

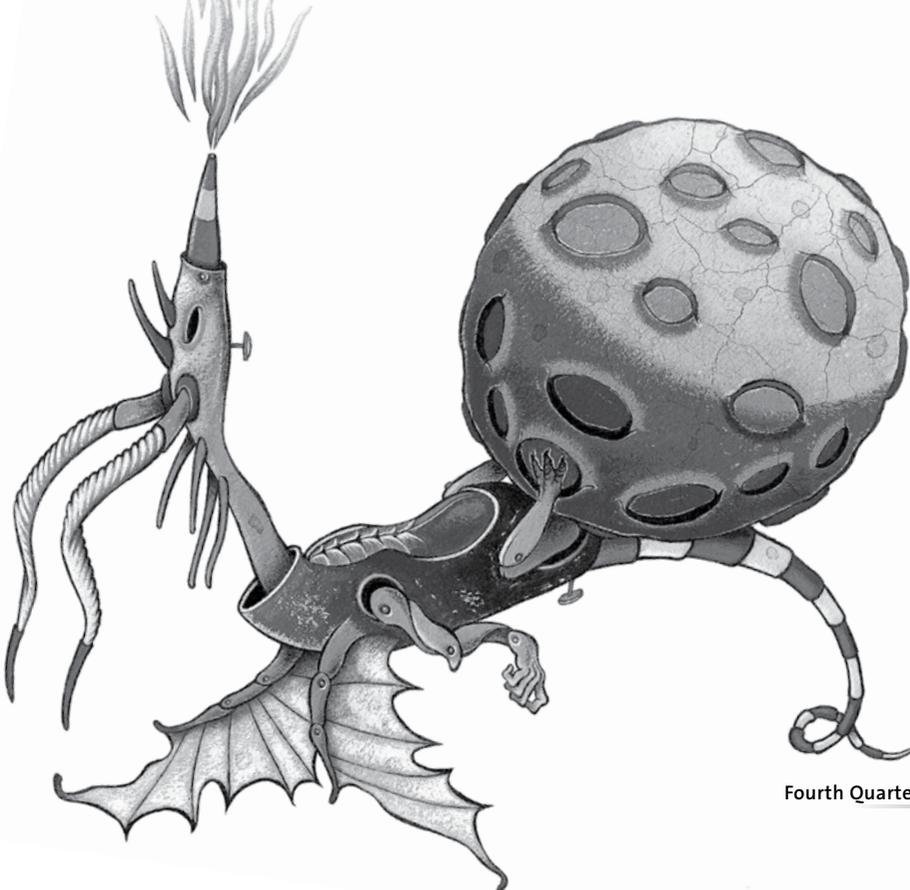
Ever-curious reader

JG of Maine asks whether the fact that July 2012 was the hottest month ever recorded in the United States is evidence of man-made global warming.

It takes a lot to convince me, JG; I'm still skeptical about the alleged link between gravity and plane crashes. Besides, nobody's really investigating the alternative theory that a fire-breathing dragon has taken up residence on the dark side of the moon. But I have no doubts whatever that we've assembled a great issue of the *Milken Institute Review*.

Brad Edmondson, a demographer and journalist, explores the stakes behind the to-

bacco industry's drive to expand sales in emerging markets. "All over the developing world," Edmondson writes, "young women with jobs and newly conferred freedom to make their own decisions are taking up smoking for all the reasons their counterparts in America did a century ago. They are what cigarette marketers' dreams are made of – and what keeps strategists at the World Health Organization up at night."



EDITOR'S NOTE

Jonathan H. Adler (Case Western Reserve) and **Nathaniel Stewart** (formerly at the Property & Environment Research Center) celebrate the success of safe, sustainable privatized ocean fisheries – the antithesis of the crab fishery made famous by *The World's Deadliest Catch*. “What made for better ecological management may not have made for good TV,” they explain. “But it was good news for those who work in the crab fishery, and will be good news for other marine fisheries if catch shares can continue to catch on.”

Roger Bate of the American Enterprise Institute reports signs of a truce in the trench warfare between Big Pharma and developing countries over intellectual property rights. “Beneath the heated façade,” Bate explains, “cooler heads are prevailing. While governments have failed to chart a way forward, drug producers are recognizing that it is possible to craft private solutions that increase access to drugs without compromising their property rights.”

Now that the Affordable Care Act has passed muster with five of the nine Supremes, **Harris Allen**, a health care productivity consultant, ponders the consequences of the Obama administration's disinclination to make use of the hard-won skills of big business in administering it.

“The success or failure of the ACA to accomplish its goals – wider coverage that improves Americans' health in cost-effective ways – could well turn on cross-pollination between the federal and state bureaucracies administering the new law and the thousands of businesses still offering health care coverage,” he writes. “In particular, it would be a great pity if the experience and expertise that employers have acquired in their ongoing efforts to maintain and improve the health of their beneficiaries while cutting health care costs were not

used in fine-tuning the law.”

Lee Lane, a visiting fellow at the Hudson Institute in Washington, makes the case for oil. “Someday, some way,” he acknowledges, “the global economy will make the transition to other fuels for transportation, space heating and industrial feedstocks. But the economic and geopolitical arguments for proactive policies that aim to wean Americans from the pump don't wear well in the light of day.”

Nevin Adams and **Jack VanDerhei** of the Employee Benefit Research Institute explain how relatively small changes in the way 401(k) plans are designed can make a big difference in retirement security down the road. “[But] the longer the issue of retirement income security remains on the back burner – both for individuals and for policymakers – the fewer options you have to make up for a slow start,” they write.

Alberto Chaia, **Beth Cobert** and **Elena Thomas** of McKinsey & Company outline the promise and challenges of virtual banking. “The 2.2 billion adults in Africa, Asia, Latin America and the Middle East who don't use formal financial institutions to save or borrow money make up nearly 90 percent of the world's ‘unbanked’ adults,” they explain. “They're generally poor and engaged in informal and unstable employment, like seasonal farm work. Complicating matters, they often lack a formal home address and have no financial or credit history.”

And there's more. Institute economists assay the readiness of America's metros to cope with the graying of the nation in the Best Cities for Successful Aging Index. And check out the excerpt from **Tim Noah's** new book, *The Great Divergence*. Here he covers the role industrial trade unions might have played in the American economy had they paralleled the growth of their European counterparts.

Happy perusing.

— Peter Passell