



The Milken Institute Review began with a simple premise and a large promise: we would provide readers with a non-partisan forum for debating economic policy – but in a witty, irreverent and smart style that would make it enjoyable to read. Yes – economic

policy that's insightful, fresh and fun.

For the past 40 issues – that's right, it's the *Review's* 10th anniversary – I'm pleased to say that promise has been fulfilled, thanks to its editor, Peter Passell, and the numerous outstanding writers who have given us their strong and often unconventional views on everything from the cost of terrorism to the economic impact of aging baby boomers.

The result has been a wealth of new ideas that have become part of the important national and global policy debates on these issues. Here are just a few highlights:

- In our very first issue, economists Paul Krugman of MIT and Barry Eichengreen of the University of California stuck needles in the balloon of conventional wisdom, arguing that developing countries aren't ready for flat-out capital market liberalization.

- In 2000, Robert Mendelsohn of Yale warned that the Kyoto Agreement on global warming was dead on arrival because so many countries (among them, Russia and Canada) had no incentive to slow warming.

- One of the most quoted articles appeared in the 4th Quarter 2001 issue, in which Peter

Navarro and Aron Spencer of the University of California (Irvine) predicted the costs of the terrorist attacks of September 11 would reach \$2 trillion.

- In 2003, Peter Orszag, a senior fellow at the Brookings Institution (and now the director of the Congressional Budget Office), wrote about growing state budgets, a subject that has an all-too-familiar ring today (especially here in California). Hurt by a sluggish economy, rising responsibilities for health care and welfare, and a failure to set aside adequate reserves, states face tens of billions of dollars in deficits that will be painful to erase.

- In 2004, Martin Baily, former chairman of President Clinton's Council of Economic Advisers, and Diana Farrell, head of the McKinsey Global Institute, offered a powerful defense of outsourcing when it was being denounced by politicians across the spectrum.

- Last year, Jerry Taylor and Peter Van Doren, both senior fellows at the Cato Institute, were the first to argue that highly subsidized corn-based ethanol is an incredibly expensive – and virtually worthless – part of the effort to wean Americans from their dependence on foreign oil.

My thanks to all the other great authors whose work has appeared in the *Review*, and to Peter Passell for his excellent stewardship. All have contributed to its success.

We celebrate this 40th issue and look forward to many more.

A handwritten signature in black ink that reads "Michael Klowden". The signature is fluid and cursive, with a long, sweeping underline.

Michael Klowden, President and CEO