



America: These Are Your Choices

FORGET ABOUT WHO'S RUNNING FOR PRESIDENT (FOR NOW): AMERICA'S GOT SOME DECISIONS TO MAKE ABOUT WHAT KIND OF FUTURE IT WANTS FOR ITSELF. OVER THE FOLLOWING PAGES, WE'VE LAID OUT THE MOST CRITICAL CHOICES IN FRONT OF THE COUNTRY, AND WORKING WITH THE **BROOKINGS INSTITUTION,* WE'VE OUTLINED THE HOWS AND WHYS BEHIND THEM.**



A HANDFUL OF CHOICES



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**This would be the think tank based in Washington, D.C., that has been a bullshit-free zone of critical inquiry, original research, and public-policy solutions for one hundred years. Home to three hundred experts and thinkers on nearly every topic of national and global import, Brookings is nonpartisan, nonprofit, and all ideas, all the time.*

But first, a very important question:



You see *Hamilton* yet? Highly recommended. Raves.

Of course, it makes no sense whatsoever that 211 years after his death, Alexander Hamilton is now the toast of Broadway. But thank God he is at last getting his due, and not a century too soon, either, because those reprobate Jeffersonians had just about stolen history itself and buried the most consequential founder in permanent obscurity, the founder so resented for his influence that he was the only one of the bunch to be actually murdered, but not before conceiving of and creating the federalism without which we would not be here today. From the original departments of the government to our first ideas of public debt, public investment, and foreign trade, Hamilton thought in terms of making the new country into a world power. A *great nation*. And good thing, too, because if Jefferson and his ideological heirs had had their way, then today we would have Jefferson's idyllic agrarian burg and the GDP of Congo. No public debt, and no public anything else, for that matter. At its inception, America had a huge choice to make, and our national renewal has depended on huge choices and big bets ever since. As ever, there are always tiny minds and gray faces who mistake themselves for American leaders. And as ever, they must be mocked relentlessly and dealt with accordingly. Nothing is inevitable, least of all good outcomes. Choose one way, create one world. Choose another way and you get a very different world indeed.

And this is precisely where we find ourselves again, with serious choices and big bets to make. That is, if we still have it in us to make a great nation, which seems at times to be an open question. Because whether the new oligarchy created by *Citizens United* should be allowed to own our political system or not, or whether we should regulate carbon to do something meaningful about climate change or not, or whether we should lower the corporate income tax to make it cheaper to do business here and entice businesses to repatriate trillions of dollars or not—we are the product of our political choices, and we've got fateful choices to make right now. Our choices ought to bind us together rather than absolve us from responsibility for one another, because that's what having a country—a commonwealth—means. These are the things that we all own together. Nothing great ever comes from ease, and nothing good ever came from the impulse to not govern, which is currently in vogue. America didn't just happen; we created America by our choices and our civic imagination. Our willingness to think big.

We forget this at our peril: America is not an act of God. America is an act of will.

So we here at Esquire are most assuredly pro-choice—in that we believe strongly that we should make them. Without fear, with reliable information (rarer than you might think), and for the common good. Here, presented with our partners from the Brookings Institution, are the biggest choices we face right now.

LET'S START
WITH AN EASY ONE,
SHALL WE?

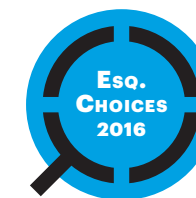
1. SHOULD WE QUIT FKING AROUND ABOUT CLIMATE CHANGE?

☒ **There's not a ton the United States can do on its own about the Michael Bay movie that the earth is slowly becoming.** It's an inconvenient truth, but we account for roughly 16 percent of global carbon dioxide (CO₂) emissions—the primary driver of rising global temperatures, according to those who traffic in fact—and our share will only decrease as developing countries' emissions rise. We can use that information to do nothing and let emissions continue to rise unchecked to uncertain (though certainly sub-optimal) effect; do a little (and a little is exactly what President Obama, hampered by the not-scientists in Congress, is doing through executive authority); or do a lot, taking the lead in a global effort to reduce emissions through a revolutionary mechanism called a carbon tax.

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2. Should We Reward Corporations That Are Acting Like Assholes?

Since 2011, twelve U.S. companies have reincorporated as foreign entities to avoid paying U.S. corporate taxes, which are among the highest in the world. Because of these so-called inversions—ten more of which are in progress, and all of which are stunning acts of national disloyalty—we lose not only jobs but also tax revenue. If we lower the corporate tax rate, we could stop the flow of companies overseas and provide incentives for U.S. companies to move the \$2 trillion in assets they're currently holding overseas back to the United States. If we leave rates alone, we watch the bleeding continue.



Six Things to Know About a Carbon Tax:

"If you're not talking about putting fundamental changes into the market—if you're not talking about pricing carbon—you're not serious about climate change. That really is the fact of the matter. You're not serious." That's the Brookings Institution's Adele Morris, and this is the win-win she lays out with a carbon tax: You do a tax of sixteen dollars per ton of carbon dioxide emitted by a business and you would...

► Raise more than \$2.7 trillion over a twenty-year period, which can be redistributed through the tax code to lower-income families to offset higher energy costs. Yes, there'd be higher energy costs, but we could also...

► Reduce the federal budget deficit by about \$815 billion, and...

► Fund the long-term reduction in corporate tax rates from 35 percent to 28 percent (see below), and...

► Reduce CO₂ emissions by 9.3 billion tons as companies replace carbon-based energy sources with cheaper, more efficient alternatives, and...

► Save upwards of \$322 billion on the environmental and infrastructure damages we won't incur because we're minimizing the impact of climate change, all while...

► Pressuring other countries to minimize their carbon emissions to compete with the U.S. in the new global energy economy.



3. SO, UH, ABOUT ALL THESE CRUMBLING BRIDGES?

More specifically: the **147,870 bridges that have been deemed structurally deficient or obsolete, as well as the 570,673 miles of public road in the United States that are now in poor condition.**

This critical infrastructure isn't going to pay for itself, and the Department of Transportation says it will take an additional \$24 billion a year to meet the bare minimum needs of maintaining and improving our roads and bridges. Question: Should we take advantage of low gas prices and raise the gas tax [1] for the first time in two decades, which would enable the federal government to distribute more gas-tax revenues to the states so the bridge you take to work won't fall down? Or should we take our chances with the crumbling infrastructure we have? Or should we start thinking bigger?

Shazam the map above to have a look into the future.

The Case for Thinking Bigger

Cautionary tale: the Tunnel That Wasn't. The proposed ARC tunnel under the Hudson River, which was begun in 2009, would have doubled the number of trains between New Jersey and midtown Manhattan, significantly easing the current severe congestion into and out of New York City, creating thousands of jobs and billions in downstream economic activity. The project was to have been completed in 2018 but was canceled in 2010 by New Jersey governor Chris Christie, who instead diverted \$3 billion dedicated to the tunnel to his state budget. Christie now says that if elected president, he will build a new tunnel under the Hudson. (Seriously, that's what he says. Feel free to be cynical.) **If we want to be more than**

a bare-minimum nation, we need to build things like the ARC tunnel—things that Brookings scholar Robert Puentes calls “transformative investments.” Things like:

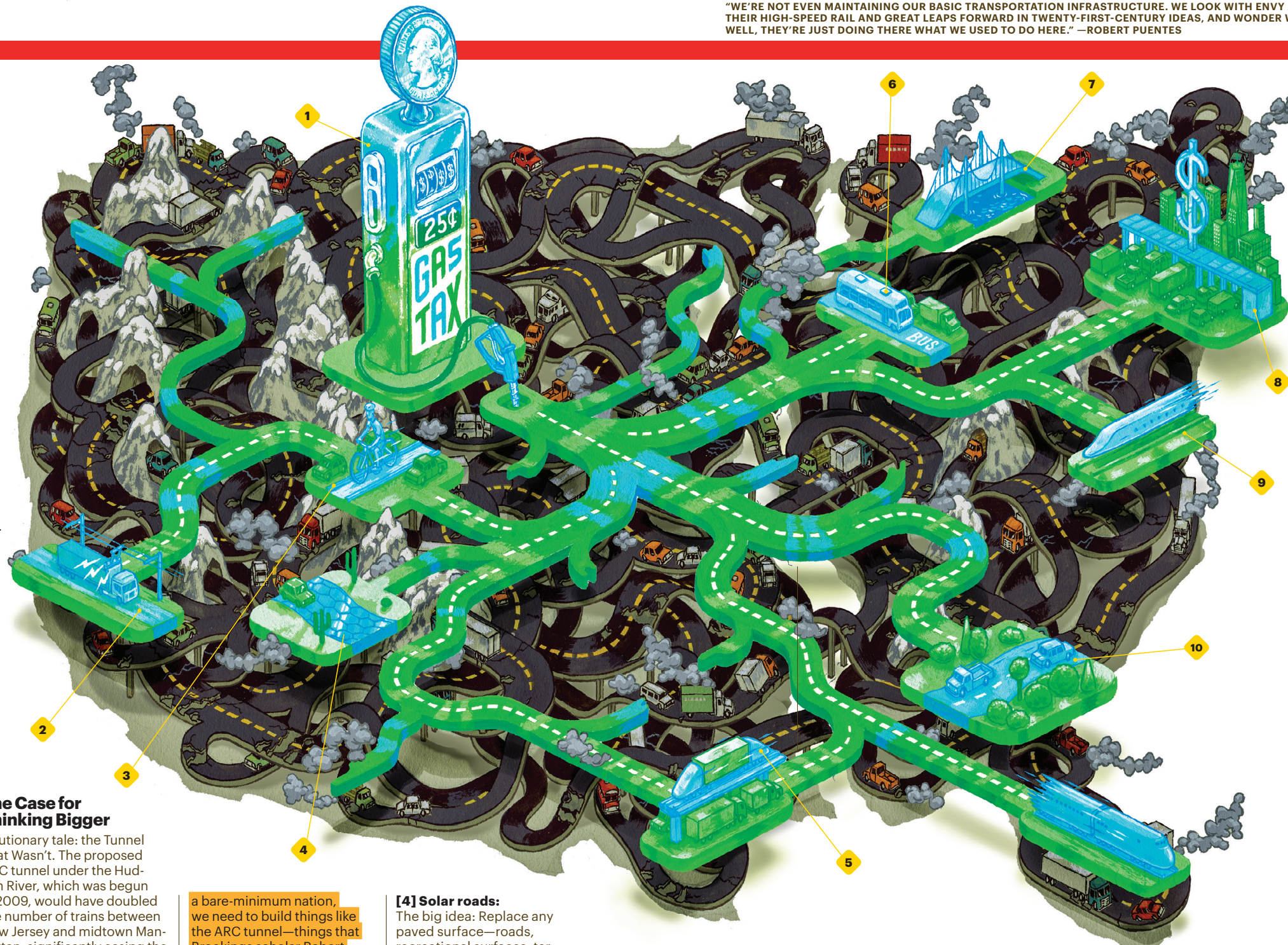
[2] E-Highways: Zero-emission trucking, using an overhead electrified catenary system. Pilot project currently under way between the Ports of Los Angeles and Long Beach.

[3] Protected bicycle intersections: The bike-ification of America continues in Salt Lake City, where, unlike New York City, the bike lanes are protected.

[4] Solar roads: The big idea: Replace any paved surface—roads, recreational surfaces, tar-mac—with interlocking, microprocessing, tempered-glass-covered solar panels. Feasibility is in question, but a very big idea indeed. Currently in prototype.

[5] Freight shuttle: Low-emission freight-transport system being developed in Texas that zips along silently on monorail systems built over highway medians. Would significantly reduce truck traffic, which causes 80 percent of all roadway damage.

“WE’RE NOT EVEN MAINTAINING OUR BASIC TRANSPORTATION INFRASTRUCTURE. WE LOOK WITH ENVY AT EUROPE AND JAPAN AND THEIR HIGH-SPEED RAIL AND GREAT LEAPS FORWARD IN TWENTY-FIRST-CENTURY IDEAS, AND WONDER WHY WE CAN’T BE MORE LIKE THEM. WELL, THEY’RE JUST DOING THERE WHAT WE USED TO DO HERE.” —ROBERT PUENTES



4. Should We Limit the Number of Smart People Living in the U.S.?

In 2015 alone, there were 148,000 highly skilled workers who applied for but did not receive H-1B visas, which are designed to make it possible for college graduates with specialized skills to live and work in this country. Many of those workers earn high salaries and work in engineering, computer programming, and other tech-related fields. Do we want more of them working (and paying taxes) in the United States? If so, we need to lift the cap on the number of H-1B visas available every year. If not, we should carry on with the status quo. (We hear it's working out beautifully for everyone.)

[6] Chicago bus lanes: Simple, revolutionary idea: dedicated bus lanes. Would unclog Chicago by connecting neighborhoods to the Loop, and the West Loop transportation hubs to Michigan Avenue.

[7] Gordie Howe International Crossing: Unlike Chris Christie, Republican governor Rick Snyder didn't cancel this new bridge to Canada, the busiest crossing with our biggest trade partner. Opens in 2020.

[8] Congestion pricing: Plan to reengineer traffic in New York City by eliminating non-toll crossings, which would put a stop to congestion caused by toll evaders, and proceeds would rebuild the city's roads and bridges.

[9] Maglev: Last year the Japanese government offered to finance half the cost of a “maglev” (magnetic levitation) train between Washington and Baltimore, hoping the demonstration effect of that stretch

would incentivize expansion of the fastest trains on earth (311 miles an hour) on up to New York. Congress, currently stuck in the nineteenth century, hasn't been able to come up with the other half.

[10] Ecological highways: The Mission Zero Corridor, a sixteen-mile stretch of I-85 in Georgia, a pilot project in conservation and pollution remediation—studying ways in which carbon can be absorbed, scrubbed, and repurposed.



AT THE VERY HEART OF THE AMERICAN IDEA IS THE NOTION THAT, UNLIKE IN OTHER PLACES, WE CAN START FROM NOTHING AND THROUGH HARD WORK HAVE EVERYTHING. THAT NOTHING WE CAN IMAGINE IS BEYOND OUR REACH. THAT WE WILL PULL UP STAKES, GO ANYWHERE, DO ANYTHING TO MAKE OUR DREAMS COME TRUE. BUT WHAT IF THAT'S JUST A MYTH? WHAT IF THE TRUTH IS SOMETHING VERY DIFFERENT? WHAT IF WE ARE...

Stuck

I What does it mean to be an American? Full disclosure: I'm British. Partial defense: I was born on the Fourth of July. I also have made my home here, because I want my teenage sons to feel more American. What does that mean? I don't just mean waving flags and watching football and drinking bad beer. (*Okay, yes, the beer is excellent now; otherwise, it would have been a harder migration.*) I'm talking about the essence of Americanism. It is a question on which much ink—and blood—has been spent. But I think it can be answered very simply: To be American is to be free to make something of yourself. An everyday phrase that's used to admire another ("She's really made something of herself") or as a proud boast ("I'm a self-made man!"), it also expresses a theological truth. The most important American-manufactured products are Americans themselves. The spirit of self-creation offers a strong and inspiring contrast with English identity, which is based on social class. In my old country, people are supposed to know their place. British people,

BY RICHARD V. REEVES

still constitutionally subjects of Her Majesty Queen Elizabeth, can say things like "Oh, no, that's not for people like me." Infuriating.

Americans do not know their place in society; they make their place. American social structures and hierarchies are open, fluid, and dynamic. Mobility, not nobility. Or at least that's the theory. Here's President Obama, in his second inaugural address: "We are true to our creed when a little girl born into the bleakest poverty knows that she has the same chance to succeed as anybody else because she is an American; she is free, and she is equal, not just in the eyes of God but also in our own."

Politicians of the left in Europe would lament the existence of bleak poverty. Obama instead attacks the idea that a child born to poor parents will inherit their status. "The same chance to succeed as anybody else *because she is an American...*"

Americanism is a unique and powerful cocktail, blending radical egalitarianism (born equal) with fierce individualism (it's up to you): equal parts Thomas Paine and Horatio Alger. Egalitarian individualism is in America's DNA. In his original draft of the Declaration of Independence, Thomas Jefferson wrote that "men are created equal and independent," a sentiment that remained even though the last two words were ultimately cut. It was a declaration not only of national independence but also of a nation of independents.

The problem lately is not the American Dream in the abstract. It is the growing failure to realize it. Two necessary ingredients of Americanism—meritocracy and momentum—are now sorely lacking. America is stuck.

Almost everywhere you look—at class structures, Congress, the economy, race gaps, residential mobility, even the roads—progress is slowing. *Gridlock* has already become a useful term for political inactivity in Washington, D. C. But it goes much deeper than that. American society itself has become stuck, with weak circulation and mobility across class lines. The economy has lost its postwar dynamism. Racial gaps, illuminated by the burning of churches and urban unrest, stubbornly persist.

In a nation where progress was once unquestioned, stasis threatens. Many Americans I talk to sense that things just aren't moving the way they once were. They are right. Right now this prevailing feeling of stuckness, of limited possibilities and uncertain futures, is fueling a growing contempt for institutions, from the banks and Congress to the media and big business, and a wave of antipolitics on both left and right. It is an impotent anger that has yet to take coherent shape. But even if the American people don't know what to do about it, they know that something is profoundly wrong.

How stuck are we? Let's start with the most important symptom: a lack of social mobility. For all the boasts of meritocracy—*only in America!*—Americans born at the bottom of the ladder are in fact now *less* likely to rise to the top than those situated similarly in most other nations, and only half as likely as their Canadian counterparts. The proportion of children born on the bottom rung of the ladder who rise to the top as adults in the U. S. is 7.5 percent—lower than in the UK (9 percent), Denmark (11.7), and Canada (13.5). Horatio Alger has a funny Canadian accent now.

It is not just poverty that is inherited. Affluent Ameri-

cans are solidifying their own status and passing it on to their children more than the affluent in other nations and more than they did in the past. Boys born in 1948 to a high-earning father (in the top quarter of wage distribution) had a 33 percent chance of becoming a top earner themselves; for those born in 1980, the chance of staying at the top rose sharply to 44 percent, according to calculations by Manhattan Institute economist Scott Winship. The sons of fathers with really high earnings—in the top 5 percent—are much less likely to tumble down the ladder in the U. S. than in Canada (44 percent versus 59 percent). A "glass floor" prevents even the least talented offspring of the affluent from falling. There is a blockage in the circulation of the American elite as well, a system-wide hardening of the arteries.

Exhibit A in the case against the American political elites: the U. S. tax code. To call it Byzantine is an insult to medieval Roman administrative prowess. There is one good reason for this complexity: The American tax system is a major instrument of social policy, especially in terms of tax credits to lower-income families, health-care subsidies, incentives for retirement savings, and so on. But there are plenty of bad reasons, too—above all, the billions of dollars' worth of breaks and exceptions resulting from lobbying efforts by the very people the tax system favors.

The American system is also a weak reed when it comes to redistribution. You will have read and heard many times that the United States is one of the most unequal nations in the world. That is true, but only after the impact of taxes and benefits is taken into account. What economists call "market inequality," which exists before any government intervention at all, is much lower—in fact it's about the same as in Germany and France. There is a lot going on under the hood here, but the key point is clear enough: America is unequal because American policy moves less money from rich to poor. Inequality is not fate or an act of nature. Inequality is a choice.

These are facts that should shock America into action. For a nation organized principally around the ideas of opportunity and openness, social stickiness of this order amounts to an existential threat. Although political leaders declare their dedication to openness, the hard issues raised by social inertia are receiving insufficient attention in terms of actual policy solutions. Most American politicians remain cheerleaders for the American Dream, merely offering loud encouragement from the sidelines, as if that were their role. So fragile is the American political ego that we can't go five minutes without congratulating ourselves on the greatness of our system, yet policy choices exacerbate stuckness and ensure decline.

In Britain (where stickiness has historically been an accepted social condition), by contrast, the issues of social mobility and class stickiness have risen to the top of the political and policy agenda. In the previous UK government (in which I served as director of strategy to Nick Clegg, the deputy prime minister), we devoted whole Cabinet meetings to the

56%
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7 out of 10
BLACK KIDS RAISED IN MIDDLE-INCOME HOMES WILL END UP DOING WORSE AS ADULTS.



problems of intergenerational mobility and the development of a new national strategy. (One result has been a dramatic expansion in pre-K education and care:

Every three- and four-year-old will soon be entitled to thirty hours a week for free.) Many of the Cabinet members were schooled at the nation's finest private high schools. A few had hereditary titles. But they pored over data and argued over remedies—posh people worrying over intergenerational income quintiles.

Why is social mobility a hotter topic in the old country? Here is my theory: Brits are acutely aware that they live in a class-divided society. Cues and clues of accent, dress, education, and comportment are constantly calibrated. But this awareness increases political pressure to reduce these divisions. In America, by contrast, the myth of classlessness stands in the way of progress. The everyday folksiness of Americans—which, to be clear, I love—serves as a social camouflage for deep economic inequality. Americans tell themselves and one another that they live in a classless land of open opportunity. But it is starting to ring hollow, isn't it?

III For black Americans, claims of equal opportunity have, of course, been false from the founding. They remain false today. The chances of being stuck in poverty are far, far greater for black kids. Half of those born on the bottom rung of the income ladder (the bottom fifth) will stay there as adults. Perhaps even more disturbing, seven out of ten black kids raised in middle-income homes (i.e., the middle fifth) will end up lower down as adults. A boy who grows up in Baltimore will earn 28 percent less *simply because* he grew up in Baltimore: In other words, this supersedes all other factors. Sixty-six percent of black children live in America's poorest neighborhoods, compared with six percent of white children.

Recent events have shone a light on the black experience in dozens of U.S. cities.

Behind the riots and the rage, the statistics tell a simple, damn-

ing story. Progress toward equality for black Americans has essentially halted. The average black family has an income that is 59 percent of the average white family's, down from 65 percent in 2000. In the job market, race gaps are immobile, too. In the 1950s, black Americans were twice as likely to be unemployed as whites. And today? Still twice as likely.

Race gaps in wealth are perhaps the most striking of all. The average white household is now thirteen times wealthier than the average black one. This is the widest gap in a quarter of a century. The recession hit families of all races, but it resulted in a wealth wipeout for black families. In 2007, the average black family had a net worth of \$19,200, almost entirely in housing stock, typically at the cheap, fragile end of the market. By 2010, this had fallen to \$16,600. By 2013—by which point white wealth levels had started to recover—it was down to \$11,000. In national economic terms, black wealth is now essentially nonexistent.

Half a century after the passing of the Civil Rights Act, the arc of history is no longer bending toward justice. A few years ago, it was reasonable to hope that changing attitudes, increasing education, and a growing economy would surely, if slowly, bring black America and white America closer together. No longer. America is stuck.

IV The economy is also getting stuck. Labor productivity growth, measured as growth in output per hour, has averaged 1.6 percent since 1973. Male earning power is flatlining. In 2014, the median full-time male wage was \$50,000, down from \$53,000 in 1973 (in the dollar equivalent of 2014). Capital is being

hoarded rather than invested in the businesses of the future. U.S. corporations have almost \$1.5 trillion sitting on their balance sheets, and many are busily buying up their own stock. But capital expenditure lags, hindering the economic recovery.

New-business creation and entrepreneurial activity are declin-

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THAT'S THE NET WORTH OF THE AVERAGE BLACK FAMILY. IN NATIONAL ECONOMIC TERMS, BLACK WEALTH IS ESSENTIALLY NONEXISTENT.

8%
THAT'S THE PERCENTAGE OF ALL BUSINESSES THAT ARE LESS THAN A YEAR OLD, DOWN FROM 15 PERCENT IN THE LATE 1970s—THE HALLMARK OF "A STEADY, SECULAR DECLINE IN BUSINESS DYNAMISM."



HORATIO ALGER NOW HAS A CANADIAN ACCENT: THE PROPORTION OF CHILDREN BORN ON THE BOTTOM RUNG OF THE LADDER WHO RISE TO THE TOP AS ADULTS IN THE U.S. IS 7.5 PERCENT—LOWER THAN THAT IN THE UK (9 PERCENT), DENMARK (11.7), AND CANADA (13.5).



ing, too. As economist Robert Litan has shown, the proportion of “baby businesses” (firms less than a year old) has almost halved since the late

1970s, decreasing from 15 percent to 8 percent—the hallmark of “a steady, secular decline in business dynamism.” It is significant that this downward trend set in long before the Great Recession hit. There is less movement between jobs as well, another symptom of declining economic vigor.

Americans are settling behind their desks—and also into their neighborhoods. The proportion of American adults moving house each year has decreased by almost half since the post-war years, to around 12 percent. Long-distance moves across state lines have as well. This is partly due to technological advances, which have weakened the link between location and job prospects, and partly to the growth of economic diversity in cities; there are few “one industry”

towns today. But it is also due to a less vibrant housing market, slower rates of new business creation, and a lessening in Americans’ appetite for disruption, change, and risk.

This geographic settling is at odds with historic American geographic mobility. From heeding the call “Go west, young man” to loading up the U-Haul in search of a better job, the instinctive restlessness of America has always matched skills to work, people to opportunities, labor to capital. Rather than waiting for help from the government, or for the economic tide to turn back in their favor, millions of Americans changed their life prospects by changing their address. Now they are more likely to stay put and wait. Others, especially black Americans, are unable to escape the poor neighborhoods of their childhood. They are, as the title of an influential book by sociologist Patrick Sharkey puts it, *Stuck in Place*.

There are everyday symptoms of stuckness, too. Take transport. In 2014, Americans collectively spent almost seven billion hours stuck motionless in traffic—that’s a couple days each. The roads get more jammed every year. But money for infrastructure improvements is stuck in a failing road fund, and the railophobia of politicians hampers investment in public transport.

Whose job is it to do something about this? The most visible symptom of our disease is the glue slowly hardening in the machinery of national government. The last two Congresses have been the least productive in history by almost any measure cho-

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12%

THAT’S THE PERCENTAGE OF US MOVING EVERY YEAR, ABOUT HALF WHAT IT WAS AFTER WORLD WAR II. LONG-DISTANCE MOVES ACROSS STATE LINES ALSO HAVE BEEN CUT IN HALF. WE DON’T HAVE MUCH OF AN APPETITE FOR RISK ANYMORE.

sen, just when we need them to be the most productive. The U.S. political system, with its strong separation among competing centers of power, relies on a spirit of cross-party compromise and trust in order to work. Good luck there.

V So what is to be done? As with anything, the first step is to admit the problem. Americans have to stop convincing themselves they live in a society of opportunity. It is a painful admission, of course, especially for the most successful. The most fervent believers in meritocracy are naturally those who have enjoyed success. It is hard to acknowledge the role of good fortune, including the lottery of birth, when describing your own path to greatness.

There is a general reckoning needed. In the golden years following World War II, the economy grew at 4 percent per annum and wages surged. Wealth accumulated. The federal government, at the zenith of its powers, built interstates and the welfare system, sent GIs to college and men to the moon. But here’s the thing: Those days are gone, and they’re not coming back. Opportunity and growth will no longer be delivered, almost automatically, by a buoyant and largely unchallenged economy. Now it will take work.

The future success of the American idea must now be intentional.

There are plenty of ideas for reform that simply require will and a functioning political system. At the heart of them is the determination to think big again and to vigorously engage in public investment. And we need to put money into future generations like our lives depended on it, because they do: Access to affordable, effective contraception dramatically cuts rates of unplanned pregnancy and gives kids a better start in life. Done well, pre-K education closes learning gaps and prepares children for school. More generous income benefits stabilize homes and help kids. Reading programs for new parents improve literacy levels. Strong school principals attract good teachers and raise standards. College coaches help get nontraditional students to and through college. And so on. We are not lacking ideas. We are lacking a necessary sense of political urgency. We are stuck.

But we can move again if we choose.

In addition to a rejuvenation of policy in all these fields, there are two big shifts required for an American twenty-first-century renaissance: becoming open to more immigration and shifting power from Washington to the cities.

VI. America needs another wave of immigration. This is in part just basic math: We need more young workers to fund the old age of the baby boomers. But there is [continued on page 170]

Immigrants

... ARE NOW TWICE AS LIKELY TO START A NEW BUSINESS AS NATIVE-BORN AMERICANS. NEW AMERICANS ARE TRUE AMERICANS. WE NEED A LOT MORE OF THEM.

THE CHANCES OF BEING STUCK IN POVERTY ARE FAR, FAR GREATER FOR BLACK KIDS. HALF OF THOSE BORN ON THE BOTTOM RUNG OF THE INCOME LADDER (THE BOTTOM FIFTH) WILL REMAIN THERE AS ADULTS.



"THE CONVERSATION AROUND LEGALIZATION ALMOST ALWAYS BEGINS WITH A FALSE PREMISE: IF WE LEGALIZE, ALL OF THE SUDDEN WE'LL START HAVING DRUGS EVERYWHERE, AS IF THESE DRUGS AND THE ECONOMIES AROUND THEM DON'T ALREADY EXIST." —JOHN HUDAK



5. WEED, EVERYONE?

☒ There are the Americans who live in the four states (plus D. C.) that allow recreational marijuana use, and there are the Americans who live in the nineteen states that allow medical marijuana use. Then there are the Americans who live in the other states, where it may or may not be a crime to possess marijuana in any quantity for any reason. **For the purposes of federal regulation, law enforcement, and all-around sanity, all Americans deserve some clarity on the legality of marijuana, and the choices, as we see them, are:**

The Way Things Are:

We continue prohibition on the federal level—in 2012, almost seven thousand people were convicted in federal courts for marijuana offenses, more than for any other type of drug—and allow a patchwork of state laws to govern recreational and medical marijuana use. According to the ACLU, of the 8.2 million marijuana arrests between 2001 and 2010, 88 percent were for simply having marijuana, and blacks are 3.7 times as likely as whites to be arrested for possession even though

they're no more likely to consume it.

The Way Things Could Be:

We legalize, tax, and regulate marijuana in all fifty states, making what Brookings scholar John Hudak calls "an aboveground, white-market economic impact. People are going to start paying taxes on it. People are going to start working in industries that previously were underground. That means if they're regulated

and they're regulated properly, those markets will probably function more effectively and more efficiently." This would not have a huge impact on the prison population, since most people arrested for possession aren't charged with felony crimes. However, we would save and/or redistribute \$13.7 billion of federal and state expenditures (including policing and prosecuting), and we would raise \$6.4 billion every year in taxes that could then be directed to fund health and addiction services.

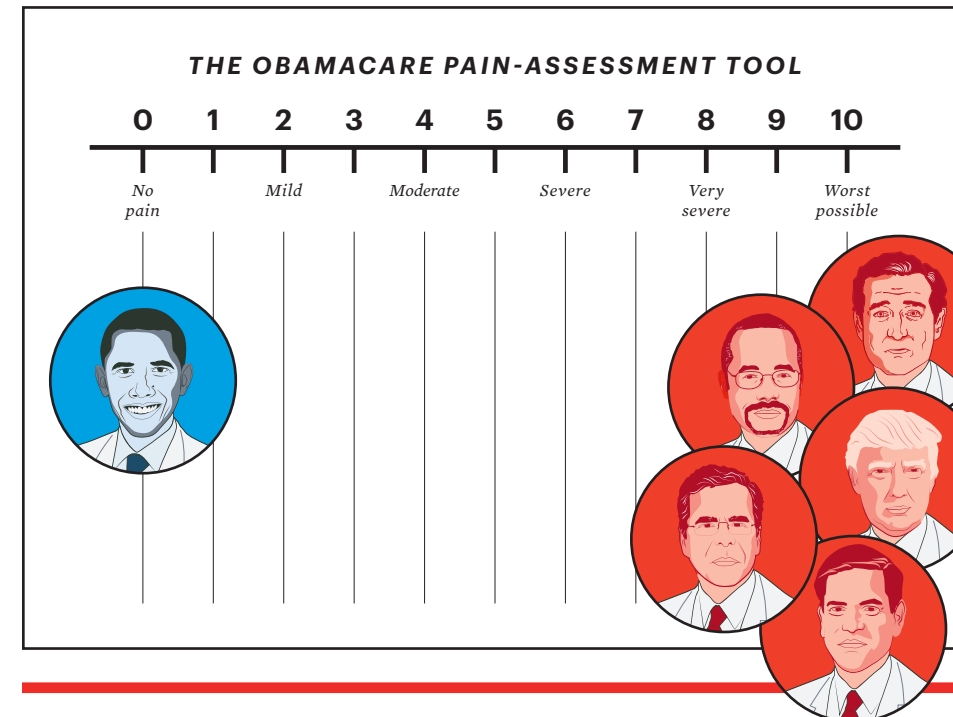
6. Should We Give Everyone a Good Lawyer?

We have a constitutional right to an attorney. The Supreme Court tells us so. Every cop show ever tells us so. And a lot of us need one: Anywhere from 60 to 90 percent of criminal defendants rely on public defenders. The only hitch is that there aren't enough of them, with some studies estimating it would take up to 6,900 additional public defenders to handle the current caseload. Higher-quality public defenders can investigate and bring to light systemic biases and inequalities that undermine everything from policing to prisons, and higher-quality representation for everyone would result in a justice system actually worthy of the name.

YES, THIS AGAIN.

7. SHOULD WE REPEAL AND REPLACE OBAMACARE?

☒ We wouldn't bring it up, really, but the House of Representatives has voted more than fifty times to repeal the Affordable Care Act, and the Senate tried and failed to pass a similar measure this past summer. **With each and every one of the Republican candidates for president vowing to repeal and replace Obamacare** ("with something terrific," in Donald Trump's case), and with Republicans all but certain to maintain control of both houses of Congress through 2018 at least, there's a good chance that this dog might actually catch the car.



8. Should It Be Illegal to Buy a Gun Without a Background Check?

While Congress cowers, an interesting thing has been happening at the grassroots level—an earnest effort by gun owners to close the personal-sales loophole, which allows a person to sell a gun, any gun, to a stranger and bypass the National Instant Criminal Background Check System (NICS), which covers every other gun sale in the country. Lots of numbers are tossed around by all sides, but these, from the CDC, paint a stark picture: In 2013, there were 32,383 firearm murders or suicides in America. Of those, fewer than 300 were deemed justifiable. Which is to say, if you have and use a gun, you are about 100 times as likely to murder someone or kill yourself as to defend yourself or your family, and those numbers are higher if you're a man. So if you buy a gun off the Internet, should you have a NICS check done just as if you were buying a gun from a licensed dealer?

The Status Quo:

We continue with the Affordable Care Act; the eighteen million people who have gained insurance through the ACA since October 2013, when enrollment opened, would continue to receive benefits through private insurance exchanges and expanded access to Medicaid.

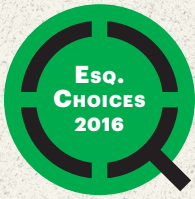
Or "Repeal and Replace":

According to the nonpartisan Congressional Budget Office, **repealing the ACA would increase federal budget deficits by \$137 billion** between 2016 and 2025 (mostly because the cost-saving measures enacted by the ACA would be scrapped).

If we eliminate the provision that extends coverage of children up to the age of twenty-six, 2.3 million young adults between the ages of nineteen and twenty-five who gained coverage due to this provision would stand to lose coverage.

If we eliminate the ACA's prohibition on preexisting-condition exclusions, fifty million Americans with preexisting conditions could again be denied access from insurers.

If we eliminate the individual mandate, eight to twenty-four million fewer people (a majority of them on the younger and healthier end of the spectrum) would purchase health insurance, and since their relative healthiness wouldn't help offset the costs of covering older, sicker patients, the average cost of premiums would rise 10 to 27 percent.



THE GREAT

Blue Whale, the liberal billionaire, feared to be mythical, certainly rare enough to qualify for EPA protection, has a floor of offices in downtown San Francisco in the same old building where Sam Spade searched for the Maltese Falcon. This is where the supplicants come: senators, governors, presidential candidates and their harried fundraisers. Like actors in a Shakespearean comedy, they humiliate themselves with bowing and scraping, flattery and cajoling and outright begging and their obvious desperation to keep up with the Republicans—the Republicans, damn them, who don't have to work nearly as hard or as grudgingly at the care and feeding of billionaires. And after all their pilgrimages, the liberal fundraisers discover that liberal billionaires are *cheap*. They prefer the moral glory of curing malaria in Africa to the nasty grind of retail politics. They require more personal visits, more sweet talk about how important they are and what a *big difference* their contribution will make, and they're much more transactional than the Republicans. They want to know exactly what their contribution will get them, and then, after all that, they might give you \$100,000. Or nothing at all.

This is life in the world left

Billionaires, Unleashed

THE PROGRESSIVES AND TRUST BUSTERS OF A CENTURY AGO ROSE UP AGAINST CONCENTRATED POWER AS A MORTAL THREAT TO DEMOCRACY ITSELF. WE, ON THE OTHER HAND, HAVE UNCONDITIONALLY SURRENDERED.

BY JOHN H. RICHARDSON



by *Citizens United*, where unlimited new sums of money allowed by the Supreme Court concentrate power in

a way the robber barons could have only dreamed. Read it and weep:

A solid majority of Americans accept the scientific consensus that fossil fuels are changing the climate, and solid majorities support Social Security and Medicare, public education, public spending on health care, higher taxes on the rich, regulations on Wall Street, and even increased regulation on guns. So why don't Americans get a government of the people?

Because it costs money. And billionaires, even the Great Blue Whales, hate tax increases. As Brookings Institution scholar Darrell M. West points out in his alarming new book, *Billionaires: Reflections on the Upper Crust*, the same is true all over the world. "Liberal and conservative billionaires often are united in opposing tax increases, at least for themselves." So instead we talk about small government.

There are 536 billionaires in America, and *The New York Times* recently reported that fully half of the money in the presidential race so far has come from just 158 families, most of them with fortunes in fossil fuels and finance, most of them funding Republicans. In the 2016 cycle, the Koch brothers alone will spend \$900 million. Casino magnate Sheldon Adelson spent more than \$100 million in 2012 and will likely spend more. It's hard to get your mind around how much money this is. Mitt Romney's super PAC raised \$12 million four years ago in the same reporting period that Jeb Bush raised more than \$100 million. And this year's haul doesn't even begin to count all the "foundations" and "grassroots groups" and the dark money made legal by the Supreme Court that nobody can track.

Tom Steyer is apologetic about all this. A relaxed but very focused man of fifty-eight, dressed in a suit with one of his eight trademark ugly plaid ties, he's a liberal billionaire who is somewhat famous for flying commercial—in economy, no less—and driving an old hybrid Honda he bought used. He never wanted to be a Great Blue Whale.

"*Citizens United* was a terrible decision," he says, "just a terrible decision. And we understand the irony that we're using a lot of money in politics, whereas in fact we don't believe that that's the right thing to have happen in general, and I would say



Hedge-fund billionaire Tom Steyer is that rarest of creatures: the liberal billionaire. He abhors *Citizens United* but believes in fighting fire with fire.

two things: One, this is the law of the United States put down by the Supreme Court of the United States. Those are the rules of the game. So we do what we can to mitigate the things that we think are the most egregious about it, and we try—and it's shockingly hard to do—to make sure that we don't have a conflict."

Steyer has long liberal roots—his mother worked for NBC News and taught in Harlem, his wife has tattoos and a sustainable farm—but he spent his years quietly working at his hedge fund and earning a great fortune. He made regular, generous donations to the Democratic party and that was enough politics for him.

"Generally, our system works pretty well," he explains. "If you read the press, you might not think it works pretty well, but actually, when there's a big problem in the United States of America we basically go through a kind of Socratic, somewhat combative process about what the right way to solve it is, and then we actually do solve it. Democrats solve it and Republicans

9. Should We Let Billionaires Buy Elections?

For the 2016 cycle, the Koch brothers alone **HAVE VOWED TO SPEND ALMOST \$1 BILLION TO INFLUENCE THE OUTCOME.** Casino magnate Sheldon Adelson **SPENT MORE THAN \$100 MILLION** in 2012 and will likely spend more. **THAT'S JUST THREE GUYS.** What are they paying for?



solve it. We come up with the Clean Air Act and the Clean Water Act and we invent the EPA and we don't wait for Chernobyl. So when I started reading about climate along with everybody else, I thought, 'Fine! Good to go! We now know there's a problem.'

His optimism that "the system" would respond as it had in the past began to falter around 2005. "It started to seem like *Whoa*, this one's not going right. And it's a *big* problem." Still thinking technology could fix it, he donated a fortune to Stanford University for energy research, making a bet on democracy and innovation. Since Steyer made much of his fortune in coal, he quit his hedge fund and sold his holdings in coal, even turned his solar investments over to an arm's-length foundation.

Then the Supreme Court unleashed the big money and his faith in democracy began to falter.



AFTER THE SUPREME COURT ruled on *Citizens United* in 2010, the right-wing billionaires saw the implications immediately. "They saw that it was a way to level the playing field," says a top Democratic fundraiser. "With changing demographics in the country going against them, the one advantage they have is money. And they're willing to pony up a lot more, so we've had this tidal wave of money coming in to the other side."

While the liberals waffled, the right-wing billionaires went to war. "Our side feels that getting involved in state legislative battles is beneath them," says another Democratic fundraiser. "So what happens? The Republican donors, the Koch brothers, invest deeply in state races and flip state legislatures, which control redistricting, which controls who owns Congress." In Ohio, for example, despite a dead heat in the electorate, Republicans now have twelve congressional seats and Democrats have just four. In North Carolina, a discount-store tycoon named Art Pope bought himself a docile state legislature that eliminated teacher tenure, passed voter-ID laws, and cut back on early voting. The same is true all over the country. "They've picked up nine hundred state legislative seats just since 2010," the first Democratic fundraiser says. "I think thirty state chambers have been flipped. It's overwhelming. There's no way for Democrats to keep up."

So control of the states gave the right-wing billionaires control of the 2012 "redistricting" that bunched Democratic votes into a handful of crazy-quilt congressional districts, which in turn has given Republicans a near-permanent majority in the House of Representatives. But they also got power over many secretaries of state, who are decision makers on state elections—consider Alabama's John Merrill, elected with heavy contributions from a group affiliated with the National Association of Manufacturers, who, after lawmakers toughened up ID requirements for voting, defended the shutting down of driver's-license offices in eight of the top ten counties with the highest percentage of black voters.

As West puts it in *Billionaires*, "Wealthy donors push candidates to the extremes, especially on the Republican side."

During this critical transitional period, Steyer was getting his baptism in practical politics. He began in 2010 with a local fight against Proposition 23 in California. This was an attempt by the Koch brothers and their fossil-fuel allies to gut California's rules on air pollution and boost their bottom line. Steyer

These days, **WHEN MONEY HAS BEEN LEGALLY FOUND TO EQUAL SPEECH**, how much speech can you afford? Even if it's to support a cause or candidate you find worthy, **SHOULD ANYONE HAVE THAT KIND OF POWER?**

joined with George Shultz, Ronald Reagan's former secretary of state, investing \$5 million in the cause. They didn't want to turn the battle into Billionaire vs. Billionaires or Environmentalist Against Oil Companies, so they focused on the concerns of ordinary people. "People care about what's local and human. So that means they care a lot about the impact on jobs. And we could make a very strong and *true* argument that clean energy was gonna be a job producer in the state of California, and there would be good-paying jobs," Steyer says.

Health was another day-to-day concern. California has five million people with asthma, including almost a million kids, and dirty air is the kind of issue that gets people off the sofa.

Finally, their opponents were "oil refiners from out of state trying to benefit by getting rid of pollution laws"—not exactly sympathetic figures.

Steyer's strategies worked—Prop 23 was defeated by a 23-point margin. Meanwhile, the impact of the Supreme Court's decisions on money and speech was becoming more vivid by the day. Billionaires were starting to donate vast sums to "nonprofit" 501(c)(4)'s and 501(c)(6)'s, the so-called dark-money vehicles that aren't required to disclose their donors. Transparency is one of the few remaining checks on the power of money, as West repeatedly points out in *Billionaires*, but Republicans have blocked all efforts by Democrats to pass a "Disclose Act" to reveal the names behind the "speech." And now the money is flowing to even smaller races—local judges, city councils, and even school superintendents. In California in 2014, billionaires who favor charter schools poured more than \$10 million into a charter-friendly candidate named Marshall Tuck, making his the most expensive race in the state. Last year in Colorado, the Koch brothers put \$350,000 into a school board that fought the teachers' unions and started a private-school voucher program. Even the cynicism all this money fuels is a fringe benefit for the billionaires: The less people believe in politics, the less they participate, and the less they participate, the more likely the billionaires will get their way.

For all these reasons, the old consolation that money can't buy a president simply isn't true anymore. "If you can control that many congressional districts, you control turnout operations," the top Democratic fundraiser points out. "At what point does the ground game start to affect the White House? Is there a way forward to fix this system, or are we past the point of no return?"



AS IT HAPPENS, 2010 was also the year that "cap and trade" went down in Congress. This was famously bipartisan, market-friendly climate legislation that had the support of John McCain and Lindsey Graham but became toxic, almost overnight, with the rise of the Tea Party. Contemplating this from the perspective of his victory on Prop 23, Steyer was especially struck by an influential study by Harvard political scientist Theda Skocpol called "Naming the Problem: What It Will Take to Counter Extremism and Engage Americans in the Fight Against Global Warming." Skocpol argued that national climate activists put too much trust in the political system and failed to grasp the growing radicalization of Republican politicians. "Ever since global warming became prominent on the environmental agenda, an all-out political fight has been under way, and reformers do themselves no favor by refusing to clearly understand the scope of the battle or the degree to which politicians, including almost all Republicans now in office, have been recruited into the opposition." Public opinion no longer mattered. Science no longer mattered. The new game was using "institutional levers" like the filibuster and the senatorial hold "to stymie or undermine governmental measures."

The short version: Reformers were still living in the America that existed before big money. The only alternative was giving up on "elite maneuvers" and finding ways to arouse the public.

"I felt as if it wasn't something I had thought about before," Steyer says now.

So Steyer began his transformation into a Great Blue Whale, launching himself into the frustrating, thankless, incremental world of retail politics. But he is still a billionaire in the age of billionaires, and billionaires care most about their pet issues, so this transformation had a modern twist—he also began to set up what amounts to his own political party, a climate party.

He started with a network of business groups in about thirty key states. Cannier than traditional activists and still more invested in the old idea of America, he insisted on keeping his groups as bipartisan as possible. "We *want* fossil-fuel companies, who have great expertise in energy, to be a constructive part of the solution," he says. In 2013, he invited Hank Paulson, the former treasury secretary and head of Goldman Sachs, to join Mike Bloomberg on a business-analysis project called Risky Business, and they concluded that within thirty-five years Florida will face \$23 billion in property losses alone because of rising sea levels. He also started spending his money on specific races, fighting oil-and-coal-friendly candidates in Massachusetts and Virginia in 2013 and in seven more statewide races in 2014, including the doomed battle to unseat Rick Scott in Florida. He lost about half of them.

"We definitely were disappointed about Rick Scott," Steyer says now. "I thought the governor's race in Florida was probably the most important race in the United States in 2014. But there was a horrible Democratic turnout in 2014."

It turns out that there's only so much a single billionaire can do. But Steyer knew what he was up against.

"Here's how I think about those races—if we look at what we did, look at the places where we were and the places where we weren't, we could see we really moved people on climate. No question about that. I'd say something else, too—no one remembers that President Obama ran on 'clean coal and all of the above' three years ago. That was his mantra. He was not saying what he's saying now. He understood what he's saying now, but politically the country had to change. What he said to us is 'Make it possible for me to do what I want.' So when I think about 2014, I think an election is a great way to have a conversation."

To an outsider, his optimism might seem naive. What about the impact of those Supreme Court decisions, the nine hundred state legislative seats and thirty governorships?

"Twenty-nine," he says. "But who's counting?"

But how can he even begin to compete? Especially since he hasn't been able to convince a single other liberal billionaire to join him? Where's Sergey Brin? Where's Bill Gates?

Steyer grins. "Can I help you with phone numbers?"



STEYER'S GREATEST PASSION is for his version of the Tea Party, NextGen Climate. Three members of his political team sit down in a local coffee shop to detail their strategies. In Iowa, for example, they

have ten paid field directors and another sixty staff and college students on the payroll. They're aiming first at "grass tops" efforts to get political activists, small-business owners, and ministers involved. "Validators," they call them. Second, they're focusing on younger people in cities and colleges. Already they've signed up more than eleven thousand people, asking each of them to take some kind of action. "In the last thirty days, we had 558 unique volunteers doing something," says a political staffer, an enthusiastic, bearded twenty-six-year-old. "That's more than any of the candidates."

River cleanups? Viral videos? Concert tours? In the face of climate change, these slow-moving grassroots efforts seem downright pitiful. And the Republicans are playing hardball as usual, putting their money into new political innovations like the recent fad for "tracking operations," where propagandists like James O'Keefe and the Center for Medical Progress stalk groups they oppose with cameras and use devious editing techniques to turn innocence into guilt. Or they use the hidden levers of government to get their way, like the "one senator" strategy, whereby a

HERE'S YOUR CHOICE: STATUS QUO— they earned it, they can spend it however they want. Continue to allow individuals and corporations to donate unlimited amounts of money to candidates through super PACs

AND KEEP PRETENDING THOSE SUPER PACS ARE INDEPENDENT OF THE PRESIDENTIAL CAMPAIGNS, OR...



single U.S. senator can be induced to put a bill on indefinite hold—Rand Paul, for example, has blocked for years any attempt to uncover the names of wealthy Americans

who are hiding billions in secret Swiss bank accounts. The beautiful libertarian ideals of small government and personal freedom, promoted through front groups like the Cato Institute, turn out to be effective ways for big money to set the agenda and suppress the popular will.

So back in Steyer's offices, even more than before, it's hard to avoid the disconcerting idea that America's fate is being decided by giant stomping creatures who barely notice the delicate bones beneath their feet.

"I totally agree," Steyer says.

And the rising power of money is a global phenomenon, as West points out in *Billionaires*, and the billionaires are almost completely unified in their determination to shrink the governments that might be able to fight the problem. So how is one more billionaire's pet project going to make any difference?

At this, Steyer finally grows a little frustrated. "Our plan to have 50 percent clean energy by 2030—over half of Republicans support that. Sixty-nine percent of independents support that. So the country has moved on this. Millennials are into this more than anybody else. They know it's their problem."

But it still comes down to Billionaire vs. Billionaires. Or One Billionaire + a Bunch of College Kids vs. the U.S. Superwealthy, Whose Assets Have Doubled Over the Past Ten Years from \$1 Trillion to \$2 Trillion.

"I make two points. The first one is about inequality. Obviously the United States has never had this level of inequality, certainly not in a really, really long time. And I think it's really unhealthy for the country. It's not good economically; it's also not good from the point of view of someone who loves democracy. It's not right. I've looked at the numbers and it's pretty shocking. And one of the big threats to America is the fact that people don't feel that the system's working for them. They feel like the money's stolen our system. And you don't have to be a genius to know that people everywhere feel that way. I feel that way, too. So lower taxes, that's not something we're pushing for. Because we have a gigantic job in front of us, which really is about climate and growth and how are we going to have some form of just society. And our ability to restore the Amer-

...AMEND THE CONSTITUTION.

BAN UNLIMITED

SPENDING BY FAT CATS
AND CORPORATIONS.

OLIGARCHS BUYING ELECTIONS

IS THE LAST THING A DEMOCRACY

SEES BEFORE IT DIES.

The Roberts Court, in its infinitesimal wisdom, made the *Citizens United* decision damn near bulletproof, so we'll have to restore order the hard way. Hear that, two thirds of the states?

ican dream is gonna be driven by how we react to energy. Even though it seems like it's a separate issue, it's at the heart of every issue. When I think about putting Americans to work at decent-paying jobs that you can live on in dignity, I think about this. Climate is the fundamental issue at the heart of our economics and our ability to have a sustainable American dream. That's what I think."

And so, the Great Blue Whale finds himself in the role of retail political organizer. When you're up against opponents with the spending power of a million families, the only thing big enough to respond is, well, a million families. The real citizens united. That's the power Steyer is trying to harness.

"If this is David and Goliath," Steyer admits, "we're definitely the David. The other side is much bigger and richer, and is spending a lot more money. But we have truth on our side."

In the coming year, for the first time in American history, we will find out, in market terms, just what the truth is worth. ■

10. Should We Make America Great Again?

All depends, kemosabes. Whereas most stupid suppositions are undone by one fatal flaw in logic, this one comes equipped with two: One, that America isn't already pretty great (ask the eleven million undocumented immigrants who risked everything to come here, or the two billion-

plus people around the world who've never cast a meaningful vote in their lives, if America's great or not), and two, that what's great for one group of Americans is necessarily great for another. We should, by all means, endeavor to make things great for those Americans who've

seen their income rise meaningfully over the past decade, and who enjoy equal (if not enhanced) protection under the law, and who, come to think of it, already have things pretty good (even if for some reason they think they don't). But let's also try to make things great for those communities and individuals for whom our promises of life, liberty, et al. are ringing increasingly empty. Greatness for anyone, much less for all, isn't, or shouldn't be, a matter of fate. And it's not a given, either. It's a... what is that, you say? Yeah, it's a choice.

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Stuck

[continued from page 158] more to it than that. Immigrants also provide a shot in the arm to American vitality itself. Always have, always will. Immigrants are now *twice as likely* to start a new business as native-born Americans. Rates of entrepreneurialism are declining among natives but rising among immigrants.

Immigrant children show extraordinary upward-mobility rates, shooting up the income-distribution ladder like rockets, yet by the third or fourth generation, the rates go down, reflecting indigenous norms. Among children born in Los Angeles to poorly educated Chinese immigrants, for example, an astonishing 70 percent complete a four-year-college degree. As the work of my Brookings colleague William Frey shows, immigrants are migrants within the U.S., too, moving on from traditional immigrant cities—New York, Los Angeles—to other towns and cities in search of a better future. Entrepreneurial, mobile, aspirational: New Americans are true Americans. We need a lot more of them.

This makes a mockery of our contemporary political “debates” about immigration reform, which have become intertwined with race and racism. Some Republicans tap directly into white fears of an America growing steadily browner. More than four in ten white seniors say that a growing population of immigrants is a “change for the worse”; half of white boomers believe immigration is “a threat to traditional American customs and values.” But immigration delves deeper into the question of American identity than it does even issues of race. Immigrants generate more dynamism and aspiration, but they are also unsettling and challenging. Where this debate ends will therefore tell us a great deal about the trajectory of the nation. An America that closes its doors will be an America that has chosen to settle rather than grow, that has allowed security to trump dynamism.

VII. The second big shift needed to get America unstuck is a revival of city and state governance. Since the American Dream is part of the national identity, it seems natural to look to the national government to help make it a reality. But cities are now where the American Dream will live or die. America’s hundred biggest metros are home to 67 percent of the nation’s population and 75 percent of its economy. Americans love the iconography of the small town, even at the movies—but they watch those movies in big cities.

Powerful mayors in those cities have greater room for maneuvering and making an impact than the average U.S. senator. Even smaller cities and towns can be strongly influenced by their mayor.

The new federalism in part is being born of necessity. National politics is in ruins, and national institutions are weakened by years of short-termism and partisanship. Power,

finding a vacuum in D.C., is diffusive. But it may also be that many of the big domestic-policy challenges will be better answered at a subnational level, because that is where many of the levers of change are to be found: education, family planning, housing, desegregation, job creation, transport, and training. Amid the furor over Common Core and federal standards, it is important to remember that for every hundred dollars spent on education, just nine come from the federal government.

We may be witnessing the end of many decades of national-government dominance in domestic policy-making (the New Deal, Social Security, Medicare, welfare reform, Obamacare). The Affordable Care Act is important in itself, but it may also come to have a place in history as the legislative bookend to a long period of national-policy virtuosity.

The case for the new federalism need not be overstated. There will still be plenty of problems for the national government to fix, including, among the most urgent, infrastructure and nuclear waste. The main tools of macroeconomic policy will remain the Federal Reserve and the federal tax code. But the twentieth-century model of big federal social-policy reforms is in decline. Mayors and governors are starting to notice, and because they don’t have the luxury of being stuck, they are forced to be entrepreneurs of a new politics simply to survive.

VIII. It is possible for America to recover its earlier dynamism, but it won’t be easy. The big question for Americans is: Do you really want to? Societies, like people, age. They might also settle down, lose some dynamism, trade a little less openness for a little more security, get a bit stuck in their ways. Many of the settled nations of old Europe have largely come to terms with their middle age. They are wary of immigration but enthusiastic about generous welfare systems and income redistribution. Less dynamism, maybe, but more security in exchange.

America, it seems to me, is not made to be a settled society. Such a notion runs counter to the story we tell ourselves about who we are. (That’s right, *we*. We’ve all come from somewhere else, haven’t we? I just got here a bit more recently.) But over time, our narratives become myths, insulating us from the truth. For we are surely stuck, if not settled. And so America needs to decide one way or the other. There are choices to be made. Class divisions are hardening. Upward mobility has a very weak pulse. Race gaps are widening. The worst of all worlds threatens: a European class structure without European welfare systems to dull the pain.

Americans tell themselves and the world that theirs is a society in which each and all can rise, an inspiring contrast to the hereditary cultures from which it sprang. It’s one of the reasons I’m here. But have I arrived to raise my children here just in time to be stuck, too? Or will America be America again? ■