



Moving up

The next president can restore confidence in the American Dream

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By any measure, the tone of Election 2016 has been uniquely virulent. Generations-old frustrations, born of profound discrimination as well as economic and cultural shifts in American society, have erupted into quantifiable electoral rage. Why? Because across nearly every demographic, confidence in our central national ideal—opportunity—has almost completely collapsed.

Donald Trump’s campaign slogan, “Make America great again,” resonated with millions of Americans because too few people have confidence that America works for them. Many believe the “system is rigged”; that their children will be less well-off than they are; and that they themselves are less well-off than their parents. For too many Americans, the future looks, frankly, un-American. They have lost hope.

It is therefore imperative that the next presidential administration dedicate its first year to policies designed to catalyze upward economic mobility for the millions currently left behind. The new administration must convey a message of unwavering confidence that every American has the opportunity to succeed and that the legislative and executive branches of government are working together to help enable that goal. In doing so, the administration should avoid the overwhelming temptation to reinvent the wheel and instead leverage assets developed over the last eight years to scale successful efforts.

The next president should take executive actions and propose legislation to accomplish the following:

- Build programs designed to meet the economic opportunity challenge

- Invest in economic mobility programs that work or show real promise
- Redirect resources away from programs that consistently fail or underperform toward those that demonstrate quantifiable success

The proposal should leverage the growing movement toward data-driven and evidence-based policy making, championed by entities such as [Results for America](#) that are being implemented at all levels of government. Evidence-based policy making is the practice of gathering and analyzing the best available data regarding the effectiveness of particular policies to ensure that those policies actually work and then utilizing that evidence to make policy decisions. Critical to this practice is the need for ongoing research, evaluation, performance measurement, and community-level engagement to maximize the impact of public spending, encourage program improvements, and [inform policy discourse](#).

Most important, the next administration must seek every path to secure bipartisan congressional support and passage of two interdependent pieces of legislation in the first year: tax reform and economic opportunity/mobility legislation that should be called the Raising Incomes and Creating Hope (RICH) Act.

Although it has seen short-term declines during times of acute national stress, over the last two centuries America's confidence trend line has generally been positive. Even as troubling economic and social trends began to take hold in the latter part of the 20th century, rhetoric proclaiming that "America's best days are ahead of it" still found a largely receptive audience among a majority of Americans. No longer.

Today's collapse in confidence should surprise no one. Leading indicators of the "opportunity gap" have been hiding in plain sight for decades in American society. Lack of opportunity has been a raging storm in communities of color across America for generations. Civil rights-era gains notwithstanding, many communities of color still struggle to overcome structural barriers to upward economic mobility. Access to effective education, job opportunities, and the tools necessary for economic and social wealth creation were first by law and later by convention refused to these communities with predictable results: high levels of family disintegration, crime, substance abuse, and hopelessness. Because public policy at every level insulated the majority of Americans from those negative trends for decades, the political system was not required to confront the storm created by those inequities and now evident in many communities—until now.

Today, while the cause may vary, the opportunity challenge knows no racial or ethnic bounds. It applies to millions more than ever before, with [tragically predictable results](#). Regardless of the cause—globalization, technology-driven transformation, the pace at which capital flows around the world—the impact of this economic transformation is well known. Millions now bear the brunt of the "hollowing-out" that began in the second half of the 20th century. As a result, the next president will be confronted with an economic opportunity and mobility challenge that is now ubiquitous.

The collapse of confidence in opportunity is symptomatic of a deeper [loss of faith among Americans](#) in public institutions and government in particular. Confronting America's inequity challenge will therefore require a counterattack against the generation-long assault on government. Too many Americans have come to believe that the federal government is ineffective, populated by incompetent, lazy, or even corrupt bureaucrats. After decades of federal debates poisoned by rhetoric expressly designed to undermine "government," in particular the federal government, any political basis for bipartisan action on policies to address America's growing opportunity gap has essentially evaporated and, along with it, the American people's expectation that collective political action can yield positive results.

Arguably the best post-WWII example of a bipartisan, federally led, socially transformative project was the space program, specifically the Apollo project. Sending a man to the moon and returning him safely to the Earth brought with it significant changes in American society ranging from improved education in the STEM disciplines to countless scientific innovations. Although the benefits of this bipartisan, publicly revered government project remain, the political structure that undergirded it does not. There is a reason nearly every politician since the Apollo era has used the term "moonshot" when advocating for national action, but nothing remotely comparable has ever been achieved.

The next president must begin [debunking the myth](#) that "government is the problem" and reestablish the necessity and legitimacy of government action, not for its own sake, but for the sake of improving our economic future. To confront the twin challenges of collapsing public confidence and political gridlock, the next president needs to give the country some "wins."

During its first year, the new administration should pursue policy wins that attack the economic opportunity crisis and that are genuinely bipartisan. This will not be easy—and past administrations have tried—but this important moment requires a renewed effort to choose a legislative path that has some realistic chance of securing votes from the other party. Bipartisan legislation must have an immediate impact on the lives of millions who need help and it must create a solid foundation for subsequent policy making designed to close the opportunity gap. One or more legislative achievements, however significant, will not solve an opportunity crisis that has been generations in the making, and a legislative strategy that offers nothing to the other party will serve only to ensure that Congress remains intransigent.

Achieving bipartisan support will require sometimes painful sacrifices. Compromises will anger constituencies within the president's party and cost votes. Significant cabinet positions will need to be offered to respected members of the other party in an effort to secure swift confirmations and build critical relationships. Ideally, these individuals would come with significant executive experience and reputations for bipartisanship at the state level to help maximize efficiency in program execution between the federal and state levels.

The president and White House staff cannot, and should not, be everywhere. The president needs the force multiplication and expertise of the cabinet to bear the lion's share of public-facing responsibilities, communicating policy to the public and "swarming" any

opposition. As much as practicable, cabinet members should appear together in teams of two or three to showcase ways that interagency cooperation is making government work better. Assistants to the president should be tasked with driving accountability and oversight related to interagency cooperation and policy coordination. These individuals must have either deep agency, Capitol Hill, or other government experience to ensure that from the moment the president is inaugurated, the staff has the experience necessary to manage the complex political and personal dynamics at play between the legislative and executive branches.

Executive action priorities

The next president's inaugural address should directly confront the threat that the opportunity gap poses to a strong state of the union. It should insist that America will grow fastest and most equitably when we invest in all of our national assets—individuals, infrastructure, innovation, and our environment. The president should offer a vision of [inclusive capitalism](#) that challenges the nation to embrace the idea that developing and building national assets is critical to a better economic future, and that public goods result when smart public investments create a platform for fair private sector competition and robust job creation. The address should also insist that the American people endorse opportunity creation for all by declaring that “the era of mass incarceration is over” and offer a vision that showcases the fiscal—and moral—intelligence of effective investments in all people.

On the first day of the new administration, the president should sign an executive order (EO) establishing the American Community Wealth Building Initiative. Cochaired by the chairs of the National Economic Council and the Domestic Policy Council, the initiative should state clearly that the administration's principal domestic policy objective is to organize federal assets and resources to support income growth and wealth creation for low- and middle-income Americans and provide an initial framework for interdepartmental and interagency collaboration. The goal of the EO would be to frame for agencies the expectation of a new era of collaboration. It would be followed by a series of circulars from the Office of Management and Budget that would provide specificity designed to make interagency collaboration the rule, not the exception.

Legislative priorities

The first of two interdependent pieces of legislation the administration should seek to pass in its first year is tax reform. America can no longer afford to merely ponder the problem of inequity in our tax code. Tax reform is substantively vital and politically critical. Despite the decade-long insistence of some, there is not enough waste, fraud, and abuse at any level of American government to pay for our nation's mission-critical needs. Without additional revenue, it will be difficult to build or scale opportunity programs in a fiscally responsible manner. Without removing the tax code's bias against low-income Americans, it will be next to impossible to confront the challenge of intergenerational poverty. Moreover, well-crafted tax reform, marketed as a bipartisan plan for creating wealth among low- and middle-income

Americans, stands at least some chance of garnering enough votes from the other party to help build public confidence in government.

A successful tax package must:

- Redirect the tax code's bias away from high-income Americans by reforming or eliminating tax breaks that benefit the wealthy and redirect those savings toward income supports for low- and middle-income Americans. Two examples include employer contributions for medical insurance premiums and the mortgage interest deduction, which both disproportionately benefit wealthier taxpayers.
- Redesign income supports, such as the Earned Income Tax Credit, to increase access and ease of use.
- Build on past bipartisan efforts—supported by members of Congress, governors, mayors, and the private sector—to create the revenue needed to pass infrastructure legislation that would benefit job seekers, low- and middle-income communities, urban and rural America, and the private sector.

The second piece of legislation the administration should pursue in its first year is the Raising Incomes and Creating Hope Act.

The RICH Act should build on successes achieved during the Obama administration leveraging policy principles that are:

- Place-based: Policies that bring coordinated action and resources to bear on targeted geographies
- Evidence-based: Policies that [draw on the best data](#) and research to understand what works and that use those lessons to inform continuous improvement in policy making
- Pay for success-based: Policies that contain financing tools that reward demonstrated achievement of outcomes

With these policy principles at its core and using the language of community wealth building, the RICH Act is designed to help rebuild pathways to opportunity in America, beginning with children, using a bipartisan “what works” approach. Rhetorically and politically, the RICH Act should not be marketed as an act of societal transformation nor sold as a policy home run. Rather, building on passage of a successful tax package that begins to remove the structural impediments to opportunity and mobility while incentivizing job creation and urban and rural development, the RICH Act should be sold as a modest, practical set of steps that members of both parties support to help more of our kids succeed.

It should be designed as the next step in a political process to give a bipartisan majority of members of Congress something to be for while equitably implementing legislation recently passed, including the Every Student Succeeds Act and increasing access and completion at two- and four-year colleges and universities. By using the three principles outlined above, the RICH Act promotes outcomes-focused state and local innovations that can close the opportunity gap. It sets forth clear success measures and rigorous accountability structures and encourages successful innovation.

The RICH Act should focus on scaling up successful prenatal and early childhood development practices. Place-based programs focused on the so-called “[two-generation approach](#)”—programs designed to serve the needs of parents and children together—could be of particular use in helping drive bipartisan consensus. The act should bring a particular focus to [scaling wrap-around service](#) provision in elementary and secondary education and should seek to accomplish the following:

- Incentivize anti-push-out policies that reverse the trend of channeling children into the juvenile and criminal justice systems to keep children in school
- Encourage innovation around the middle-schools challenge—especially through use of middle-school redesign funds
- Promote reengagement centers that bring dropouts back into the education system and aggressively support early-college high school programs that give students the opportunity to receive a high school diploma while also accumulating college credits or an associate degree, and career and technical training to close the gap between education and employment

The Act should also address the challenges faced by citizens who have served time in prison through antirecidivism [workforce development initiatives](#) and policies. It is imperative that the administration and the federal government constantly promote successful antirecidivism practices and policies to not only reduce the human and fiscal toll of mass incarceration, but also to demonstrate the upside—for individuals, families, communities, and the economy—of successful reintegration initiatives.

Rebuilding confidence in effective government; investing and redirecting resources toward proven programs that promote social capital and wealth creation among low- and middle-income Americans; and accepting the risks and burdens that bipartisanship requires are all first steps in the first year toward transforming the myth of opportunity for all in America into a reality.

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This essay is part of First Year 2017, a project of the nonpartisan Miller Center at the University of Virginia focusing on the key issues the next president must confront, viewed through the clarifying lens of history and amplified with actionable advice from leading scholars, former administration officials, and policy experts.