

As many of our readers have already noted, the editing in the last issue of the *Review* was a bit ragged.* Two flat-out corrections and, in a third case, some weasel words, are in order.

1. We butchered the Milken Institute's mission statement, which was included in President's Mike Klowden's letter to readers. Here's the real thing (right):

2. David Hale is the global chief economist for the Zurich Group and a really cool guy. He is not, however, the author of the Trends column in the last issue of the *Review*. That worthy essay on high-tech scammers was written by Marcus Noland, a senior fellow at the Institute for International Economics in Washington.

3. Reader Christopher Weil, of Christopher Weil & Company in San Diego, was unhappy with the reference to Piotr Kropotkin in the article by Jennifer Bremer and John Kasarda entitled "Origins of Terror." Was it wrong to compare Prince Kropotkin, a 19th century anarchist intellectual, to the current crop of Islamic fundamentalist terrorists?

It depends on what we're comparing. Like many of the leaders of Al Qaeda, Kropotkin was well educated, grew up in luxury and

THE MILKEN INSTITUTE MISSION STATEMENT

The Milken Institute is an independent economic think tank. Our mission is to improve the lives and economic conditions of diverse populations in the U.S. and around the world by helping business and public policy leaders identify and implement innovative ideas for creating broad-based prosperity.

We put research to work with the goal of revitalizing regions and finding new ways to generate capital for people with original ideas. We do this by focusing on:

- **Human capital** – the talent, knowledge and experience of people, and their value to organizations, economies and society;
- **Financial capital** – innovations that allocate financial resources efficiently, especially to those who ordinarily would not have access to it, but who can best use it to build companies, create jobs and solve long-standing social and economic problems; and
- **Social capital** – the bonds of society, including schools, health care, cultural institutions and government services, that underlie economic advancement.

We use our research to generate results-oriented policy ideas and recommendations. We exchange ideas and solutions with experts around the world and help decision makers better understand how to use market-based solutions on a wide range of issues, from finance and economic development to the environment and medical research.

We hold educational roundtables, forums, seminars and conferences, and publish our research findings and conference outcomes.

By creating ways to spread the benefits of human, financial and social capital to as many people as possible – the democratization of capital – we hope to contribute to prosperity and freedom in all corners of the globe.

We are nonprofit, nonpartisan and publicly supported.

advocated the overthrow of a government he viewed as unjust. But he was certainly not an authoritarian, and he explicitly disapproved of the use of terror to achieve revolutionary ends. Indeed, while he ended his days in Lenin's Russia, he made no secret of his dismay over the course of the Bolshevik revolution.

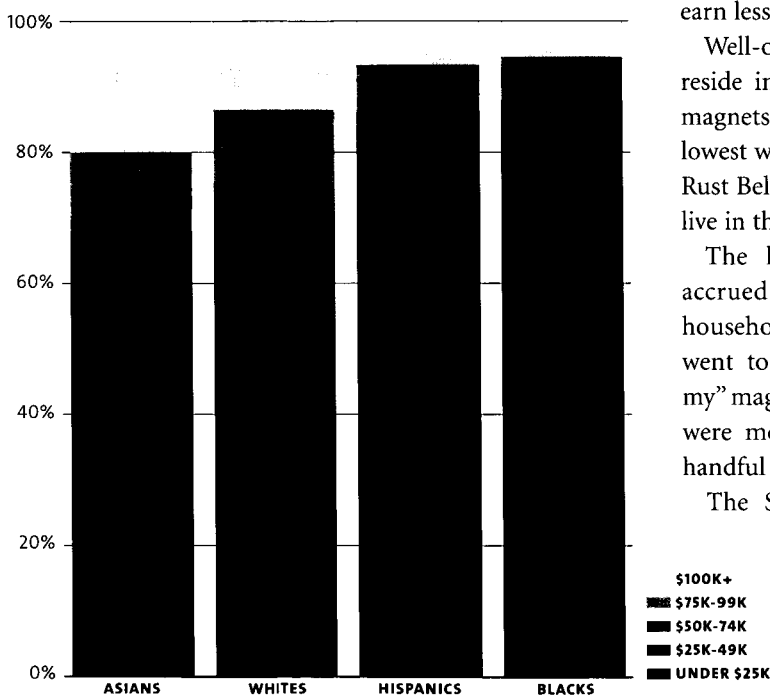
— Peter Passell

**Who knew they put vodka in bloody marys?*

BY WILLIAM H. FREY

Whites and “model minority” Asians are generally assumed to be richer than blacks and Hispanics. Yet this stereotype overlooks the steady rise of African-American professionals and the upward mobility of immigrant Latinos. By the same token, not all Asians became wealthy from the dot-com boom, and the go-go 1990s left many a white household behind.

RACIAL DIVIDES: HOUSEHOLD INCOME PROFILES
ANNUAL HOUSEHOLD INCOME FOR 1999, REPORTED IN CENSUS 2000



Whites’ average household income (\$61,000) still far outpaces that of blacks (\$40,000), but the distributions greatly overlap. Some 12 percent of black households

earn more than \$75,000, while more than a quarter of white households earn less than \$25,000.

Well-off whites and blacks typically reside in coastal metros that are not magnets for migrants. Places with the lowest white incomes are largely in the Rust Belt, whereas poor blacks tend to live in the Deep South.

The largest 1990s income gains accrued to metros attracting new households. For whites, these gains went to Western “knowledge economy” magnets, while black income gains were most notable in Atlanta and a handful of Texas cities.

The San Francisco Bay area and greater Gotham are home to a lot of affluent Hispanics and Asians. The low-income maps are quite different for each group, though. The umbrella Hispanic category includes significant shares of Puerto Ricans in low-income metros like Springfield, Reading and Buffalo. Low income Asians are dispersed across the West.