

THE MILKEN INSTITUTE

Michael R. Milken, Chairman
Donald H. Straszheim, President
Ted Van Dyk, Executive Vice President

PUBLISHER

Joel Kurtzman

EDITOR IN CHIEF

Peter Passell

ART DIRECTOR

Joannah Ralston, Insight Design

MANAGING EDITOR

Larry Yu

ISSN 1523-4282

Copyright 1999

The Milken Institute, Santa Monica, California

The Milken Institute Review is published quarterly by The Milken Institute to encourage discussion of current issues of economic policy relating to economic growth, job creation, and capital formation. Topics and authors are selected to represent a diversity of views. The opinions expressed are solely those of the authors and do not necessarily represent the views of the Institute.

Requests for additional copies should be sent directly to:

The Milken Institute
The Milken Institute Review
1250 Fourth Street, Second Floor
Santa Monica, CA 90401-1353
310-998-2600 telephone
310-998-2627 fax
info@milken-inst.org
www.milken-inst.org

**THE MILKEN INSTITUTE REVIEW
ADVISORY BOARD**

Robert J. Barro
Gary S. Becker
Jagdish Bhagwati
George J. Borjas
Daniel J. Dudek
Georges de Menil
Claudia D. Goldin
Alan B. Krueger
Paul R. Krugman
Robert E. Litan
Burton G. Malkiel
Merton H. Miller
Paul R. Portney
Stephen Ross
Isabel Sawhill
Richard Sandor
Morton O. Schapiro
John B. Shoven
Robert Solow

Cover: Marc Chagall, "The Fall of Icarus," © 1999 Artists Rights Society (ARS), New York/ADAGP, Paris