HOOVER INSTITUTION NEWSLETTER

SUMMER 2002

FOREIGN SERVICE TRAINING CENTER RENAMED IN HONOR OF GEORGE P. SHULTZ

Pormer secretary of state George P. Shultz, the Thomas W. and Susan B. Ford Distinguished Fellow at the Hoover Institution, was honored in a ceremony renaming the training center of the Foreign Service Institute on May 29.

Before coming to Hoover in 1989, Shultz served as U.S. secretary of state from 1982 to 1989 under President Ronald Reagan, a Hoover Institution honorary fellow.

Secretary of State Colin Powell conferred the honor on Shultz at the dedication of the George P. Shultz National Foreign Affairs Training Center in Arlington, Virginia. The ceremony, attended by Vice President Richard Cheney, was broadcast live to diplomatic posts throughout the world.

"The Foreign Service is the custodian of our country's diplomatic experience in the world: not theories or abstractions but continued on page 2

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Milton
Friedman
speaks at the
White House
ceremony
recognizing
his lifetime
achievements.
At left,
background,
President
George W.
Bush and
Rose Friedman

Courtesy of The White House

President Bush Honors Milton Friedman for Lifetime Achievements

n Thursday, May 9, President George W. Bush honored Hoover Institution senior research fellow Milton Friedman at the White House for achievements over his lifetime. Friedman celebrates his 90th birthday on July 31.

Bush said: "Milton Friedman has shown us that when government attempts to sub-

stitute its own judgments for the judgments of free people, the results are usually disastrous. In contrast to the free market's invisible hand, which improves the lives of people, the government's invisible foot tramples on people's hopes and destroys their dreams."

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WASHINGTON, D.C. SEMINARS—U.S. DEPUTY DEFENSE SECRETARY PUTS STOCK IN U.S. TIES TO MODERATE MUSLIM COUNTRIES

eputy Defense Secretary Paul Wolfowitz said a prime hope for defusing Muslim terrorism may lie in building and maintaining good relationships with Muslim countries that have a tradition of religious tolerance.

Citing countries such as Turkey and Indonesia, Wolfowitz said he thought the West would gain much by working with countries where there is, in fact, some degree of religious pluralism and a young but growing move toward democracy.

He made his remarks on June 5 during the Hoover Institution conference "Our Brave New World: The Impact of September 11" in Washington. Wolfowitz, who had just returned from an Asian security

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News by and about Hoover fellows and the Institution updated daily.

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POLISH STATE ARCHIVES AND HOOVER TO UNDERTAKE JOINT PROJECT

In a joint statement, the Hoover Institution and the Polish State Archives announced an agreement to undertake a project to index and make accessible to scholars the Polish broadcasts of Radio Free Europe (RFE). The RFE Polish programs, broadcast between 1952 and 1994, consist of more than 17,000 audio recordings and 1.5 million pages of transcripts.

Radio Free Europe/Radio Liberty (RFE/RL) donated its corporate records and its entire broadcast archives, including the Polish broadcasts, to the Hoover Institution. At the same time, RFE/RL permitted the Polish State Archives to make copies of the Polish broadcasts for its holdings. To avoid a duplication of effort, the Hoover Institution and the Polish State Archives have joined together to produce a computer-based index to the two collections. The Hoover Institution will provide funds totaling \$120,000 over five years.

The Polish State Archives will contribute working facilities, support staff, computer hardware and software, utilities, and overhead.

This joint project represents the latest development in a continuing, cooperative relationship between the Hoover Institution and the Polish State Archives. Last year, the Hoover Institution completed a large-scale preservation project of its Polish archival collections, made possible by grants from the Taube Family Foundation and the National Endowment for the Humanities. As part of this effort, the Hoover Institution donated to the Polish State Archives microfilms of eighteen collections (about one and half million pages of documents) representing the bulk of the Hoover Institution's archival holdings on Poland. The two institutions have also established an exchange agreement, which resulted in the exchange of additional materials, including microfilm copies of records of the Polish Communist Party Central Committee presented to the Hoover Institution by the Polish State Archives.

"I continue to be impressed by the dedication of the Polish people to document the communist period in their history," said Hoover Institution director John Raisian. "We are delighted to continue our association with the Polish State Archives to collaborate on this venture."

The government of Poland recognized the Hoover Institution's contribution to the Polish archival preservation by honoring Tad Taube with a special presentation at the Foreign Ministry in 1999 and Associate Director and Archivist Elena Danielson and Curator Maciej Siekierski with Laurel Awards in 2001. Taube is a member of the Board of Overseers of the Hoover Institution; the Polish RFE broadcasts at the Hoover Institution constitute the Taube Family Collection on Poland.

FOREIGN SERVICE TRAINING CENTER RENAMED FOR SHULTZ

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actual experience," Shultz said in his speech at the dedication ceremony. He also commented on the role of the Foreign Service in the war on terrorism.

"We have a war to win," Shultz said. "Every tool available must be used aggressively. The message of the Great Seal of our republic is front and center once more. The eagle faces the olive branches to show that the United States always seeks peace but holds onto the arrows to show that the United States understands that, if we are to be effective in seeking peace, we must be strong. The message comes from the earliest days of our republic: strength and diplomacy go together."

The Foreign Service Institute is the federal government's primary training institution for officers and support person-



From left to right: Secretary of State Colin Powell, former OMB director Alice Rivlin, President George W. Bush, and former secretary of state George P. Shultz

nel of the U.S. foreign affairs community. The National Foreign Affairs Training Center prepares more than 30,000 enrollees a year from the state department, other government agencies, and the military for work overseas and in Washington.

Also on May 29, the Hudson Institute presented Shultz with the James H. Doolittle Award. The award, named in honor of the World War II hero, paid tribute to Shultz for his extraordinary contributions to the defense and security of the United States

On May 28, Shultz was awarded the first Elliot Richardson Prize for Excellence and Integrity in Public Service. The prize, presented by the Council for Excellence in Government, was jointly awarded to Shultz, Secretary of State Colin Powell, and Alice Rivlin, former director of the Office of Management and Budget.

"Colin Powell, Alice Rivlin, and George Shultz were chosen for this award because they embody the qualities that distinguished Elliot Richardson's many years of

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RUSSIAN FOREIGN AFFAIRS MINISTER VISITS HOOVER INSTITUTION

gor Ivanov, minister of foreign affairs of the Russian Federation, visited the Hoover Institution on May 6.

Ivanov was welcomed by Hoover distinguished fellow and former U.S. secretary of state George P. Shultz in the Nicolas de Basily room of the Hoover Tower, where Elena Danielson, Hoover associate director of library and archives, had prepared a display of Russian documents from the Hoover Archives in honor of Ivanov's visit. The display included diaries, letters, and diplomatic correspondence from collections begun by Herbert Hoover, as well as unpublished resources from the Romanov era.



Hoover distinguished fellow George P. Shultz (far right) and Russian minister of foreign affairs Igor Ivanov (second from right) exchange gifts of friendship

ROBERT BARRO DELIVERS INAUGURAL THOMAS SOWELL PROFESSORSHIP OF ECONOMICS LECTURE AT BATES COLLEGE

Robert J. Barro delivered the inaugural Thomas Sowell Professorship of Economics lecture, titled "Economics and Religion," on May 2 at Bates College in Lewiston, Maine.

Barro's lecture celebrated the inauguration of the endowed professorship made possible by Bates College trustee Joseph T. Willett, Bates College class of 1973, and his wife, Janice.

The Willetts' contribution to Bates in 2001 established the professorship in honor of Thomas Sowell, the Milton and Rose Friedman Senior Fellow at Hoover, who has been called America's "most valu-

able public intellectual" for his challenge to orthodox thought across the spectrum of society.

"For us, Thomas Sowell symbolizes the ideal features of an institution of higher learning: a commitment to rigorous scholarship and an open exchange of ideas," Joe Willett said. "We hope our gift adds to the crucial diversity of thought at Bates, for the greater good of the whole institution."

Willett is a member of the college's Board of Fellows and most recently served as chief operating officer for Merrill Lynch in London.

Janice Willett added: "Thomas Sowell has influenced our thinking in areas as

diverse as economics, politics, education and child rearing. It is an honor to be able to establish a chair in his name and a source of pride to be able to contribute in this way to the intellectual tradition at Bates."

Barro, the Robert C. Waggoner Professor of Economics at Harvard University, is a columnist for *Business Week* and a frequent contributor to the *Wall Street Journal*. His recent books include *Determinants of Economic Growth* and *Getting It Right: Markets and Choices in a Free Society*, both from MIT Press.

Thomas Sowell is the Rose and Milton Friedman Senior Fellow on Public Policy.

MARTIN ANDERSON RECEIVES HONORARY DEGREE FROM PEPPERDINE UNIVERSITY

artin Anderson, the Keith and Jan Hurlbut Senior Fellow, received an honorary doctor of laws degree from Pepperdine University on April 19 and delivered the commencement address to graduating students of the university's school of public policy.

In his commencement address, Anderson discussed his experience as an adviser and scholar on the national and state levels and urged graduates to carefully use their talents in crafting good public policy.

Anderson is a well-respected adviser on economic and social policy, national defense, and the U.S. presidency. He serves as chairman of the Congressional Policy Advisory Board, which advises Republican leadership in the U.S. House of Representatives. In 1997, he served on the National Commission on the Cost of Higher Education, and he was a member of California governor Pete Wilson's Council of Economic Advisers.

Earlier, he was domestic and economic

adviser to President Ronald Reagan in 1981 and was a special assistant to President Richard Nixon from 1969 to 1971. Between 1987 and 1993, he was a member of the President's Foreign Intelligence Advisory Board, the President's Economic Policy Advisory Board, and the President's General Advisory Committee on Arms Control.

He is a regular commentator on PBS's Nightly Business Report and most recently collaborated on Reagan, In His Own Hand, which was on both the New York Times and the Washington Post best-seller lists.

EDWARD PAUL LAZEAR NAMED MORRIS ARNOLD COX SENIOR FELLOW

Morris Arnold Cox Senior Fellow at the Hoover Institution.

The appointment was announced at the annual Washington, D.C., meeting of the Hoover Institution Board of Overseers in late February.

"We are delighted to name Edward Lazear as the first holder of the Cox chair," said Hoover Institution director John Raisian. "Edward is one of Hoover's best scholars, an eminent economist with an exquisite understanding of the workings of markets and the important role of incentives. Knowing of Mr. Cox's interests in free market economic principles, I am confident that he would be pleased with the unfolding of this gesture to him."

The Morris Arnold Cox Chair is funded by Cox's widow, Mrs. Nona Jean Cox of Portola Valley, California, and Duncan and Shirley Cox Matteson of Menlo Park, California, Morris Cox's daughter and son-inlaw.

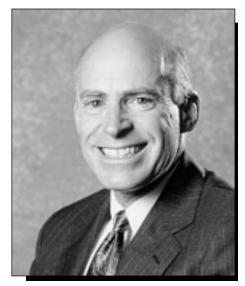
"Our family is proud to join the Hoover Institution in honoring the memory of Morris Arnold Cox by establishing an endowed chair in his name. The values reflected in his life, in his business career, and in his philanthropic endeavors mirror those of the Hoover Institution," said Duncan and Shirley Cox Matteson.

Mr. Cox, who died in 1986 at the age of 77, worked in various roles at William Volker & Company, a wholesale household furnishings company originally based in Kansas City, Missouri, and later in Burlingame, California. He retired as chairman of the board in 1975, after 37 years of service

Mrs. Cox graduated from Stephens College in Columbia, Missouri; Duncan and Shirley Cox Matteson graduated from the University of Missouri. After college, Shirley and Duncan lived in Menlo Park, now their home for more than 40 years, where they raised their two children, Duncan "Matt" Matteson Jr., and Melissa Matteson Badger. Shirley and Duncan have established distinguished records as business, community, and charitable leaders on the Peninsula, as have their children, following the example set by Mr. and Mrs. Cox.

Duncan is cochair of the Greater Bay Bank. Together, Duncan and Shirley acquired and managed extensive real estate holdings in California through the family firm, the Matteson Companies. Shirley and Duncan each have served in many leadership capacities at Stanford University, including Shirley's service on the Stanford University Hospital Board of Directors and as a founding member of the Health Library. Both have served on numerous community boards and continue to devote substantial time and resources to community and charitable causes.

Lazear is also the Jack Steele Parker Professor of Human Resources, Management and Economics at Stanford University's Graduate School of Business, where he has taught since 1992. He taught previously at



Edward Paul Lazear

the University of Chicago's Graduate School of Business.

Founding editor of the *Journal of Labor Economics*, he is also an elected fellow of the American Academy of Arts and Sciences, the Econometric Society and a research associate of the National Bureau of Economic Research. Lazear was the first vice president and president of the Society of Labor Economists.

His book *Personnel Economics* (MIT Press, 1995) expands on his 1993 Wicksell Lectures. He edited *Economic Transition in Eastern Europe and Russia: Realities of Reform* (Hoover Institution Press, 1995). Coauthor or coeditor of four other books, Lazear's newest edited volume is *Education in the Twenty-first Century* (Hoover Institution Press, 2002).

Lazear received his A.B. and A.M. degrees from the University of California, Los Angeles and his Ph.D. in economics from Harvard University.

MILTON FRIEDMAN HONORED

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He also commented: "Milton Friedman has done more than defend freedom as an abstract ideal. He has creatively applied the power of freedom to the problems of our own country, and in the process, he has become an influential social reformer."

Also attending the ceremony were Friedman's wife, Rose, Hoover senior fellow Gary S. Becker, Hoover research fellow Guity Nashat, and Distinguished Visiting Fellow Edwin Meese III.

Friedman was awarded the 1976 Nobel Memorial Prize for economic sciences. He has been a Hoover senior research fellow since 1977. In 1988, he was awarded the

Presidential Medal of Freedom, and he received the National Medal of Science the same year.

Among his many well-known books are *Two Lucky People* (University of Chicago Press, 1998), *Free to Choose* (Harcourt Brace Jovanovich, 1980), and *Capitalism and Freedom* (University of Chicago Press, 1962), all written with Rose Friedman.

DIRECTOR'S SEMINAR SHOWCASES HOOVER SCHOLARS

wo opposing views of human life are at the root of the terrorist activity that rocks the world today, according to noted author and social commentator Dinesh D'Souza, the Robert and Karen Rishwain Research Fellow at the Hoover Institution.

"Virtue is the primary end of society in the Islamic world. In the West, our main principle is freedom," said D'Souza, who spoke at the opening dinner of the Hoover Institution's Director's Seminar on Sunday, June 2.

"Islam makes much of what it views as its moral superiority. And I suppose that one could say that virtue is higher than liberty.

"However, freedom is a necessary prerequisite for virtue, and freedom is necessary to make virtue be virtue. Coerced virtue, as we have seen it practiced in the Islam world, is not virtue at all."

D'Souza, the author of the best-selling volume *What's So Great about America*, noted that Western ideals of individuality and freedom, on their face, are not necessarily attractive to the Muslim world.

"These are not ideas that are basic to the way people live in that world. And yet, the germ of freedom and individuality can be seen and, perhaps, encouraged by addressing the premise, which is held by both Christians and Muslims, that salvation comes through the work done by the individual soul. This concept could give us the foundation on which to build some common ground."

On Monday, June 3, guests attending the seminar were treated to presentations from and small-group discussions with Hoover fellows on topics including the crisis in the Middle East, school reform, the international criminal court, the California governor's race, and Social Security reform.

On the political front, Martin Anderson, the Keith and Jan Hurlbut Senior Fellow at the Hoover Institution, spoke on the California governor's race; Hoover fellow David Brady looked at the 2002 congressional elections; and John Cogan, the Leonard and Shirley Ely Senior Fellow, presented an insider's view of the work of the president's commission on Social Security reform.

Handling education issues were Hoover fellow Williamson Evers, who has been working on school reform in California, and Edward Lazear, the Morris Arnold Cox Senior Fellow and editor of *Education in the Twenty-first Century* (Hoover Press, 2002), who offered his perspective on the most pressing issues in education reform.

Tackling foreign policy issues, Hoover fellow David Davenport spoke on the new international criminal court and fellow Lyman Miller discussed China's upcoming leadership transition.

Other conversations featured Hoover fellow Barry Weingast discussing "Federalism, Freedom, and Economic Performance"; fellow Morris Fiorina discussing common misperceptions on abortion and the gender gap; and fellow Milton Friedman, recently honored by President George W. Bush for his lifetime achievements, offering his insight on economic issues.

Guests were also treated to a presentation by Elena Danielson, associate director of library and archives, and Assistant



Hoover director John Raisian

Archivist Myriam LeFloch on the work of underground dissident artist Wolfgang Janish. Hoover fellow Bertrand Patenaude, who has done extensive work in the Hoover Archives, spoke on the "Nuremberg Trial" of the Soviet Communist Party in Moscow in 1922.

The Director's Seminar concluded with a panel discussion on the crisis in the Middle East. Chaired by Abraham Sofaer, the George P. Shultz Senior Fellow, the panel offered the insights of Arnold Eisen, who holds an endowed professorship in Stanford's Department of Religious Studies, and Ariel Levite, a visiting fellow at the Stanford Center for International Security and Cooperation.

The Director's Seminar is a one-day event that offers Hoover donors and prospective donors the opportunity to interact with Hoover fellows in small and intimate groups. It also provides an opportunity for the director to update donors on the state of the Institution.

FOREIGN SERVICE TRAINING CENTER RENAMED FOR SHULTZ

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service to the public—absolute integrity and courageous, imaginative leadership

with lasting impact," said Patricia McGinnis, president and CEO of the council. "The idea of this award is to recognize outstanding public leaders who will join not only in calling, but also in inspiring, talented young people to public service."

On May 30, Princeton University's

James Madison Program in American Ideals and Institutions presented Shultz with its inaugural John Witherspoon Medal for Distinguished Statesmanship. Former secretary of state Henry Kissinger gave a tribute to Shultz at the award dinner.

DINESH D'SOUZA: TEN GREAT THINGS ABOUT AMERICA



| FELLOW | Dinesh D'Souza | | |
|--------------|--|--|--|
| TITLE | Robert and Karen Rishwain Research Fellow | | |
| RESEARCH | The economy and society, civil rights and affirmative action, cultural issues and politics, and higher education. | | |
| AFFILIATIONS | From 1987 to 1988, senior domestic policy analyst in the Reagan White House. From 1985 to 1986, managing editor of <i>Policy Review</i> . | | |
| PUBLICATIONS | What's So Great about America (Regnery, 2002); The Virtue of Prosperity: Finding Values in an Age of Techno Affluence (Free Press, 2000); Ronald Reagan: How an Ordinary Man Became an Extraordinary Leader (1997); Illiberal Education (Free Press, 1991) and The End of Racism (Free Press, 1995). Also regular publication in the Wall Street Journal, the New York Times, the Washington Post, Vanity Fair, Forbes, Harper's, and the Atlantic Monthly. | | |
| MEDIA | Regular guest on numerous programs, including ABC's <i>This Week</i> , <i>Nightline</i> , CNN's <i>Crossfire</i> , the <i>NewsHour with Jim Lehrer</i> , <i>Firing Line</i> , <i>ABC News</i> , and <i>Good Morning America</i> . He has spoken at top universities around the nation including Harvard University, Stanford University, the University of California, Berkeley, and Duke University. He has also been a guest lecturer at the World Economic Forum. | | |
| DEGREES | B.A., Dartmouth College, 1983. | | |

Q: In the aftermath of last September's terrorist attack, there's been a great deal of news about "why they hate us" and about why America is so bad. There have been lengthy lectures about America's history of slavery, about the defects of American foreign policy, about the materialism of American life, and about the excesses of American culture. Many critics, domestic and international, all but say that America can do no right. What is your view on this?

A: This indictment, which undermines the patriotism of Americans, is based on a narrow and distorted understanding of America. It exaggerates America's faults, and it ignores what is good and even great about America. As an immigrant who has chosen to become a U.S. citizen, I feel especially qualified to say what is special about this country.

Q: Why are you especially qualified?

A: Having grown up in a different society—in my case, Mumbai, India—I am not only able to identify aspects of America that are invisible to people who have always lived

here, but also acutely conscious of the daily blessings that I enjoy in America.

Q: What are some of those aspects and blessings?

A: I can easily come up with ten. For instance, America provides an amazingly good life for the ordinary guy: Rich people live well everywhere. But what distinguishes America is that it provides an incomparably high standard of living for the "common man." We now live in a country where construction workers regularly pay \$4 for a nonfat latté, where maids drive nice cars, and where plumbers take their families on vacation to Europe.

Indeed, newcomers to the United States are struck by the amenities enjoyed by "poor" people in the United States. This fact was dramatized in the 1980s when CBS television broadcast a documentary, "People Like Us," which was intended to show the miseries of the poor during an ongoing recession. The Soviet Union also broadcast the documentary, with a view to embarrassing the Reagan administration. But by the testi-

mony of former Soviet leaders, it had the opposite effect. Ordinary people across the Soviet Union saw that the poorest Americans have TV sets, microwave ovens, and cars. They arrived at the same perception that I witnessed in an acquaintance of mine from Bombay who has been unsuccessfully trying to move to the United States. I asked him, "Why are you so eager to come to America?" He replied, "I really want to live in a country where the poor people are fat."

Q: Another aspect?

A: America offers more opportunity and social mobility than any other country, including the countries of Europe: America is the only country that has created a population of "self-made tycoons." Only in America could Pierre Omidyar, whose parents are Iranian and who grew up in Paris, have started a company like eBay. Only in America could Vinod Khosla, the son of an Indian army officer, become a leading venture capitalist, the shaper of the technology industry, and a billionaire to boot. Admittedly tycoons are not typical, but no



country has created a better ladder than America for people to ascend from modest circumstances to success.

Q: So the ladder, a better ladder is important?

A: Absolutely. And work and trade are respectable in America, which is not true elsewhere: Historically most cultures have despised the merchant and the laborer, regarding the former as vile and corrupt and the latter as degraded and vulgar. Some cultures, such as that of ancient Greece and medieval Islam, even held that it is better to acquire things through plunder than through trade or contract labor. But the American founders altered this moral hierarchy. They established a society in which the life of the businessman, and of the people who worked for him, would be a noble calling. In the American view, there is nothing vile or degraded about serving your customers either as a CEO or as a waiter. The ordinary life of production and supporting a family is more highly valued in the United States than in any other country. Indeed America is the only country in the world where we call the waiter "sir," as if he were a knight.

Q: So you resonate to the concept of equality and believe it does have great value?

A: I do and it does. I do believe that America has achieved greater social equality than any other society: True, there are large inequalities of income and wealth in America. In purely economic terms, Europe is more egalitarian. But Americans are socially more equal than any other people, and this is unaffected by economic disparities. Tocqueville noticed this egalitarianism a century and a half ago, but it is if anything more prevalent today. For all his riches, Bill Gates could not approach the typical American and say, "Here's a \$100 bill. I'll give it to

you if you kiss my feet." Most likely the person would tell Gates to go to hell! The American view is that the rich guy may have more money, but he isn't in any fundamental sense better than anyone else.

Q: You have addressed money and opportunity. What about other qualities or values?

A: People live longer, fuller lives in America: Although protesters rail against the American version of technological capitalism at trade meetings around the world, in reality the American system has given citizens many more years of life, and the means to live more intensely and actively. In 1900, the life expectancy in America was around 50 years; today, it is more than 75 years. Advances in medicine and agriculture are mainly responsible for the change. This extension of the life span means more years to enjoy life, more free time to devote to a good cause, and more occasions to do things with the grandchildren.

Q: And your view of the young in America? A: In America the destiny of the young is not given to them but created by them: Not long ago, I asked myself, "What would my life have been like if I had never come to the United States?" If I had remained in India, I would probably have lived my whole life within a five-mile radius of where I was born. I would undoubtedly have married a woman of my identical religious and socioeconomic background. I would almost certainly have become a medical doctor or an engineer or a computer programmer. I would have socialized entirely within my ethic community. I would have a whole set of opinions that could be predicted in advance; indeed, they would not be very different from what my father believed, or his father before him. In sum, my destiny would to a large degree have been given to me.

Q: What happened when you came to America?

A: In America, I have seen my life take a radically different course. In college I became interested in literature and politics, and I resolved to make a career as a writer. I married a woman whose ancestry is English, French, Scotch Irish, German, and American Indian. In my twenties I found myself working as a policy analyst in the White House, even though I was not an American citizen. No

other country, I am sure, would have permitted a foreigner to work in its inner citadel of government.

In most countries in the world, your fate and your identity are handed to you; in America, you determine them for yourself. America is a country where you get to write the script of your own life. Your life is like a blank sheet of paper, and you are the artist. **Q:** Is there a political framework that allows this to happen?

A: Yes, America has gone further than any other society in establishing equality of rights: There is nothing distinctively American about slavery or bigotry. Slavery has existed in virtually every culture, and xenophobia, prejudice, and discrimination are worldwide phenomena. Western civilization is the only civilization to mount a principled campaign against slavery; no country expended more treasure and blood to get rid of slavery than the United States. While racism remains a problem in America, this country has made strenuous efforts to eradicate discrimination, even to the extent of enacting policies that give legal preference in university admissions, jobs, and government contracts to members of minority groups. Such policies remain controversial, but the point is that it is extremely unlikely that a racist society would have permitted such policies in the first place. And surely African Americans like Jesse Jackson are vastly better off living in America than they would be if they were to live in, say, Ethiopia or Somalia.

Q: What can other countries learn from America?

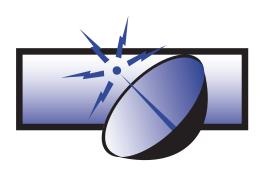
A: America has found a solution to the problem of religious and ethnic conflict that continues to divide and terrorize much of the world: Visitors to places like New York are amazed to see the way in which Serbs and Croatians, Sikhs and Hindus, Irish Catholics and Irish Protestants, Jews and Palestinians, all seem to work and live together in harmony. How is this possible when these same groups are spearing each other and burning each other's homes in so many places in the world?

The American answer is twofold. First, separate the spheres of religion and continued on page 8

Abraham Sofaer, the George P. Shultz Senior Fellow, was featured on KGO TV (ABC, San Francisco) on May 20 and 21 and on KNTV (NBC, San Jose) on May 21 and 22 discussing developments in the U.S. war on terrorism.

Senior Fellow **Bruce Bueno de Mesquita** also was interviewed about terrorists by KNTV (NBC, San Jose) on May 20.

On May 29, Research Fellow **Joseph Mc-Namara** was interviewed on KCBS radio (CBS, San Francisco) about pending oper-



ational changes in the Federal Bureau of Investigation.

Tensions on the India-Pakistan border were addressed by Visiting Fellow **Donald**

Abenheim on KCBS radio (CBS, San Francisco) on May 30.

Research Fellow **James Noyes** discussed Middle East peace negotiations on May 6 and 7 on KGO radio (ABC, San Francisco).

Distinguished Visiting Fellow **Newt Gingrich** was interviewed on the program *Tech Now!* (KNTV, PBS, San Jose) on May 15 and June 15 about coming breakthroughs in biology, technology, and airport security.

Q & A CONTINUED

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government so that no religion is given official preference but all are free to practice their faith as they wish. Second, do not extend rights to racial or ethnic groups but only to individuals; in this way, all are equal in the eyes of the law, opportunity is open to anyone who can take advantage of it, and everybody who embraces the American way of life can "become American."

Of course there are exceptions to these core principles, even in America. Racial preferences are one such exception, which explains why they are controversial. But in general America is the only country in the world that extends full membership to outsiders.

Q: And what of foreign policy?

A: America has the kindest, gentlest foreign policy of any great power in world history: Critics of the U.S. are likely to react to this truth with sputtering outrage. They will point to long-standing American support for a Latin or Middle Eastern despot or the unjust internment of the Japanese during World War II or America's reluctance to impose sanctions on South Africa's apartheid regime. However one feels about these particular cases, let us concede to the critics the point that America is not always in the right.

What the critics leave out is the other side of the ledger. Twice in the twentieth century, the United States saved the world: first from the Nazi threat, then from Soviet totalitarianism. What would have been the world's fate if America had not existed? After destroying Germany and Japan in World War II, the U.S. proceeded to rebuild both countries, and today they are American allies. Now we are doing the same thing with Afghanistan. Consider, too, how magnanimous the U.S. has been to the former Soviet Union after its victory in the cold war.

For the most part America is an abstaining superpower: It shows no real interest in conquering and subjugating the rest of the world. (Imagine how the Soviets would have acted if they had won the cold war.) On occasion, America intervenes to overthrow a tyrannical regime or to halt massive human rights abuses in another country, but it never stays to rule that country. In Grenada, Haiti, and Bosnia, the U.S. got in and then it got out.

Moreover, when America does get into a war, it is supremely careful to avoid targeting civilians and to minimize collateral damage. Even as America bombed the Taliban infrastructure and hideouts, its planes dropped rations of food to avert hardship and starvation of Afghan civilians. What other country does these things?

Q: That makes America seem to be, well, rather kind, if not actually virtuous.

A: I think that perhaps America, the freest nation on earth, really is also the most virtuous nation on earth! This point seems counterintuitive, given the amount of conspicuous vulgarity, vice, and immorality in America. Indeed some Islamic fundamentalists argue that their regimes are morally superior to the United States because they

seek to foster virtue among the citizens. Virtue, these fundamentalists argue, is a higher principle than liberty.

Indeed it is. And let us admit that in a free society, freedom will frequently be used badly. Freedom, by definition, includes the freedom to do good or evil, to act nobly or basely. But if freedom brings out the worst in people, it also brings out the best. The millions of Americans who live decent, praiseworthy lives deserve our highest admiration because they have opted for the good when the good is not the only available option. Even amid the temptations of a rich and free society, they have remained on the straight path. Their virtue has special luster because it is freely chosen.

By contrast, the societies that many Islamic fundamentalists seek would eliminate the possibility of virtue. If the supply of virtue is insufficient in a free society like America, it is almost nonexistent in an unfree society like Iran. The reason is that coerced virtues are not virtues at all.

"To make us love our country," Edmund Burke once said, "our country ought to be lovely." Burke's point is that we should love our country not just because it is ours, but also because it is good. America is far from perfect, and there is lots of room for improvement. In spite of its flaws, however, the American life as it is lived today is the best life that our world has to offer. Ultimately America is worthy of our love and sacrifice because, more than any other society, it makes possible the good life and the life that is good.

National Fellows for 2002–3 Announced

Raisian has announced the recipients of the annual postdoctoral W. Glenn Campbell and Rita Ricardo-Campbell National Fellows Program for the 2002–3 academic year.

Recognized as one of the preeminent fellowships in the United States, the program, now completing its 30th year, provides scholars an opportunity to spend one year at the Hoover Institution conducting independent research on current or historical public policy issues.

The national fellows use the release time from teaching to advance their professional careers by completing an original and significant research project at Hoover. The National Fellows Program has awarded nearly 400 fellowships to outstanding scholars from universities across the United States and Canada.

"The National Fellows Program functions as a significant part of the academic visitor component of the Hoover Institution. We are delighted to welcome to Hoover another talented group of scholars who share our interest in research and policy," said Hoover director John Raisian.

The program is administered by Hoover associate director Thomas H. Henriksen, serving as the program's executive secretary, assisted by Joy Taylor. The 2002–3 fellows, their academic affiliations, and their topics follow:

Michael Bailey

Department of Government, Georgetown University

"Money and Democracy: Enduring Questions of Contemporary Relevance"

G. Marcus Cole

Stanford Law School, Stanford University "Private Dissolution and Restructuring of Failed Technology Firms in Silicon Valley"

Lisa Cook

Center for International Development, Harvard University

"An Investigation into Russian Financial Markets, International Trade, and Firm Innovation"

Sven Feldmann

Graduate School of Public Policy Studies, University of Chicago

"Lobbying the Bureaucracy"

Francine Hirsch

Department of History, University of Wisconsin-Madison

"Empire of Nations: Ethnographic Knowledge and the Making of the Soviet Union, 1910–1941"

Dirk Krueger

Department of Economics, University of Pennsylvania

"The Distribution of Consumer Durables and Financial Wealth over the Business Cycle: Empirical Findings, a Theoretical Explanation, and Policy Implications"

Chappell Lawson

Department of Political Science, MIT "Campaigns, Elections, and Democratization"

Jonathan Levin

Department of Economics, Stanford University

"The Economics of Professional Partnerships"

Alan Levine

Department of Government, American University

"The Idea of America in European Political Thought: 1492–1992"

Hao Li

Department of Economics, University of Toronto

"Unraveling of Matching Markets with Endogenous Search"

Alan T. Sorensen

Department of Economics, University of California, San Diego

"Empirical Studies of Social Interactions in Consumer Behavior"

Strom Thacker

Department of International Relations, Boston University

"The Politics of Governance"

Romain Wacziarg

Graduate School of Business, Stanford University

"Trade Openness and Structural Change"

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HOOVER INSTITUTION NEWSLETTER

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The Hoover Institution on War, Revolution and Peace, Stanford University, founded in 1919 by Herbert Hoover, is one of the leading centers in the world devoted to interdisciplinary scholarship in domestic and international affairs.

Washington, D.C. Seminars

continued from page 1

conference in Singapore and a tour of the Philippines—the scene of recent Muslim terrorist activity—spoke to about 100 members of the press, academe, and government.

Covering his talk and the conference were journalists representing a host of media outlets including *Time* magazine, the *Washington Post*, the *Los Angeles Times*, the *Wall Street Journal*, Fox News Channel, NBC TV, WTOP radio, NHK Japan TV, *Bloomberg News*, Newhouse News Service, Voice of America, and *Asahi Shimbun*.



Hoover Institution director John Raisian

Wolfowitz said he was pleased to assure Asian leaders of strong bipartisan congressional support for that region.

"Messages coming out of the visit were how important the region is, how important we are to the region, how welcome we are there, and how many problems are still there," he said. "I am, however, much more optimistic about the future of the region. The support we offer in Asia is significant and it is recognized."

Earlier in the day the conference opened with remarks from Hoover director John Raisian and Wladyslaw Pleszczynski, Hoover distinguished visiting fellow, who edited the just-released volume *Our Brave New World*, published by Hoover Institution Press.

In the first talk of the day, Daniel Pipes, director of the Middle East Forum, noted that he believes that, since September 11, the issue and concept of terrorism has rapidly moved into abstraction in both the West and the Muslim world. Furthermore, action against terrorism has quickly moved to the periphery in both sectors.



Hoover distinguished visiting fellow Wladyslaw Pleszczynski, editor of Our Brave New World



Paul Wolfowitz, deputy secretary of the U.S. Department of Defense



Daniel Pipes, director of the Middle East Forum

"To get a grip on this threat, we must empower moderate Muslims and use this as leverage," he said. "This is a war of ideas. Unfortunately, we have let the tools we used to fight the war of ideas in World War II and during the cold war simply atrophy."

Two panels also provided additional insight into the situation. Speaking on the political impact of September 11 in Washington and across the country were Media Fellow Anne Applebaum, freelance journalist; John Corry, former New York Times reporter; and Terry Eastland, Hoover media fellow and publisher of the Weekly Standard.

The cultural impact and the marks made on the public by way of leaders and the media were addressed by James Bowman, American editor of the *Times Literary Supplement*; Roger Kimball, managing editor of the *New Criterion*; and Media Fellow John Podhoretz of the *New York Post*.

New Views Offered at Conference on Race and Ethnicity

ew realities require new thinking and old civil rights ideas won't solve the problems we face now. However, the sobering experience of facing real threats, beginning with September 11, will, I think, bring us together to grow as a people," said author and commentator Linda Chavez on June 6 during the conference "Beyond the Color Line: New Perspectives on Race and Ethnicity in America."

Chavez spoke at the luncheon that concluded a gathering of 100 representatives of government, academe, and the media sponsored by the Hoover Institution and the Manhattan Institute.

The conference highlighted the release of the new Hoover Press book with the same title, edited by Abigail Thernstrom and Stephan Thernstrom and produced in conjunction with the Manhattan Institute.

Covering the conference were representatives of the media including CSPAN, which will broadcast the conference during June,

HOOVER IN WASHINGTON



Stephan Thernstrom, coeditor of *Beyond the Color Line* and a senior fellow at the Manhattan Institute

ABC News, the Washington Post, the Washington Times, and the Christian Science Monitor.

Chavez noted that efforts in the 1960s to compensate legitimate victims of discrimination have transmuted into institutionalized diversity programs. These programs have been widely accepted but do not necessarily reach and assist those most in need, she said.

In the opening panel discussion titled "The New American Landscape," Media Fellow Michael Barone, of the *U.S. News & World Report*, addressed politics and the new patriotism.

"One hundred years ago, we talked of immigrants and hyphenated Americans," he said. "Today we see something a lot like that situation again."

Tamar Jacoby, of the Manhattan Institute, discussed assimilation of immigrants and admitted that it is hard to determine if assimilation is working.

"I think it's just too early to judge. The immigration wave of the 1960s was, if you will, the traditional 'first generation.' And it's in the second generation that we do see assimilation. I do think you could argue that that second generation is, indeed, assimilating, as they are English speakers, fluent, and integrating into America. On the other hand, 60 percent of those arriving today already do speak English, and that is one good indicator of assimilation right from the beginning."

Speaking on interracial marriage was Douglas Besharov, of the American Enterprise Institute. He said that cross-race marriages have slowly begun increasing, an indication that racial discrimination is slowly eroding.



From left, Stephan Thernstrom of the Manhattan Institute, Tamar Jacoby of the Manhattan Institute, Douglas Besharov of the American Enterprise Institute, Robert Zelnick of the Hoover Institution, and Michael Barone of *U.S. News & World Report*. Photos by Goodman/Van Riper Photography.

Robert Zelnick, a Hoover fellow and Boston University journalism professor, told the group that he expects the Supreme Court to take up the controversial *Bakke* decision of 1978, which has governed university admissions since that time.

In the second panel discussion, the subject of "Moving beyond Race and Ethnicity" was broached by David Armor of the Institute of Public Policy; Brian Jones, general counsel with the U.S. Department of Education; Peter Kirsanow, an attorney with Beresch, Friedlander, Coplan and Aronoff; and Sally Satel, M.D., of the American Enterprise Institute.

Armor described his research and work, in which he has found some benefit from the voluntary busing of students. He said, however, he has come to believe that neither racial nor economic diversity among students has much of an effect on educational outcome.

Jones, of the U.S. Education Department, pointed to efforts to require accountability in schools, including the publication of "state

report cards" that list test scores, in order to give the public more and better information on education.

"The states must show they are making progress if they accept federal funds," he said.

Kirsanow attacked what he called "grievance legislation," which has been used as a model for civil rights enforcement over the last 30 years.

"This kind of action suggests that civil rights struggles haven't been successful and that the 1960s are perpetual, and this is just not true," he



Linda Chavez, president of the Center for Equal Opportunity

Dr. Satel discussed the very real differences in medical needs and conditions between races and ethnicities, which, she said, should not be misconstrued as "discrimination."

"Take, for example, Tay-Sachs or sickle-cell anemia," she said. "These are diseases that just simply are found in certain ethnic groups. It would be wonderful if medicine were truly color blind, but that isn't reality. Doctors can't deny the reality of significant differences in patients."

During a question-and-answer period, the issue of reparations for African Americans was addressed, with Jones and Kirsano (who are both black) noting that they believe it is more productive to focus on the present, the opportunities that are open to them and their families now, and the rich family traditions that encouraged achievement for them.

They also noted that the experience and abilities of so-called minorities and immigrants are so broad and differentiated that it is not helpful at all to paint everyone in an ethnic group as a "victim" and to keep treating everyone in that group as underprivileged.

HOOVER IN PRINT

The United Nations Development Reports should base their assessments of world poverty and inequality on a better understanding of the facts. It is incorrect to argue that world poverty and inequality have been rising over the past 30 years and then attribute this fictional development to unchecked globalization and market expansion. These poorly grounded observations from an apparently respectable source feed into the false arguments of the world's "globaphones," who are generally opposed to economic development. Globaphobia will neither help reduce world poverty nor spur economic growth in Africa.

■ Robert J. Barro, senior fellow, BusinessWeek, May 6

Alleged war crimes by international leaders are inherently political matters and need to be overseen by the United Nations and its Security Council, not by unbounded Belgian or even International Criminal Court prosecutors. If a criminal court for a specific situation needs to be created, the Security Council should do so. Otherwise this business of universal jurisdiction will lead inevitably to universal injustice.

■ David Davenport, research fellow, San Jose Mercury News, May 16

The academy needs to shed its irrational prejudice against colonialism. By providing a more balanced perspective, scholars can help to show the foolishness of policies like reparations as well as justifications of terrorism that are based on anticolonial myths. None of this is to say that colonialism by itself was a good thing, only that bad institutions sometimes produce good results.

■ Dinesh D'Souza, Robert and Karen Rishwain Research Fellow, *Chronicle of Higher Education*, May 10

For those of us still concerned with the original human rights agenda embodied in the Jackson-Vanik legislation, it is painful to give up one of the most effective weapons for promoting human rights for the cold war. It seems especially wrong to reward Putin, whose record regarding human rights and democracy is troubling. Russia today bears little resemblance to the Soviet Union



of 1974. To reinforce the positive changes there over the past 30 years, while still addressing lingering problems of human rights and democracy, Congress needs to modernize its tools of influence.

■ Michael McFaul, Peter and Helen Bing Research Fellow, Washington Post, May 10

Progressives and conservatives alike should welcome further experiments in school choice. Such experiments certainly do not pose a discernible threat to public school education. Nearly 90 percent of American children continue to be educated at conventional public schools, and the proportions are unlikely to change significantly anytime soon. Indeed, part of the experiment in school choice should involve new forms of public schools, prominent among then charter schools that have already opened their doors. Meanwhile, for those in greatest need—children of low-income parents who seek an alternative to chronically decrepit inner-city public school education—the preliminary results strongly indicate that choice programs do no harm and appear to do some good.

■ Peter Berkowitz, research fellow, Weekly Standard, May 20

The most common mistake in thinking about growth is to search for the "silver bullet," a single policy that is everywhere and always the key to faster growth. In fact, it is a whole range of policies and institutions that must work together to sustain a high rate of growth. Each is more valuable when it is adopted in conjunction with all the others.

■ Paul Romer, Dean Witter Senior Fellow, Stanford Business, May

We and our allies should be taking every possible action to help make the tons of nuclear materials and elsewhere secure from terrorist theft or purchase. But we're not. The budget for these efforts remains essentially flat—even though, at the current rate, it will

take years to secure the remaining 60 percent of nuclear material in Russia that is not adequately protected. The administration needs to put forward new ideas, come up with new funding, and recruit new partners to secure the raw materials of nuclear terrorism in Russia and elsewhere.

■ William Perry, senior fellow, with former U.S. senator Sam Nunn and retired U.S. Air Force general Eugene Habiger, Washington Post, May 21

America has come to understand the imperatives of evenhanded treatment for its citizens. Until India does so, the people of the world's second-largest democracy will be unable to accord the world's largest democracy a respect that many of us would like to see it deserve.

■ Henry Rowen, senior fellow, with Kanwal Rekhi, global chairman of the Indus Entrepreneurs, *Wall Street Journal*, May 22

Terrorism is terrorism regardless of who does it, and suicide bombers are the moral equivalent of the hijackers who flew the planes on September 11. But if we allow the war on global terrorism to degenerate into a debate over Israel and Palestine, we will be fighting on Saddam's terms and most assuredly will lose.

■ Peter Schweizer, research fellow, USA Today, May 1

Development, testing, and FDA marketing approval of the average new drug takes 12 to 15 years and costs upward of \$800 million. Reclassifying botanicals as drugs would effectively spell the demise of the goose that is laying multibillion-dollar eggs, and the end of consumers' access to a wide array of nontraditional medicines.

A better option would be voluntary oversight by an independent, nongovernmental regulator modeled on nationally recognized testing laboratories. The prototype of these facilities is Underwriters Laboratories: a nonprofit group that, for a fee, uses hundreds of standards to certify a wide spectrum of products, many with inherent potential hazards.

■ Henry I. Miller, research fellow, USA Today, June 18

THREE NEW RESEARCH FELLOWS JOIN HOOVER

The Hoover Institution welcomed three new scholars this spring. Peter Berkowitz, an associate professor of law at George Mason University Law School, A. Ross Johnson, senior adviser to the president of Radio Free Europe/Radio Liberty (RFE/RL) and a member of the Board of Directors of the RFE/RL Fund, and Stanley Kurtz, a contributing editor at *National Review Online*, were appointed research fellows, bringing their expertise in politics, law, media, and cultural issues to the Institution.

Before becoming an associate professor of law at George Mason University Law School, Berkowitz taught government at Harvard University. His scholarship focuses on the interplay of law, ethics, and politics in modern society. He will contribute to the Institution's Initiative on American Individualism and Values.

Berkowitz is the author of two books: Virtue and the Making of Modern Liberalism (1999) and Nietzsche: The Ethics of an Immoralist (1995), for which he was awarded the Thomas J. Wilson Prize by Harvard University Press for the best book by a new author. His newest book, Giving Liberalism Its Due, is forthcoming from the Princeton University Press.

He has published numerous essays in the *New Republic*, where he is a contributing editor, and has written for a wide variety of other publications including the *Atlantic Monthly*, *Commentary*, the *London*



Peter Berkowitz

Review of Books, National Review, the Times Literary Supplement, the Wall Street Journal, the Weekly Standard, and the Yale Law Journal.

Berkowitz currently works for the advisory committee of the Center for Jewish Political Thought at the Shalom Hartman Institute in Jerusalem.

Johnson, who has served as director of the RFE/RL Research Institute and as acting president and counselor of RFE/RL, will be an adviser to the Hoover Institution's RFE/RL archives project.

The Hoover Institution Archives is the repository for the records of RFE/RL under an agreement concluded between the Hoover Institution, RFE/RL, and the Broadcasting Board of Governors in 1999. The broadcast archives consists of some 61,000 reels of broadcast tapes, 7.5 million pages of broadcast transcripts, and thousands of additional documents generated by the various broadcast services of RFE and RL.

Johnson's work focuses on the role of RFE/RL in American national security strategy, the impact of media on international security, and Balkan security issues. He is a contributor to the Parallel History Project, sponsored by the Woodrow Wilson Center and the National Security Archive, and the Scholars' Dialogue on Yugoslavia.

In recognition of his contribution in preserving the archives of the RFE/RL Polish service, Johnson received the Laurel Award from the prime minister of Poland in 2001 and a citation for Meritorious Service to Polish Culture from the Polish minister of culture in 1996. He has been a member of the International Institute of Strategic Studies since 1988 and a member of the American Political Science Association since 1970. He is also a member of the American Association for the Advancement of Slavic Studies.

As a contributing editor to *National Review Online*, Kurtz has written on some of the most controversial issues of the



A. Ross Johnson

day—campus free speech, affirmative action, grade inflation, feminism, gay marriage, and the role of religion in public life.

With a doctorate in social anthropology from Harvard University, he has written at length on the social roots of Middle East terrorism and the role of women in the Muslim world. He has been published in the Wall Street Journal, the Weekly Standard, Policy Review, Commentary, and the Chronicle of Higher Education.

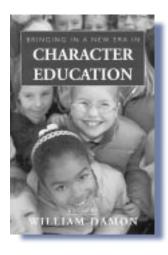
After conducting field research in India, Kurtz published extensively on religion, family life, and psychology in non-Western cultures.





Before taking his doctorate in social anthropology, Kurtz studied comparative religion at Harvard Divinity School. Since leaving the academy for the world of policy think tanks, Kurtz has gained a reputation as an outspoken combatant in America's culture wars and an innovative commentator on the social foundations of the war on terror.

RECENT RELEASES

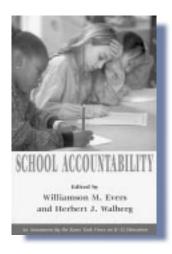


Bringing in a New Era in Character Education
Edited by William Damon

Bringing in a New Era in Character Education (Hoover Institution Press, 2002), edited by Hoover fellow William Damon, provides a unique perspective on what is needed to make character education a lasting part of our educational agenda.

Schools from K-12 to college campuses are increasingly paying attention to students' values and accepting responsibility for students' character. But how can we bring in this new era in character education in a way that makes the right kind of difference to young people? What are the approaches that will provide character education the solid foundation necessary to sustain it now and into the future? What obstacles in our current educational system must we overcome, and what new opportunities can we create?

Bringing in a New Era in Character Education answers these questions, pointing out the directions that character education must take today and offering strategies essential for making progress in the field. The expert contributors explain how we can pass core values down to memories of the younger generation in ways that will elevate their conduct and their life goals. They reveal why relativism has threatened the moral development of young people in our time-and what we can do to turn this around. And they show the critical importance of reestablishing student morality and character as targets of higher education's central mission.

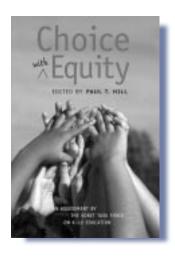


School Accountability
Edited by Williamson M. Evers and
Herbert J. Walberg

Although educators and school boards sometimes resist the idea, accountability is sorely needed in America's schools. In *School Accountability* (Hoover Institution Press, 2002), Hoover fellows and members of the Koret Task Force on K–12 Education explore this crucial and controversial issue.

America's students are falling behind those in other countries, yet compared to their foreign counterparts, our schools remain subject to little accountability. The U.S. school system lacks the marketplace accountability of schools competing with one another and the further accountability of large-scale examination systems, both of which are associated with high achievement. It is clear that after a quarter-century of poor progress in educational productivity, the time has come for high academic standards and accountability.

This book brings together a group of expert authors from a wide range of perspectives—history, economics, political science, and psychology—to reveal what is known about accountability, what still needs to be learned, what should be done right now, and what should be avoided in devising accountability systems. The authors dispel common myths about accountability and show that it indeed offers the best hope for improving our public schools.



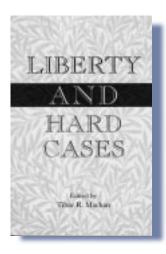
Choice with Equity
Edited by Paul T. Hill

In Choice With Equity (Hoover Institution Press, 2002), Hoover's renowned Koret Task Force on K–12 Education reviews the furious national debate over school choice, examining the benefits of choice for children, families, and schools and showing how properly designed choice programs can prevent the harmful outcomes choice opponents fear.

School choice can mean many things—from allowing parents to choose among a limited group of existing public schools to giving parents public vouchers that they can redeem for tuition in any private school. The different forms of choice inspire hope and fear in different degrees, keeping the controversy going and the real problems unresolved.

The contributors—although easily identified as members of the pro-choice sidemove the debate ahead by focusing on the risks of choice and how they can be controlled. They present powerful evidence on why choice must be judged in comparison to the real-world performance of the public school system, not against idealized standards. They review the facts on segregation by race and social class in actual voucher programs in Milwaukee, Cleveland, New York, Dayton, and Washington, D. C. and look at the claim that schools and families are harmed when left behind by those who take advantage of new options. They also summarize the possible harmful consequences of choice and explain how further research can reduce remaining uncertainties about its effects.

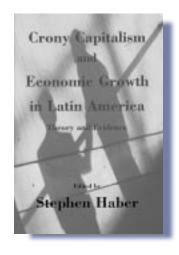
RECENT RELEASES



Liberty and Hard Cases Edited by Tibor R. Machan

Our free society rests on the fact that human beings are first and foremost sovereign individuals with the capacity for self-rule and self-directedness. But what do we do when disaster strikes? Natural calamities—earthquakes, floods, tornadoes, and the like—seem to warrant an expansion of governmental authority beyond what a free society would sanction. But principles, explains Hoover fellow Tibor R. Machan in Liberty and Hard Cases (Hoover Institution Press, 2002), are tested by such hard cases. Despite the temptation to abandon the principle of limited government in the face of calamities, we might do well to encourage the development of institutions that handle these problems without the involvement of government.

Liberty and Hard Cases explores whether government action is in fact indispensable under such circumstances and what might be done to restrain the expansion of the scope of governmental power if indeed emergency circumstances warrant governmental intervention. The contributors, experts in the fields of ethics and public policy, examine the role of government in responding to national catastrophes as well as the role of the free market in dealing with natural disaster. They offer ways to reduce—but not entirely eliminate—the scope of government in disaster relief. And they present a case for fully privatizing catastrophe insurance—and explain how to make it work.

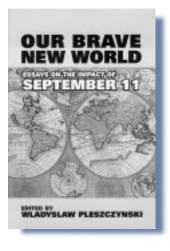


Crony Capitalism and Economic Growth in Latin America Edited by Stephen Haber

Systems of crony capitalism—in which those close to political policymakers receive favors allowing them to earn returns far above those that could be obtained in a competitive market—have become a fundamental feature of economies around the world. In his new book *Crony Capitalism and Economic Growth in Latin America* (Hoover Institution Press, 2002), editor Stephen Haber, a senior fellow at the Hoover Institution, examines the causes and consequences of cronyism in this crucial emerging region.

"Since the Asian economic collapse of 1997 scholars and policymakers have grown increasingly interested in the phenomenon of crony capitalism," Haber writes. "Indeed, much of the surprisingly rapid meltdown of the East Asian economies is often attributed to widespread cronyism. Yet although crony capitalism is frequently offered as a description or explanation of the inefficient economic systems of much of the developing world, the phenomenon remains poorly understood."

Drawing from case studies in Mexico, Brazil, and other countries around the world, Haber and his fellow contributors to the volume answer key questions about this pervasive phenomenon. They examine why crony economic systems come into being, how they get re-created over time even in the face of dramatic regime changes, why they survive despite being detrimental to growth, and, ultimately, how crony capitalism can be reformed.



Our Brave New World: Essays on the Impact of September 11 Edited by Wladyslaw Pleszczynski

Every American remembers exactly how it unfolded and where they were and what they were doing on that terrible morning of September 11. And like any other unprecedented historic jolt, September 11 continues to agitate our collective mind. We still ponder the questions it raised: What changed that day? What remains of the old? What is truly new? In Our Brave New World: Essays on the Impact of September 11 (Hoover Institution Press, 2002), editor Wladyslaw Pleszczynski and a collection of distinguished contributors examine these and other questions, taking a sometimes sobering, sometimes uplifting look at a historic turning point in our lives.

The contributors examine the challenges and dangers of our new foreign policy and the sense that we have only seen the opening stages of a long-term realignment. They also examine our domestic politics, revealing that, with the exception of national security matters, partisan considerations remain as strong as before.

Two essays seize the opportunity September 11 offers to reflect in the most profound sense on what we are fighting for—and why we are fighting despite having lost our ability to speak the language of honor. The collection concludes with an inspiring report on the response of Mayor Rudolf Giuliani and the people of New York—reminders of where America's real strengths lie.

WORLD BANK VICE PRESIDENT JOHANNES LINN MEETS WITH HOOVER FELLOWS

Johannes Linn, the World Bank's regional vice president for Eastern Europe and Central Asia, met with Hoover Institution fellows on Thursday, May 16, during a visit to the Stanford campus.

Linn discussed the Russian economy with Alvin Rabushka, the David and Joan Traitel Senior Fellow, Research Fellow Michael Bernstam, and Michael McFaul, the Peter and Helen Bing Research Fellow.

Rabushka and Bernstam are the coauthors of *Fixing Russia's Banks* (Hoover Institution Press, 1998). They oversee the long-term project From Predation to Prosperity: Breaking Up Enterprise Network Socialism in Russia, which can

be viewed as it develops at www.rus-sianeconomy.org.

Rabushka has studied transition economies in Central and Eastern Europe, concentrating on Russia, since 1995. He is also the coauthor, with Robert Hall, the Robert and Carole McNeil Senior Fellow, of the landmark volume *The Flat Tax* (Hoover Institution Press, 1985 and 1995).

Bernstam studies the causes of economic growth and contraction in post-communist economies, with special emphasis on Russia. During 1991–1995, he served as an economic adviser to the Russian parliament, the Central Bank of Russia, and the Russian government. As part of this work, he coauthored several

studies for the World Bank and the U.S. Agency for International Development on Russian energy, banking, and housing development.

McFaul, who specializes in the study of Russian politics, is the author of Russia's Unfinished Revolution: Political Change from Gorbachev to Putin (Cornell University Press, 2001) and Russia's 1996 Presidential Election: The End of Polarized Politics (Hoover Institution Press, 1997).

Johannes Linn oversees operations at the World Bank for 27 borrowing countries. After joining the World Bank in 1973, he served as a researcher, staff director, and senior economic adviser. He studied law at Free University in Berlin, Germany, and received his training as an economist at Oxford University (B.A., 1968) and Cornell University (Ph.D., 1972).

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