute, and Public Opinion Strategies. News outlets from across the political spectrum reported on our findings, which often defied the conventional wisdom. Our polling revealed that most New Yorkers cite public safety as one of their top concerns and that vast majorities want more quality-of-life policing, more housing construction, and more charter school approvals. Moreover, we found that a substantial number of high-income earners have considered leaving Gotham, a development that could devastate the city’s tax base and undermine its role as a magnet for ambitious professionals. In short, New Yorkers want pragmatic solutions to the city’s problems—and they’ll go elsewhere if their needs are not met.

The work of NYC: Reborn will continue apace as the new mayoral administration settles in at city hall. Focused intently on the city’s major problems, MI is especially interested in policy innovations from other cities that can be adapted in the Big Apple, be they better procurement practices in Los Angeles, the war on potholes in Kansas City, or the effective approach to helping the homeless while maintaining the quality of life in San Diego. The next phase of NYC: Reborn will focus on sharing lessons from other cities for the benefit of policymakers in New York.

**Metropolitan Majority: Engaging with America’s Local Leaders**

America’s 50 largest metros alone account for half the country’s population, more than half its votes, and two-thirds of its economy. Unsurprisingly, today’s most pressing issues, from the pandemic to civil unrest and economic distress, are playing out in our cities and suburbs. Across these metros, there is a multiethnic mainstream of voters who value safety, good jobs, and a good education for their children. Building on the success of its NYC: Reborn initiative, MI launched Metropolitan Majority in September—an effort focused on cultivating a
national network of pragmatic local leaders and sharing the best policy solutions to problems in metros across the country.

Led by state and local policy director Michael Hendrix, MI scholars will traverse the country to share policy insights and learn how local leaders are employing innovative solutions to the challenges facing their cities. Our first stop was Austin, Texas, where local leaders met to discuss the multifaceted challenge of homelessness and the range of policies necessary to address it. The initiative will also include virtual stops—for example, Michael Hendrix recently sat down for a video discussion with Tulsa mayor G. T. Bynum about the importance of public safety and economic opportunity in maintaining globally competitive cities.

Like NYC: Reborn, Metropolitan Majority will be informed by original polling. The first poll, carried out by Echelon Insights, surveyed adults in 20 of America’s fastest-growing metropolitan areas to understand their priorities, concerns, and opinions on key policy issues. Respondents had a broad array of ideologies, ethnicities, and living patterns, but on many important local issues—growth, housing, public safety, and education—a diverse majority coalition emerged.

Respondents’ top concerns were the cost of housing and homelessness. More than half were extremely or very concerned about crime and high taxes as well. And most respondents were at least somewhat concerned about a lack of police presence, about the quality of local schools, and about ideologically charged “critical race theory” in school curricula. Most of these are not highly partisan issues; they are simple but fundamental matters on which government policy can make urban dwellers’ lives better—or worse.

In the coming year, MI scholars will—via research, events, and commentary—drive the policy discussion on the issues that matter most to America’s metropolitan majority. Hendrix will develop a land-use and housing-policy playbook tailored to metros in “red” states; Connor Harris will lay out the policy changes needed to improve the performance and cost-effectiveness of transportation infrastructure; and Daniel DiSalvo will explore how the Supreme Court’s Janus decision has affected the public-sector unions that play an outsized role in city elections, operations, and budgets.

In the age of Zoom, cities can no longer take growth for granted. Progressive overreach on schools, taxes, regulation, and criminal-justice reform has put too many cities at risk of losing the residents and dynamism that made them engines of creativity and prosperity in the first place. There is now an important opening for practical, evidence-based policy ideas that can revitalize the social, cultural, and economic life of cities—and it is an opening that MI will continue to take the lead in filling through the work of its NYC: Reborn and Metropolitan Majority initiatives.
Chief among the concerns of residents in New York and other American cities is a disturbing increase in violent crime, particularly shootings and murders. Marking its one-year anniversary in October, MI’s Policing and Public Safety Initiative (PPSI) has quickly established itself as a leading authority on the roles of policing, prosecution, and corrections in urban crime control—growing its roster of in-house fellows and enlisting a formidable team of reputable scholars and practitioners for events, commentary, and research.

Drawing on his experience as an advisor to the Boston Police Department, University of Pennsylvania professor Anthony Braga outlined several proven ways to improve the clearance rates for violent crime in a report for MI, including increased manpower and standardized protocols. Because solving violent crime is key to fighting it, such measures are extremely important. Improving clearance rates not only provides justice to victims; it also incapacitates dangerous people and deters future would-be perpetrators.

In another MI report, George Mason University professor David Weisburd and PhD candidate Taryn Zastrow considered the issue of crime concentration in New York. They found that, despite declines in the city’s overall crime rate over the years, certain “hot spot” street segments—and the everyday New Yorkers trying to live and work on them—continue to be plagued by criminal activity. Indeed, just 1% of the city’s streets host a quarter of the crime, a fact with important implications for how the city deploys its public-safety resources.

In a year when destructive ideas such as defunding the police and abolishing prisons spread from the activist fringe to the mainstream, the PPSI team consistently pushed back. Rafael Mangual, head of research for the initiative, logged media appearances, briefed policymakers, testified before committees, and penned op-eds in prominent outlets like the New York Times, Wall Street Journal, and Washington Post. In a cover story for National Review, Mangual and his coauthor—legendary police commissioner William J. Bratton—laid out the crime lessons that America has forgotten since the 1990s.
including that good police, smartly deployed, have the power to reduce and prevent crime; and that containing disorder in public spaces can pay dividends in violence reduction. In 2022, Mangual will publish his first book, focused on the consequences of criminal-justice reform overreach—consequences that are especially ugly for the vulnerable communities that radical activists so often claim to represent.

Thomas W. Smith fellow Heather Mac Donald was characteristically prolific, weighing in on crime and policing in *City Journal*, the *New York Post*, and the *Wall Street Journal*. She argued persuasively that the antipolice movement is fueling the rise in violent crime. Amid efforts to prevent police officers from wearing or displaying “thin blue line” patches and flags, Mac Donald wrote: “Whether police are allowed to wear the thin-blue-line icon or not, the idea that they are the only thing standing between order and chaos is borne out daily.”

Joining PPSI as fellows more recently, Charles Fain Lehman and Robert VerBruggen bring extensive experience with data-intensive policy journalism—Lehman from his time at the *Washington Free Beacon* and VerBruggen from his time at *National Review*. Appearing in *City Journal* and outlets such as the *Dallas Morning News*, *Newsweek*, and the *Wall Street Journal*, Lehman’s writing covers a range of topics, including the dangerous effects of the “defund the police movement,” disconcerting shifts in hate crimes (a subject about which he testified before Congress), and the police-officer retention crisis now facing big-city departments around the country. VerBruggen, who joined MI in June, has written on the contributing factors to crime and criminal behavior, such as family structure, childhood lead exposure, and the trend of depolicing in American cities.

Stephen Eide continues to be a leading voice on the intersection of crime, addiction, mental illness, and homelessness—issues that have been exacerbated by the pandemic. Together with policy analyst and Mental Illness Policy Org board member Carolyn Gorman, Eide drafted an MI report on the urgent need to repeal Medicaid’s Institutions for Mental Disease (IMD) exclusion, which prohibits states from using Medicaid to pay for institutionalized care for the seriously mentally ill. In the pages of *City Journal*, the *New York Daily News*, and the *New York Post*, Eide has urged NYC’s incoming mayor to make the mentally ill street homeless a top priority, as untreated serious mental illness among the street homeless is often connected to street violence—a dire problem at any time but more acute now, as the city is trying to entice workers back and return to its robust pre-pandemic days.

PPSI director Hannah E. Meyers has taken on some
of the most pressing and controversial issues facing police departments today, including the charge of systemic racism in policing. In an essay for National Review, she argues that “monolithic thinking makes it perversely difficult for the public to accept how rarely the police use force, and how rarely they use it against blacks relative to racially varying rates of violent crime.”

Meyers also oversaw an impactful series of events involving the nation’s top law-enforcement executives and its most distinguished experts in criminal justice. PPSI’s marquee event is the annual George L. Kelling lecture, in honor of the late Manhattan Institute fellow and, together with James Q. Wilson, the intellectual force behind “broken windows” policing. Following up on last fall’s inaugural Kelling lecture with William Bratton, who famously put the broken-windows philosophy into action as commissioner of the NYPD, MI worked with Kelling’s widow and academic collaborator, Catherine Coles, to host the venerable Ed Flynn, former chief of the Milwaukee Police Department, for this year’s address.

Marking the 30th anniversary of the anti-Semitic Crown Heights riots, Meyers also hosted an event in Brooklyn with former police commissioner Raymond Kelly, who had been the NYPD First Deputy Commissioner at the time of the riots, and Ari Goldman, who covered the riots for the New York Times. The three discussed the riots and connected them to the recent resurgence of hate crimes in the city.

Other PPSI events included Senator Tom Cotton at the National Press Club in Washington, D.C., on the importance of proactive policing, former Baltimore deputy police commissioner Anthony Barksdale on surging gun violence, William Bratton on his new book—The Profession—about transformative leadership and the path of American policing over the past 50 years, and NYPD commissioner Dermot Shea on the current challenges associated with policing New York.

In the year since PPSI’s debut, MI has succeeded in changing the conversation for the better. In the fall of 2020, the nation was reeling from a summer of rioting and was entertaining calls to “defund the police.” Now, most Americans recognize the serious dangers from rising crime and are receptive to arguments about how to improve and expand policing rather than shrink it and undermine it. In the year ahead, PPSI will continue to lead the charge—making the case for the role of sound policing and criminal-justice policies in reversing the violent crime trends that now threaten to undermine the otherwise rich set of urban opportunities open to Americans of all backgrounds.
Many of those pushing the false narrative of systemic racism in American policing are also advancing a troubling ideology of race essentialism in America’s classrooms and boardrooms. Often discussed under the rubric of “critical race theory” (CRT), a set of ideas rooted in the Marxist critical-theory tradition, this ideology teaches that America is an irredeemably racist country, that “colorblindness” is racism in disguise, that whites are inherently oppressors, and that racial and ethnic minorities are inherently oppressed.

The Institute has vigorously countered these divisive ideas, on several fronts. Through its Critical Race Theory Initiative, CRT Initiative director Christopher Rufo has emerged as a nationally recognized leader in this effort. In an influential series of articles for City Journal, featuring original reporting and leaked documents, Rufo has shed light on the rapid spread of racialized curricula in elementary and secondary schools, as well as the growing pressure on students, teachers, and administrators to conform to the dogma of race essentialism. Numerous public schools have taught the children’s book Not My Idea, for instance, which holds that “whiteness” is a pact with the devil. In addition to his work on the racialization of public education, Rufo has documented the rise of CRT-based training programs in the corporate sector. Bank of America’s teachings, for example, tell its employees to get “woke at work” and that the U.S. uses “race to establish and justify systems of power, privilege, disenfranchisement and oppression.”

American Express, a storied company that has thrived in America’s system of free enterprise, brought in a speaker to tell its workers that capitalism is fundamentally racist. Rufo’s work has gained widespread notice and stirred the ire of those pushing for state- and corporate-sanctioned race essentialism. As the prominent center-left commentator Matthew Yglesias put it: “To a remarkable extent, just one guy—Christopher Rufo—has totally pivoted the national conversation.” Rufo has been profiled in The New Yorker and the Washington Post, the latter piece requiring several corrections when Rufo pointed out a string of misrepresentations. He has also made appearances on major shows, speaking with TV personalities ranging from Tucker Carlson at Fox News to Joy Reid at MSNBC.

Building on Rufo’s foundational journalism, MI has offered parents, legislators, and voters concrete ways to fight this trend. Our guidebook “Woke Schooling: A Toolkit for Concerned Parents” demystifies the jargon associated with this ideology—from “white fragility,” to “affinity group,” to the ever-expanding and increasingly absurd definition of “white supremacy”—and lays out the steps that parents can take to organize themselves and restore sanity to their children’s classrooms.

James R. Copland, MI’s director of legal policy, produced model legislation for states seeking to limit CRT-inspired teaching and training in public schools. Copland’s proposal puts the legislative fight against critical race theory on solid footing with language capable of surviving legal challenge. No serious person wants to prevent Americans from freely discussing racial issues, and no serious person is trying to keep the facts about slavery and Jim Crow from the nation’s schoolchildren.
Our toolkit is designed for those who are worried about critical race theory in their children’s school. Learn how you can advocate for an education system enriched by intellectual diversity rather than narrowed by ideological uniformity.
But public schools have no right to push an ideology on children without any input or oversight from parents and voters, and teachers and administrators do not have a right to compel students to confirm ideological concepts—such as, to take one example, being required to categorize themselves as “oppressor” or “oppressed.” Copland’s model legislation includes a transparency provision that requires schools to make curricular and training materials public, a right for students, teachers, and administrators to opt out of CRT-inspired sessions, and a critical protection against compelling students, teachers, or administrators to affirm the tenets associated with CRT.

The ballot box will be critical to keeping race essentialism, collective guilt, and state-sanctioned racism out of America’s schools. This fall, MI published a report by Boston College professor Michael Hartney that made the case that states should require off-cycle local elections—including school-board elections—to be held in November of even years, to coincide with national elections. Hartney’s academic work demonstrates that off-cycle school-board elections, characterized by abysmal voter turnout, are routinely captured by teachers’ unions—leading to boards that represent their interests rather than those of the communities they purportedly serve. CRT indoctrination in schools is widely unpopular, and moving school-board elections on-cycle will make it much more likely that winning candidates will be responsive to the concerns of the typical parents and voters in their districts.

Having documented the corrosive effects of identity politics and political correctness for decades, Heather Mac Donald continues to uncover how race essentialism has taken hold in the nation’s cultural institutions. Mac Donald’s recent writing explains how classical music, for example, is increasingly threatened by toxic identity politics: “Classical music is under racial attack,” she wrote in a recent City Journal essay. “Orchestras and opera companies are said to discriminate against black musicians and composers. The canonical repertoire—the product of a centuries-long tradition of musical expression—is allegedly a function of white supremacy.” In his Wall Street Journal columns, Jason Riley has described CRT as a “hustle,” pointing out that foisting wokeness on children has come at the expense of teaching kids basic skills and that the ideology “amounts to little more than a fancy argument for affirmative action.” And in his MI report “The Social Construction of Racism in the United States,” Professor Eric Kaufmann of Birkbeck College, University of London, detailed how, “at a time when measures of racist attitudes and behavior have never been more positive, pessimism about racism and race relations has increased in America”—with the very definition of racism expanding to include ever more subtle sins, and with many Americans holding outlandishly false views about, for example, how many black men are killed by police.

In October, MI hosted a conference on “wokeness” in corporate America and K–12 education featuring Rufo, Copland, New York Times columnist Ross Douthat, Parents Defending Education cofounder Asra Nomani, Woke Inc. author Vivek Ramaswamy, and Paul Rossi, the educator who resigned from the Grace Church School in Manhattan to protest its embrace of race essentialism. And in November, Brown University professor and MI senior fellow Glenn Loury hosted Braver Angels’ John Wood, Jr. to discuss Loury’s case for unabashed black patriotism—the notion that African-Americans’ birthright citizenship in history’s greatest republic is an inheritance of immense value that is worthy of embrace and celebration.

In the year ahead, MI will continue to fight the advance of divisive identity politics, elevating important voices in support of principled colorblindness and working toward an America in which all people are empowered to reach their potential.
Nov. 11: MI hosted—in its new events space—a forum on black patriotism featuring senior fellows Glenn Loury and Jason Riley and National Ambassador for Brave Angels, John Wood, Jr.

July 20–22: MI president Reihan Salam and senior fellow Christopher Rufo convened a summit with leading intellectuals on critical race theory, in Bozeman, Montana, where they discussed woke ideology’s influence in American society and ways to effectively push against it.

Oct. 22: MI hosted a conference on wokeness in K-12 and corporate America featuring senior fellows Christopher Rufo and James Copeland, NYTimes columnist Ross Douthat, author Vivek Ramaswamy, Parents Defending Education cofounder Asra Nomani, and Educational Liberty Alliance board member Paul Rossi.
THOMAS W. SMITH FELLOW

HEATHER MACDONALD

Classical Music’s Suicide Pact
Heather Mac Donald, Thomas W. Smith fellow at MI, is one of America’s most celebrated, widely read, and prominent public intellectuals. Her work is often seen in such outlets as the Wall Street Journal, not to mention MI’s own City Journal, and she regularly appears on some of the nation’s leading television and radio programs. She writes about everything from policing, to higher education, to the merits of high culture.

One important contribution she made this year was an eye-opening City Journal piece called “Classical Music’s Suicide Pact,” which ran as a two-part series online. It looked at the ideological revolution that has transformed the world of classical music in response to the racial agitations of 2020. We caught up with Mac Donald to briefly discuss her work.

When people think of the fallout from the death of George Floyd, classical music probably isn’t the first thing to come to mind. Why would orchestras, of all institutions, think that they needed to respond—and briefly, how did they respond?

Heather Mac Donald: Classical music was no more immune from the wave of self-recrimination that swept the country after the George Floyd riots than were law firms, corporations, or art museums. The League of American Orchestras, for example, committed to dismantling its “role in perpetuating the systems of inequity that continue to oppress Black people.” The Seattle Opera announced that it would “prioritize” antiracism and “make amends” for causing harm.

Orchestras and opera companies correctly foresaw that the press would label as white supremacist any cultural institution that was not racially proportionate in its past or present makeup. Arts funders, whether behemoths like Mellon and Wallace or smaller local foundations, would be doubling down on their insistence that arts organizations make “racial equity” a touchstone of their operations.

Are the critics right? Is classical music saturated in racially discriminatory practices?

HMD: The critics are wrong. Perfectionist conductors want the best possible musicians in their orchestras, period. Auditions take place largely behind a screen that conceals the auditioner’s identity, to guard against any possible bias or favoritism. Now, however, that screen is said to be racist, since it does not result in an orchestral workforce that is 13% black. Far from slighting “diversity,” orchestras and conservatories have tried for decades to cultivate black classical musicians, tutoring elementary school students and sponsoring fellowships for young black instrumentalists to play alongside regular orchestral staff.

It’s fascinating to see calls to get rid of efforts to stop bias, like those screens. What do you make of the shift, which is not limited to orchestras, away from colorblindness as an ideal?

HMD: Making race a qualification in itself, whether in classical music or in scientific research, threatens civilizational progress. Discrimination is not the reason for any current lack of racial proportionality in American institutions; the reason lies in differences in skills, preferences, and behavior. Racial quotas inevitably mean the elimination of meritocracy, which will destroy excellence and enshrine mediocrity as the American way.

Some of the efforts you detail aren’t just about diversifying the ranks of orchestras but are actual attempts to undermine the classical canon itself. Why is it so dangerous to have, for example, a music theory professor insisting that Beethoven’s Ninth is “no more a masterwork than Esperanza Spalding’s ‘12 Little Spells’”?

HMD: Music theorist Philip Ewell’s equation of Beethoven and Esperanza Spalding violates a primary duty of a teacher: to help students understand what makes the monuments of human creation sublime. The race-based leveling of cultural works, along with the
refusal to acknowledge degrees of profundity and influence, leaves students ignorant about what the human imagination has achieved. Anyone fortunate enough to be given the role of transmitting our cultural inheritance should joyfully lead students to an appreciation of greatness, not provide them with an excuse for preserving their ignorance.

*Your piece features a lot of out-there proposals about how classical music should change. What’s your “favorite,” as in the “most absurd”? And what would you say is the most egregious example of a classical-music figure—alive or dead—being “canceled”?*

**HMD:** Composer Daniel Roumain is a particular font of absurdities. He is seeking funding to compose a work written exclusively for the black members of an orchestra, for example—undoubtedly hoping that some orchestras would be forced to feature an empty stage, thus bodying forth their alleged racism. Almost all white male composers are being tarred with the charge of belonging to a white supremacist tradition. This June, *New Yorker* music critic Alex Ross ended an article on the Renaissance composer Josquin des Prez with the observation that Josquin wrote in an idiom that “was almost exclusively male, [that] served the ruling classes, [and that] furthered the politics of European domination,” a remark that is not only mindlessly reflexive but also childishy ignorant. The classical canon did not oppress the lower classes; with the exception of 18th-century opera seria, classical music, if it had a political component, was likely written to stir revolutionary sentiments against monarchies and empires.

Perhaps the most absurd aspect of the Black Lives Matter attack on classical music, however, is simply the idea that composers as unique as Couperin, Berlioz, C. P. E. Bach, Schubert, Prokofiev, Tchaikovsky, Chopin, and Sibelius, say, may be meaningfully assembled under the rubric “white.” Whiteness has nothing to do with their creations. They are united instead by participation in an artistic conversation of nearly infinite complexity and variety, capable of incorporating an enormous range of influence and individual idiosyncrasies. Today’s racial levelers insist, on the one hand, that race is a social construct, with no biological grounding; and, on the other hand, that race is the most important thing about every individual. The levelers are wrong on both counts.

*How do these controversies fit into the struggles of classical music more broadly? From your piece, it sounds as though orchestras are not exactly bursting with funding and cultural influence.*

**HMD:** Every year, the salience of classical music in our culture shrinks. By presenting classical music through the poisonous lens of identity politics, Ross and his left-wing music-press peers, orchestra presidents, and music-organization executives are giving potential new listeners another reason to stay away from this by-now-alien idiom. Their ostentatious virtue signaling could end up delivering the coup de grace to a centuries-long tradition of stunning complexity and diversity that has produced humanity’s most agonizing expressions of sorrow, joy, and transcendence.
“THE CLASSICAL CANON DID NOT OPPRESS THE LOWER CLASSES; WITH THE EXCEPTION OF 18TH-CENTURY OPERA SERIA, CLASSICAL MUSIC, IF IT HAD A POLITICAL COMPONENT, WAS LIKELY WRITTEN TO STIR REVOLUTIONARY SENTIMENTS AGAINST MONARCHIES AND EMPIRES.”
The year 2021 was momentous for educational pluralism and choice. The Covid-19 pandemic drew attention to the immense powers that public schools have when parents don’t have the option of turning elsewhere. Numerous states, from Florida to Missouri to West Virginia, added new school-choice programs or expanded existing ones.

Parents have a wide variety of educational preferences, but it has never been clearer that they want more higher-quality options when it comes to educating their children.

In more than 20 op-eds and 10 reports, our education team covered the most pressing issues facing our educational system at the local and national levels. From expanding school choice to preventing learning loss during the pandemic to improving the performance of New York City’s public school system, MI scholars were hard at work this year.

Writing in the Philadelphia Inquirer, education policy director Ray Domanico lamented the lack of Democratic support for charter schools despite their proven track record at helping kids of color. Writing in the pages of City Journal, the New York Daily News, and the New York Post, Domanico has consistently called the de Blasio administration to task for its failure to competently address problems in New York City schools. De Blasio has focused instead on attacking merit-based admissions—seeking, in the name of equity, to redistribute a limited number of seats in high-quality public schools rather than working to increase the availability of such seats citywide, be they in selective district schools, charters, or private schools. Domanico’s collected work should serve the next mayoral administration well, provided that it remains focused on putting New York City kids first—holding schools accountable for performance and expanding the range of schooling options available to students and parents of all stripes by adopting a growth-oriented mind-set to high-quality schooling.
In the wake of the Supreme Court’s landmark Espinoza v. Montana Department of Revenue ruling, Notre Dame Law professor and recent MI senior fellow Nicole Stelle Garnett offered a glimmer of hope for expanding school choice in her MI report on the legal permissibility of religious charter schools. In an op-ed for Newsweek, she argued that “properly understood, the Constitution’s demand for neutrality toward religion ought to be extended to charter school law as well.” And in her most recent MI issue brief, “Accountability and Private-School Choice,” Garnett explained how to provide school choice and accountability simultaneously, especially by giving parents the information that they need to make good decisions about where their child will flourish.

In a recent MI report, Martin Lueken, director of the Fiscal Research and Education Center at EdChoice, points out that, despite ubiquitous claims to the contrary, school choice can be structured in a win-win-win way. Lueken’s analysis demonstrates that, with properly structured Education Savings Accounts (ESAs) (versions of which have been adopted in eight other states), New York families would receive funds that would allow them to send their children to the private school of their choice while taxpayers would save money and traditional public schools would end up with more resources per pupil.

Senior fellow Andy Smarick is overseeing a series of MI briefs on the rise of “microschooling” in various states during the pandemic and the prospects for such schools. “Microschooling” is an affordable, modern reinvention of the one-room schoolhouse, often relying on technology to expand the curricular options available to students. The series includes three case studies: EdChoice’s Michael McShane on the success of microschooling in Arizona, Juliet Squire of Bellwether Education Partners on the regulatory obstacles to microschooling in New York, and Jocelyn Pickford and Duncan Robb of HCM Strategists on the challenges and opportunities for microschooling in Idaho. Smarick will author a summary report that explores the promise and limitations of these schools, reviewing how they’ve worked in the places where they’ve been tried and setting out the role for public policy in ensuring their future success.

MI will continue to lead the push for school choice and educational pluralism in New York and beyond in the year ahead. In New York City, our fellows will be focused on advancing ideas that can move the city’s schools forward under the new mayor. Nationwide, MI will continue to present the evidence-based case for expanding access to good schools in all sectors—traditional public schools, charters, private independents, and private religious or mission-driven schools—and in ways that offer potential-maximizing pathways for students of all abilities.
The year 2021 also marked a period in which progressives in Congress redefined “infrastructure” to mean any program on which they wished to spend money. A bipartisan bill sought to fund infrastructure as it is traditionally understood: roads, bridges, tunnels, transit systems, telecommunications equipment, and the like. A partisan effort sought to spend trillions of dollars on countless policies that had little to do with infrastructure, from child care to free college to generous new tax credits. By the time you read this, one or both of these bills may be law.

Senior fellow Brian Riedl has been an indispensable part of the public conversation over these proposals, educating members of Congress and publishing his analyses in The Daily Beast, the New York Post, National Review, and other outlets. His chartbook tracking federal deficits and debt—released in October—is frequently shared among lawmakers, and his MI report urging Congress to “cut spending for the rich” was the centerpiece of a floor speech by Rep. David Schweikert (R., Ariz.) in May.

Riedl’s rigorous analysis drives home the sheer scale of many legislators’ spending ambitions. At the outset of budget negotiations, the Democratic leadership in the House and
Senate aimed to enact up to $3.5 trillion in spending—and half that in tax hikes, which would drive up the deficit by $1.75 trillion. Some of the policies, like an expanded child tax credit, are set to eventually expire but would very likely be extended, further driving up the costs. Add up all the proposed spending this year, as Riedl pointed out in the New York Post, and you could deposit $60,000 in every family’s bank account. The simple fact, as Riedl has explained, is that you can’t have all this spending without ultimately hiking taxes on the middle class. With the retirement of the baby boomers and our refusal to reform entitlements, our debt is already on an unsustainable trajectory. Should interest rates ever rise, the costs will be catastrophic.

While parts of America’s infrastructure could use an upgrade, the bipartisan infrastructure bill—which is limited to more traditional projects—merits scrutiny as well. As Riedl pointed out, the bill fails to address the major problem of America’s exorbitant infrastructure costs. Thanks to factors such as environmental review, labor restrictions, and content requirements, America’s infrastructure planning and construction processes are among the slowest, most bureaucratic, and most expensive in the world. As such, even the more modestly scoped bipartisan bill would inevitably drive up the federal deficit more than its supporters let on.

Among the concerns raised by rising deficits and debt are the implications for inflation, interest rates, and monetary policy. In July, Allison Schrager sat down to discuss monetary policy with Mickey Levy of MI’s Shadow Open Market Committee (SOMC), Joseph Gagnon of the Peterson Institute, and former governor of the Bank of England Mervyn King. Specifically, they focused on whether the price increases driving higher inflation in the U.S. are more likely to be transitory or sustained—and what the answer means for the Fed. MI’s SOMC hosted other prominent central bankers as well. Federal Reserve vice chair Richard H. Clarida gave a speech on the Fed’s new framework in April, and a forum in October included keynote remarks from Federal Reserve Bank of Cleveland president Loretta Mester.
Already a regular contributor to *City Journal*, Schrager became a regular columnist for *Bloomberg Opinion* this year, ensuring that her commentary on economics and finance will continue to shape important policy debates in the year ahead. In December, she will launch a breakfast event series in which she will discuss pressing policy concerns with leading economists, kicking things off with R. Glenn Hubbard, the Russell L. Carson Professor of Finance and Economics at Columbia and former chairman of the White House Council of Economic Advisers.

Noah Williams, the Juli Plant Grainger Professor of Economics at the University of Wisconsin, joined MI as an adjunct fellow in May. Williams provides monthly analysis on the Bureau of Labor Statistics’ jobs report and has written extensively for *City Journal* on matters such as the likely tax consequences of the 2020 election and the role that generous federal benefits have played in America’s labor-market recovery. In an October commentary for *National Review*, Williams argued that even as enhanced unemployment benefits of the pandemic had ended, a new slate of government transfer payments was making joblessness more attractive than it had been in the past.

As for how to prepare for the next pandemic, Randall Lutter’s recent report stressed the need for private-sector involvement. Lutter points out that national pandemic preparedness policy needs to include the creation of market signals for private organizations to prepare for pandemics and hedge against pandemic-related risks, noting that catastrophe bonds and prediction markets can provide prices for the risks of future events. Looking at prediction markets, he suggests that certain sectors could insure themselves against future pandemic-related downturns or upswings after noting the disparate effects of Covid-19 on various industries.

**Federal Budget, 1960–2051 (Projected)**

*Note: This is the rosy scenario that assumes:*
- No more wars or recessions, and health costs slow
- 2017 tax cuts expire
- Modest interest rate paid on the national debt remains as the debt rises to 70% of GDP

**Source:** CBO 2021 Long-Term Budget Outlook and OMB Historical Tables

**Oct. 7:** MI published the 2021 edition of Brian Riedl’s book of charts examining the federal budget, spending, taxes, and deficits.
Lutter calls on the federal government to correct regulatory and legal obstacles impeding the growth of robust prediction markets for pandemics and pandemic-related catastrophe bonds, including measures to allow such bonds to trade on secondary markets.

While federal regulatory obstacles to innovation and growth are reasonably well documented, the role of state litigation in shaping national economic activity is less well understood. MI director of legal policy James R. Copland focused his annual Trial Lawyers, Inc. report—“Think Globally, Sue Locally”—on the efforts of some states and localities to litigate their way to their national policy objectives. By filing lawsuits against firms and industries—purporting to fight everything “from gun violence to opioid addiction to the most global of problems: climate change”—states, localities, and their litigators often seek to resolve national controversies, sometimes in conflict with laws that Congress has enacted. By contracting out litigation to private parties, states can invert federalism, seizing the power to dictate national policy on controversial questions. Precisely such concerns—the “unneighborly regulations” of some states “interfering” with others’ affairs—animated the Constitutional Convention in Philadelphia, as Alexander Hamilton wrote at the time. That the “New Antifederalists” have formed a symbiotic relationship with the avaricious attorneys of Trial Lawyers, Inc., Copland writes, should give pause even to those who are sympathetic to their policy goals.

On health care, meanwhile, senior fellow Chris Pope made waves with his City Journal piece “Filling the Wrong Gap,” which addressed proposals to add a dental benefit to Medicare. Pope pointed out that the proposed dental benefit would cost $60 billion a year, that the spending wouldn’t be targeted at the low-income adults who most need it (including non-seniors), that poorer seniors may still balk at the required coinsurance payments, and that dental coverage is already available through Medicare Advantage. Pope also testified before the U.S. House Ways and Means Committee’s Oversight Subcommittee in October, on the subject of maximizing health-care enrollment. And in June, MI released Pope’s report about the promise of allowing for greater health-care competition across state lines. “For insurance to be compatible with interstate competition, insurers need to be allowed to price it in proportion to an individual’s risks, and individuals must be allowed to retain insurance renewability guarantees as they move from state to state.” As Pope points out, pricing insurance in proportion to individual risk will require removing the Affordable Care Act’s community rating requirement. And state-to-state portability will require Congress to allow the purchase of Short-Term Limited Duration Insurance across state lines, a move that would lower premiums and facilitate competition among medical providers nationwide—exerting downward pressure on the cost of care.

Failure to appreciate the practical and moral importance of free enterprise, along with an insatiable progressive appetite for bureaucratic and regulatory growth, continues to threaten American opportunity and prosperity. In the year ahead, MI scholars will continue to advance policy proposals that foster economic dynamism and growth, fighting for government that is fairer, more effective, and more affordable.
Allison Schrager, a Manhattan Institute senior fellow, City Journal contributing editor, and regular Bloomberg Opinion columnist, joined the Institute at the beginning of 2020. Her writing has delved into the details of inflation, risk, and pension finance. We recently asked Schrager about the reigning economic issues of today, including inflation—with rates shooting up above 5%—and the huge new bills that Congress is debating.

We keep hearing about inflation, and we keep seeing it at the store—but a lot of us can’t really wrap our heads around why it happens. Help us out: What’s going on here?

Allison Schrager: Inflation happens for many reasons. A supply shock, such as an increase in oil prices or supply-chain disruptions, can drive up prices; so can overly permissive monetary and fiscal policy. In the U.S., supply chains are more the issue right now, but oil may be a bigger problem in a few months and in Europe.

But whether it sticks around and becomes a persistent problem depends on expectations. If people expect high inflation going forward, it can become self-fulfilling—reflected in wage contracts, etc., even if supply-chain disruptions are resolved.

We can probably deal with some inflation; but at some point, it becomes a serious problem, as it was in the 1970s. When should we start getting really worried?

AS: I’d start getting worried if we’re still here next year, or if there’s a big oil-price increase this winter—because the longer it sticks around, the more people expect it. Also, if the Fed increases its target, it is essentially admitting that it can’t or won’t achieve 2% inflation. Even 4% inflation is double what people are used to, and it could have a big impact on rates and people’s real income.
Everyone’s talking about the huge bills going through Congress. How would they affect the inflation picture? And how would they affect the nation’s fiscal health?

AS: It will be terrible for our fiscal health. The second bill, in particular, is a major expansion of the entitlement state, especially for the middle class. It is not only expensive but an ongoing obligation that is very hard to get rid of. The budget claims that these things will last only a few years, but that is like pricing a perpetual bond based on three coupon payments. I am not as sure what it means for inflation. It will drive up prices of services that people complain are expensive, such as child care, but it may also make the economy less dynamic by discouraging employment, which can be deflationary.

Risk is a big theme of your writing, and you’ve argued that a refusal to take risks is part of the reason that wages are stagnating. Could you tell us a little about that theory?

AS: Like any asset, wages go up when you take more risk. We’ve seen a big decline in risk taking, especially among low-income people: fewer job changes, less entrepreneurship, less moving for opportunity. This all happened while wages stagnated. And it is not just a correlation; wages tend to increase when you change jobs. So we should not be surprised that our zeal to decrease risk also resulted in stagnation. The latest budget goes even further, and I fear it will be counterproductive when it comes to making people richer and better paid.

Also on the topic of risk: Covid-19 is still on the nation’s mind. What advice would you give to the average person when it comes to the trade-off between disease risk and living his or her life?

AS: It is a very personal choice. If you are elderly or immuno-compromised, or live with someone who is, you have a very different risk calculation from that of a healthy 25-year-old. But risk is never zero. At a certain point, everyone will need to live with Covid risk, or live a very constrained life.
The Manhattan Institute’s flagship publication, *City Journal*, has thrived in a difficult media environment. As cable-news networks, major newspapers, magazines, and websites across the political spectrum see steep drop-offs in interest now that the 2020 election has come and gone, readers are flocking to *City Journal* in greater numbers than ever before. This year, *CJ* averaged about 1.7 million pageviews every month, representing a 5.7% increase from last year’s previous record-breaking numbers.

One reason for such success is *CJ*’s nimble ability to quickly shift gears and cover the story of the day. At the start of the Covid-19 pandemic, the *City Journal* team immediately began to cover the economics, science, and politics of the virus, culminating in the publication of more than 640 pieces. Now, nearly two years into the pandemic, *City Journal*’s work continues to drive the conversation. Jeffrey H. Anderson’s “Do Masks Work?” broke the half-million-pageview mark, while hundreds of thousands more flocked to Joel Zinberg’s “Delta Is Dying” and John Tierney’s “The Panic Pandemic.” Tierney’s piece was widely discussed in other media, being featured on RealClearPolitics and mentioned on Dennis Prager’s radio show, among numerous other citations. Anderson’s piece led to 12 radio appearances.

In parallel with its coverage of the pandemic, *City Journal* did much to expose the consultants and administrators who, inspired by critical race theory, are pushing race essentialism on students and employees around the country. Drawing on original documents and inside sources, in more than 25 articles for *City Journal*, Christopher Rufo demonstrates...
the extent to which CRT-inspired trainings and curricula have made their way into public schools, publicly traded companies, and public agencies. Rufo’s reporting generated an abundance of follow-on coverage, leading to several appearances on Tucker Carlson Tonight, adaptations in the New York Post, a profile in The New Yorker, and innumerable media citations and broadcast interviews. City Journal’s work has been essential to the anti-woke movement, amplifying the voices of scholars and journalists such as Rufo, Glenn Loury, Bari Weiss, Heather Mac Donald, Erec Smith, Eric Kaufmann, Wilfred Reilly, and Rav Arora. What’s more, City Journal is serving as a voice for the growing majority of parents and employees who find the divisive new identity politics both unsettling and unproductive, as well as serving as an indispensable resource for policymakers seeking to understand what is happening and how to bring it under democratic control.

In “The Miseducation of America’s Elites,” Bari Weiss offered a shocking exposé of the bizarre orthodoxy taking over wealthy private schools. This piece garnered more than half a million pageviews and went viral, with dozens of online mentions and features in publications such as Fox News, Daily Mail, and Breitbart. The piece was mentioned across 12 national radio shows, including Ben Shapiro’s and Dana Loesch’s, and Weiss went on Charlie Kirk’s show to discuss her article in depth.

In “When the State Comes for Your Kids,” which received more than 300,000 views, Abigail Shrier investigated the threat to parents’ rights posed by overbearing social
workers and youth shelters. In “Slouching Toward Post-Journalism,” which received more than 100,000 views, Martin Gurri explained how the mainstream media is abandoning objectivity in favor of explicit activism.

In March, City Journal published Glenn Loury’s testimony before the Senate Banking Committee on the persistence of black disadvantage in America and its implications for democracy. Loury argued that “persistent racial disparities deserve our attention not via racially preferential public policy, but rather by emphasizing through law and action that we all share a common citizenship and a common humanity. We should be fashioning American solutions to American problems and, ultimately, getting beyond ‘race’ altogether when deciding on public action.” He noted that “the dogged pursuit of equal results between racial groups across all venues of human endeavor is a formula for tyranny and more racism.”

In a year when its hometown continued to struggle with violent crime, disorder, learning loss, and joblessness, City Journal continued to serve as the foremost source for sober policy analysis of New York City. Nicole Gelinas offered essential reading on transit safety, the race for mayor, the challenge of revitalizing midtown Manhattan, and the city’s budget troubles. In the spring issue of City Journal, Gelinas unpacked the city’s deeply flawed plan to close the jail complex on Rikers Island and replace it, at lower capacity, with four borough-based jails. Already facing delays and always at risk of cost overruns, the city’s plan will worsen public safety and ultimately do little, if anything, to improve conditions for inmates. The faster, more fiscally responsible and humane way forward, argues Gelinas, is to abandon the four-borough plan and rebuild Rikers in place.

City Journal’s special “New York City: Reborn” issue saw numerous fellows weighing in on the policy priorities for the post-lockdown city. For example, Ray Domanico dissected the disastrous pandemic response of Mayor Bill de Blasio’s Department of Education and explained what the next administration would need to do to “demonstrate that they are committed to working with families to give them the schools that they want for their children—rather than treating those children as wards of the state and targets of social experimentation.” Heather Mac Donald and Rafael Mangual addressed the crisis of rising violent crime and what to do about it. Mark Mills assessed the extent to which digital technologies will allow workers to work from anywhere, even after the pandemic subsides, and what it means for cities. Arpit Gupta sketched out a plan for addressing the city’s sidewalk garbage problem. Steven Malanga made the case for regulatory relief for New York’s hard-hit eateries; he also explained how the next mayor can fight the city’s looming fiscal crisis.

This year saw City Journal publish many new writers, including some very prominent ones, such as Senator Mike Lee, author John Steele Gordon, journalist and novelist Lionel Shriver, New York Post columnist Karol Markowicz, Hoover economist John Cochrane, UCLA sociologist Gabriel Rossman, Northwestern University economist Joel Mokyr, and Arizona Representative David Schweikert. Several authors contributed to the magazine’s commemoration of 9/11 this year, including Judith Miller, Lance Morrow, and James B. Meigs.

City Journal articles were linked or mentioned by other publications more than 1,500 times, and they were adapted for republication close to 500 times in outlets such as the Wall Street Journal, Fox News, the Washington Examiner, the New York Post, the Dallas Morning News, and the Arkansas Democrat Gazette. City Journal authors appeared on broadcast programs to discuss their work nearly 300 times.

Stronger than ever, City Journal is poised to tackle the most important issues in the year ahead, be it defending America’s cultural heritage from the woke mob, reiterating the importance of proactive policing to safe and orderly cities, or advancing ideas that foster economic dynamism and growth.
Following a full gut renovation of our office space in midtown, our staff and scholars recently returned to the office, after 19 months of remote operations. Thrilled to see our colleagues again, and to meet new employees in person for the first time, we are grateful for the vision, patience, and execution required from our planning team to complete this tremendous undertaking.

As a think tank, we have a broad and growing audience—from journalists to public officials to academics to our friends and supporters. By helping us to further disseminate ideas and reach new audiences, our new office space will allow us to have an even greater impact.

We built a new events space that gives us the ability to host events in-house, with live streaming capabilities that will allow us to accommodate both in-person and virtual attendees. With the new events space—complete with a catering kitchen—MI will see significantly lower events costs even as we do more event programming. Our new podcast studio, home to City Journal’s 10 Blocks podcast, will bring our ideas to listeners across the city, state, and country. We also have a new video recording studio that can be used to broadcast on-air interviews and to record and edit multimedia content.

If we haven’t already, we look forward to welcoming you to an event in our new space soon.
The Adam Smith Society’s 2021 National Meeting featured a panel with Allison Schrager, Vivek Ramaswamy, and others discussing stakeholder capitalism and corporate environmental, social, and governance (ESG) efforts.

Erika Karp, Allison Schrager, Vivek Ramaswamy, and others discussed stakeholder capitalism and corporate ESG efforts.

Dr. Condoleezza Rice, director of the Hoover Institution and 66th U.S. Secretary of State, and other notable speakers.

The Adam Smith Society convened its annual national meeting featuring Dr. Condoleezza Rice, director of the Hoover Institution and 66th U.S. Secretary of State, and other notable speakers.
For the past decade, MI’s Adam Smith Society—with 33 chapters and 16,000 members—has brought together students at top MBA schools and young professionals who believe in the power of free markets to enhance human flourishing and opportunity, through civil debates and discussions. Likewise, our Young Leaders Circle, founded in 2007, has provided young professionals in New York City with an unparalleled opportunity to hear from some of the country’s most noted public officials, journalists, entrepreneurs, and thought leaders.

As Smith Soc celebrates its 10th anniversary, we are excited to expand the program and integrate our New York City–based Young Leaders Circle members under the Adam Smith umbrella to create a unified—and more robust—community of young professionals.

The two programs held successful events this year, including a virtual Adam Smith Society National Meeting boasting speakers such as former secretary of state and national-security advisor Condoleezza Rice, options trader Jeff Yass, financial journalist Steve Liesman, entrepreneur and commentator Vivek Ramaswamy, University of Chicago finance professor Luigi Zingales, Wall Street Journal columnist and MI senior fellow Jason Riley, and Bloomberg Opinion columnist and MI senior fellow Allison Schrager. The Young Leaders Circle hosted an event with Miami mayor Francis Suarez, MI’s Michael Hendrix, and Founders Fund general partner Keith Rabois discussing Miami’s bid to become the next Silicon Valley.

New programming launched in November with a Smith Soc discussion on “Shareholder Primacy” with Cliff Asness, moderated by Allison Schrager in MI’s impressive new events space.

The Manhattan Institute makes its scholars available to give lectures on campuses throughout the country, which has proved to be another important way of bringing a new generation to the debates over MI’s key issue areas. Heather Mac Donald is a popular speaker on everything from policing to classical liberalism, for example. Rafael Mangual tackles criminal-justice issues, Brian Riedl addresses fiscal policy and the federal budget, Andy Smarick talks about education, and Jason Riley has brought the work of Thomas Sowell, the subject of his recent book, to a new generation. If college students want to learn more about any of these topics—or numerous others, from housing policy to homelessness—Manhattan Institute scholars are at the ready to provide perspectives that are too often missing from college campuses.
Mark P. Mills is a senior fellow at the Manhattan Institute, specializing in energy and tech policy—and he has had a very busy, productive, and influential year.

Mills is the go-to resource for lawmakers seeking to understand realistic energy policy. His paper on mineral dependencies last year helped inform an executive order on the subject. In October 2021, Sen. John Barrasso quoted testimony that Mills had given regarding the sheer quantity of refined materials that are required to create such things as electric-vehicle batteries—at a time when policymakers want to transition to clean energy and yet are contemplating banning mining on federal lands.

Mills has just published a new book, *The Cloud Revolution: How the Convergence of New Technologies Will Unleash the Next Economic Boom and a Roaring 2020s*. We asked Mills what we should expect from this new work.

**What are a few tasks that you expect tech to accomplish much better in 2030 than it does today, and how will that affect the relevant sectors of the economy?**

**MM:** It may sound ambitious to say, but pretty much every sector, though in varying degrees and at different velocities. Some of the biggest changes coming are in health care and job training. Both fields have been stubbornly resistant to meaningful efficiency gains. Now we’re seeing radically new possibilities in health care, from the combination of biocompatible sensors that can yield far more granular personal and real-time health data, along with AI-assisted diagnostics enabling precision medicine and the supercomputer-accelerated development of therapeutics. Training and re-skilling will benefit from hyper-realistic simulators, a technology that was pioneered for aviation and is on the cusp of a radical drop in costs—as well as a leap in realism.

**Mark Mills:** My theory is that our near-term technological future is not about what’s just been invented or discovered, or what we hope might yet be invented, but instead will come from the constellation of earlier inventions that engineers have only recently made commercially viable. The internal combustion engine was invented in 1876, but it was three decades before the proliferation of personal cars. My book is a map of the innovation landscape in terms of foundational changes in three core domains: materials, the kinds of machines we use to build and operate everything, and our ability to advance our knowledge about all of it. Unique to our time, we have the rise of the Cloud, the newest and soon to be biggest infrastructure that humanity has ever built, which amplifies and accelerates innovation everywhere.

_What are a few tasks that you expect tech to accomplish much better in 2030 than it does today, and how will that affect the relevant sectors of the economy?_

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How do your predictions play into fears of automation, job loss, and inequality? Are the new jobs created going to be mostly for highly educated tech specialists?

**MM:** It’s true that technology and automation eliminate many types of jobs. But for the first time, the technology eliminating many kinds of jobs, AI and the Cloud, is also a tool for re-skilling citizens for the new jobs. And the AI-infused Cloud will also automate and democratize many of the skills formerly reserved for the more highly educated. Put simplistically, AI will reduce the number of managers needed to oversee a fleet of trucks far faster than it will replace the truck drivers.

**Just for fun, how would you define a “roaring 2020s” in raw GDP terms? In 2030, how low does growth have to be for you to be wrong?**

**MM:** The conventional wisdom from the “new normalists” is that America’s GDP growth will average below 2% per year for the decade. But if the Cloud revolution pushes growth instead to just 3% a year—never mind the heydays of 4%-5%—in 2030, America will have trillions of dollars’ worth of extra money (cumulatively, tens of trillions by then) to try to more fairly distribute. I’ll be wrong if in the next five years, we see levels consistently below 1.5%—but only on timing. I’d still bet on my thesis happening, but slightly further into the future. The underlying forces that will drive another boom in productivity are indisputably there.

**A big element of your theory is that to really revolutionize things, you need a confluence of technologies that work together in important ways. Can you point to examples from history of this being the case?**

**MM:** Exactly. The idea of a handheld computer, for example, was pretty old, but it took a confluence to realize. Arthur C. Clarke forecast such a thing back in a 1962 interview, and even though early attempts appeared around 1990, it wasn’t until 2007 when the Apple iPhone ignited the rise of the mobile Internet. The iPhone was made possible by the contemporaneous maturation, in performance, price, and reliability, of three classes of technologies, none of which Apple invented: the microprocessor for the logic and for the radio chip, the tiny high-resolution color LCD screen, and the lithium battery. There are dozens, even hundreds, of similar examples. The automobile, for example, required the maturation of the internal combustion engine, high-strength steel, and petroleum refining.

*Mark Mills’s The Cloud Revolution, published in October. An MIl-produced podcast series partly based on the book is set to launch shortly.*

**While technology has improved in recent decades and made our lives better in some ways, many think that the advances feel hollow—we’re depressed and scrolling through our social media, or spending too much time playing very realistic video games. Do you think that the next wave of technology will feel different to the average person?**

**MM:** Over most of history, most humans spent most of their lives occupied by things needed just to survive. Now the wealth, comforts, conveniences, and free time unleashed by technology have freed up lots of time. It’s true that many people fill that time with what some of us think is irrelevant, silly, or even depressing. But consider the alternative. And yes, I do think that the next wave of technology will feel different. A lot more of what’s coming next will touch on how we can make our lives healthier, more comfortable, convenient, safer, and, relevantly, wealthier.
MANHATTAN INSTITUTE
TESTIMONY

Glenn Loury  3/4/2021

Testimony Before the U.S. Senate Committee on Banking, Housing, and Urban Affairs

“Equality of opportunity, not equality of results, is the only defensible public policy goal, in my view. The dogged pursuit of equal results between racial groups across all venues of human endeavor is a formula for tyranny and yet more racism.”

Michael Hendrix  3/24/2021

Testimony Before a Subcommittee of the House Committee on Financial Services

“The pandemic showed us the failed reality of public housing in America—and the need for a better deal for Americans in need of a safe place to call home.”

Rafael Mangual  4/22/2021

Testimony Before the U.S. Senate Committee on the Judiciary’s Subcommittee on Criminal Justice and Counterterrorism

“It has been well-documented that policing can produce real societal benefits in the way of reduced crime. There are a number of strong studies done throughout the country over the course of many years that find additional policing to have significant crime-reduction effects.”

Brian Riedl  6/15/2021

Testimony Before the U.S. Senate Committee on Banking, Housing, and Urban Affairs

“Washington should focus on paying for our current escalating commitments before undertaking the most expensive non-emergency spending bill in half a century.”

Mark Mills  6/24/2021

Testimony Before the U.S. Senate Committee on Energy and Natural Resources

“If we are to have a path to ‘net zero’ energy production, that path passes directly through the critical infrastructure of a mining and minerals processing industry.”
After a record-breaking year of engagement, MI sustained high levels of interest in its work and content, ranging from our analysis on the crime epidemic, to efforts pushing back against critical race theory, and more.

**3 MILLION**
twitter impressions per month

**22+ MILLION**
pageviews (across brands)

**6686**
total media hits

**490**
op-eds

**OVER ONE HUNDRED EVENTS**
both in person & virtual events

**MI Today** saw a 16% increase in subscribers

**SOCIAL MEDIA ENGAGEMENT WITH**

- Donald Trump Jr. (6.8M followers)
- Rand Paul (3.2M followers)
- Joe Scarborough (2.8M followers)
- Chris Hayes (2.4M followers)
- Megyn Kelly (2.4M followers)
- Matthew Yglesias (514K followers)

AND MORE!
As part of a new annual series, senior fellow Glenn C. Loury delivered a powerful lecture, making the case for unabashed black patriotism—the notion that black Americans’ birthright citizenship in history’s greatest republic is an inheritance of immense value, worthy of embrace and celebration.

The George L. Kelling Lecture honors the work and legacy of the late criminologist and MI senior fellow. The inaugural 2020 lecture featured former NYC police commissioner William Bratton with opening remarks from Kelling’s widow and coauthor Catherine M. Coles. Our second annual lecture is scheduled for November 30, with retired Milwaukee police chief Ed Flynn.

In honor of James Q. Wilson (1931–2012), one of the 20th century’s most prolific and impactful social scientists, MI sponsors an annual eponymously named lecture. In 2021, Harvard University economics professor Edward Glaeser reflected on the implications of the Covid-19 pandemic on urban centers in America during his presentation, titled “Cities at the Crossroads.”

The Hayek Book Prize, which was 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. This year, we were happy to celebrate both our 2020 Hayek Book Prize winner, Austerity: When It Works and When It Doesn’t, by Alberto Alessina, Carlo Favero, and Francesco Giavazzi, as well as our 2021 winner, Thomas Sowell’s Charter Schools and Their Enemies.
I think we need more Manhattan Institutes around this country. I've recommended satellite sites in cities all over the nation.

Tim Scott
U.S. Senator, South Carolina

On many of the most pressing issues facing our city and our country, the Manhattan Institute has offered rigorous, evidence-based policy solutions that policy makers can use to restore public-safety, bring budgets under control, and support economic growth.

John Paulson
President, Paulson & Co.
This year, MI is thrilled to welcome outstanding new thinkers to our roster of scholars.

John Ketcham, a computational social scientist, policy advisor, entrepreneur, and research professor at Arizona State University, joins MI as adjunct fellow focusing on understanding and promoting human capital and flourishing.

Dorothy Moses, professor emerita at the John Jay College of Criminal Justice, joins MI as an adjunct fellow focusing on policing and public safety. Schulz is a retired captain with the Metro-North Commuter Railroad Police Department and a life member of the International Association of Chiefs of Police (IACP) and has worked with the Federal Transit Administration on managing the safety and security of new and existing transit systems.

Robert Verbruggen, the Juli Plant Grainger Professor of Economics at the University of Wisconsin, joins MI as an adjunct fellow focusing on economic policy. His research focuses on macroeconomics—particularly monetary policy, social insurance programs, and financial markets—as well as state economies.

EXPERTS

Brian C. Anderson, Editor, City Journal
Michael Knox Beran, Contributing Editor, City Journal
Claire Berlinski, Contributing Editor, City Journal
Charles W. Calomiris, Book Fellow
James R. Copland, Senior Fellow, Director, Legal Policy
Theodore Dalrymple, Contributing Editor, City Journal
Daniel Disalvo, Senior Fellow
Ray Domancic, Senior Fellow; Director, Education Policy
Stephen Eide, Senior Fellow; Contributing Editor, City Journal
Richard A. Epstein, Visiting Scholar
Brandon Fuller, VP, Research & Publications
Nicole Stelle Garnett, Senior Fellow
Nicole Gelinas, Senior Fellow; Contributing Editor, City Journal
Edward L. Glaeser, Senior Fellow; Contributing Editor, City Journal
Arpit Gupta, Adjunct Fellow
Victor Davis Hanson, Contributing Editor, City Journal
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Supporting the Manhattan Institute through general giving, joining 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. Graduate students and MI donors under 40 are invited to join our Adam Smith Society. With chapters at top MBA schools and a national network of young professionals, the Adam Smith Society is committed to free markets and limited government. Supporters are invited to events throughout the year. Please see www.adamsmithsociety.com for more information and to join this national network.

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Save the Date

HAMILTON 22
AWARD DINNER
NEW YORK CITY

May 3, 2022
ABOUT THE MANHATTAN INSTITUTE

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

POLICY RESEARCH

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.

JOURNALISM

In addition to amplifying the work of MI scholars through traditional and new media outlets, the Institute has published 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.

NETWORKS

MI is committed to building a network of professionals, students, and civic leaders who are dedicated to the revitalization of America and its great cities. 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.