

# AEI Enterprise Report

Restoring Liberty, Opportunity, and Enterprise in America



## Protecting and Expanding the American Dream

By Robert Doar

The late Daniel Patrick Moynihan, AEI's dear friend, didn't like the welfare reforms of the 1990s. He worried that the new system, which emphasized personal responsibility and required work, would lead to "children sleeping on grates." On this, he was wrong.

As AEI's **Scott Winship** explained in a recent essay in *National Review*, poverty in America has fallen by nearly every metric since the 1990s. In my time as commissioner of New York City's Human Resources Administration, welfare reforms enacted in the 1990s led to a 70 percent reduction in welfare recipients, large increases in work rates for never-married mothers, and significant reductions in child poverty. The amazing success of these work-first reforms proved that even for the poorest Americans, going to work and playing by the rules would lead to better life outcomes—making the American dream a reality.

This is why, as president of AEI, I have continued to invest in a poverty studies program—with scholars including **Bruce D. Meyer**, **Brent Orrell**, **Angela Rachidi**,



Robert Doar  
AEI President

**Ian Rowe, Matt Weidinger**, and Winship—that celebrates work as the best pathway out of poverty, promotes two-parent married families,\* and supports private-sector employers who pull Americans off the sidelines and into the workforce.

While the idea that hard work leads to good outcomes and high income—the American dream—is very much true in America today, it is at risk. And it is not as true as it used to be or as we would like.

AEI’s **Nicholas Eberstadt**, in his recently released edition of his landmark 2016 study *Men Without Work*, describes the reality that low work rates persist for American men of prime working age and that the phenomenon of nonwork is spreading to other populations too. If the labor force participation rate were what it was before the pandemic, 700,000 more Americans would be working today. As work rates have collapsed, so too has Americans’ confidence in the promise of the American dream. Thirty-seven percent of US adults believe that the American dream does not exist or is unattainable; that number rises to 42 percent among millennials.

We must work to save the promise of the American dream for future generations. In this edition of the *Enterprise Report*, you will read about a major new project at AEI—the **American Dream Initiative**—dedicated to just that. Through this initiative, AEI seeks to reorient our policy and culture to remove barriers for all citizens to achieve the American dream and increase appreciation for the free enterprise system among lawmakers in Washington, leaders across the country, and all Americans.

AEI is perfectly positioned to undertake a project of this size and scope. AEI scholars have always stood for the values that have made America strong and prosperous. We are principled, not dogmatic. Protecting the American dream for future generations has long been an animating principle of our work.

We have made major investments in AEI’s communications capabilities—including video, social media, podcast offerings, and book promotion—that are dramatically increasing our scholars’ reach and impact. We are leveraging AEI’s robust networks in Washington and around the country to shape the debates on key policy issues and equipping up-and-coming congressional staff with the best conservative policy ideas. We are reaching audiences that rarely, if ever, hear compelling arguments in defense of free enterprise.

The American Dream Initiative will increase the scope and effectiveness of these efforts and ensure that our scholars’ work is changing the narrative about opportunity in America and resulting in better public policy. We would be happy to speak with you about opportunities to support this vital work.

As always, thank you for your support of AEI that makes our work possible.

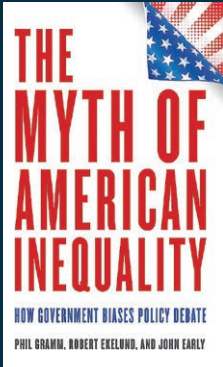
\*On this, Moynihan was right and prescient.



P.S. One of the best things about AEI is the launching pad we provide for young people who want to join the national debate. That was perfectly illustrated by the January 21 edition of the *Wall Street Journal*, which contained not one but two op-eds by former AEI research assistants. Congratulations to Tal Fortgang (who helped me with research at AEI) and Jack Butler (who worked with Jonah Goldberg and can now be found at *National Review*). Both Tal and Jack are not yet 30.

# Timely New Scholarship from AEI

AEI scholars recently released new books that dive into complex domestic policy challenges—including accurately measuring poverty, spurring urban growth, and supporting workers in crisis—and offer constructive ideas to address those challenges in the months and years ahead.



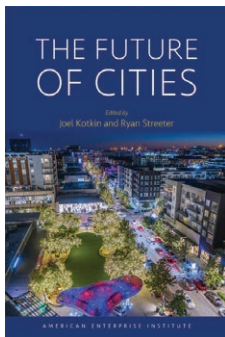
## Reexamining Income Inequality and Prosperity in America

*The Myth of American Inequality: How Government Biases Policy Debate* (Rowman & Littlefield, 2022), coauthored by AEI scholar and former Sen. **Phil Gramm**, John Early, and Robert Ekelund, was named a *Wall Street Journal* Best Book of 2022 for Politics. This important book shows that official government statistics substantially overstate income inequality and poverty. Their work challenges the prevailing consensus that income inequality is a growing threat to American society and argues that the American dream is alive and well.

*“The Myth of American Inequality will have a positive effect on the quality of policy discussions, and may well achieve its objective of changing the ways in which government agencies report information about American household income and consumption. At a time when partisan tribalism makes serious discussion almost impossible in Washington, this book shows that economics is still a powerful tool kit for informing and disciplining our thinking across the partisan divide.”*

—**Charles W. Calomiris**, Henry Kaufman Professor of Financial Institutions at Columbia University, in the *Wall Street Journal*, December 27, 2022

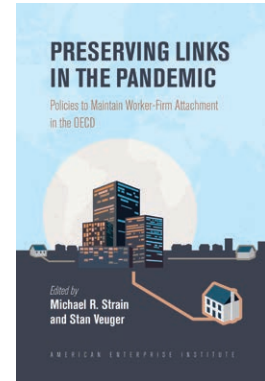
To learn more or purchase the book, visit [www.aei.org/inequalitymyth](http://www.aei.org/inequalitymyth).



## New Ideas for Urban Renewal

Evidence shows that humans are now primarily an urban species and the way cities evolve in the coming decades will define our future civilization. Yet many, sometimes divergent, urban futures are possible. In the newly released volume *The Future of Cities*, edited by AEI Director of Domestic Policy Studies **Ryan Streater** and Urban Reform Institute Executive Director Joel Kotkin, contributors examine urban features in cities around the country and world and assess the best ways to revive urban vitality and adapt to our urban future.

To learn more or download the book, visit [www.thefutureofcities.org](http://www.thefutureofcities.org), and to watch the discussion with a panel of contributors to the volume, visit [www.aei.org/futureofcities](http://www.aei.org/futureofcities).



## Examining the Efficacy of Economic Policy in the COVID-19 Crisis

In the early days of the COVID-19 pandemic, governments intentionally restricted economic activity in an attempt to slow the virus’s spread. In response to widespread business closures and unemployment, governments implemented various types of programs to maintain links between workers and firms. Director of Economic Policy Studies **Michael R. Strain** and Senior Fellow **Stan Veuger** tracked these interventions and published their findings in a newly released volume, *Preserving Links in the Pandemic: Policies to Maintain Worker-Firm Attachment in the OECD* (AEI Press, 2023). The volume analyzes the different ways countries responded to this economic disruption and compares how eight Organisation for Economic Co-operation and Development member states fared, providing policymakers a better understanding of policy options should a similar crisis emerge.

To learn more or purchase the book, visit [www.aei.org/preservinglinks](http://www.aei.org/preservinglinks), and to watch the volume’s release event, visit [www.aei.org/preservingattachments](http://www.aei.org/preservingattachments).

Visit [www.aei.org/books](http://www.aei.org/books) to see the latest work from AEI scholars.

# AEI Launches the American Dream Initiative

Today, the American dream is under threat. The United States’ fundamental commitment to free markets, individual rights, and free expression is being attacked by forces that seek to empower a centralized federal government. Beyond Washington, many elite universities, media organizations, philanthropists, and even successful private-sector companies seek to “reimagine capitalism,” undermining the promise of the American dream. And increasing numbers of Americans believe the American dream is dead or out of reach.



AEI started the year with the launch of a bold new enterprise—the **American Dream Initiative (ADI)**. This ambitious four-year effort seeks to increase appreciation of the American free enterprise system, equip leaders with the ideas and research they need to promote policies that increase upward mobility, and promote AEI’s research to target audiences in select cities across the country.

ADI will spur, create, and deliver new research initiatives at AEI on the core tenets of upward mobility including:

- **Poverty** alleviation and upward mobility,
- **Workforce** development and education,
- **Opportunity and dynamism,**
- **Housing and urban policy,** and
- **Revitalization of core institutions** of American life.

AEI communications and outreach teams will support this new research effort with a targeted outreach and communications campaign to ensure ADI research and themes reach state and local leaders, federal policymakers,

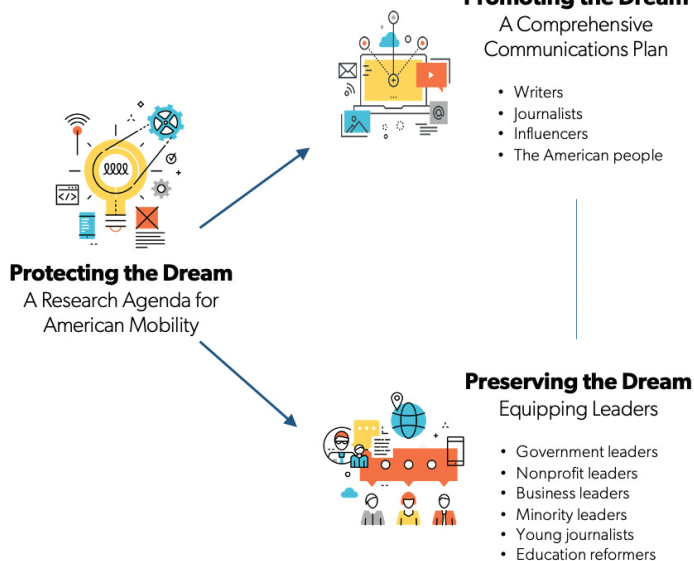
journalists, nonprofit and business leaders, and students all across America.

The project’s first year will culminate in a major conference—the **American Dream Summit**—that we will host in the run-up to the presidential election in 2024. This gathering will bring together at least 500 attendees from Washington, DC, and communities across the country for two days of ideas sharing and network building, all grounded in the research produced by ADI scholars. The summit will draw attention to the core pillars of upward mobility during the contentious 2024 election cycle, with the hope of injecting these ideas into the next administration’s plans.

## ADI Regional Outreach

In addition to targeted outreach initiatives designed to reach the DC-based policymaking community, ADI will extend far beyond Washington, DC. AEI will deploy new and expanded outreach initiatives designed to equip leaders in American communities with the ideas and practical skills they need to promote upward mobility.

Our outreach initiatives to date have brought more than 2,000 leaders outside of Washington, DC, into the AEI community. We will build on this success through ADI and create dense overlapping networks of leaders in key communities across the country including nonprofit executives, grassroots activists, business leaders, budding entrepreneurs, students and faculty on college campuses, and the education reform community.



# New AEI Center on Opportunity and Social Mobility

A central pillar of the American Dream Initiative is AEI's new Center on Opportunity and Social Mobility, which will produce work on intergenerational mobility, poverty, and social capital. It will also be a home for new research and policy projects focused on opportunity. AEI Senior Fellow **Scott Winship** will serve as the center's director.

**Kevin Corinth**, who served as staff director of Congress's Joint Economic Committee and chief economist of the President's Council of Economic Advisers at the White House, will serve as deputy director. AEI Senior Fellows and Rowe Scholars **Angela Rachidi** and **Matt Weidinger** will also make contributions to the center.



**"The American Dream is nothing if not optimistic. Our politics have become hostage not only to polarization but also to pessimism. A reform conservatism can revive the promise of the Dream for those kids facing long odds who deserve our help (which is to say, all of them)."**

**Scott Winship**, director of AEI's Center on Opportunity and Social Mobility, in *National Review*, January 29, 2023

The new center will be a vital addition to the DC policymaking space: a center-right hub for activity related to poverty and opportunity undergirded by the foundational idea that work is the best way to escape poverty. Through their work, AEI poverty scholars seek to unleash individuals' potential by removing barriers that prevent them from achieving earned success and empowering individuals to support themselves, their families, and their communities.

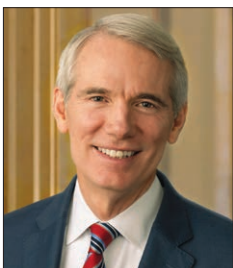


## Scott Winship on AEI Banter Podcast

Scott Winship joined **Robert Doar** and AEI Director of Media Relations **Phoebe Keller** on a February episode of AEI's institutional podcast, *Banter*, to discuss the Center on Opportunity and Social Mobility and Winship's latest work. They also discussed poverty alleviation, workforce participation, and the child tax credit.

To listen to *Banter* episodes, visit [www.aei.org/tag/aei-banter](http://www.aei.org/tag/aei-banter).

# Rob Portman Joins AEI



Former US Sen. **Rob Portman** (R-OH) started at AEI in February as a distinguished visiting fellow in the practice of public policy. He will contribute to the American Dream Initiative, drawing from his extensive experience developing public policy to enhance economic opportunity and helping formulate actionable, data-driven ideas to increase opportunity and upward mobility for all Americans. Portman will also leverage his experience and work on free-trade expansion, US-China relations, US-Russia relations, and the conflict in Europe.

To follow all of Portman's work, visit [www.aei.org/profile/rob-portman](http://www.aei.org/profile/rob-portman).



## Civic Renewal Fellowship

AEI's newly launched Civic Renewal Fellowship seeks to combat declines in social capital and associational life and foster a robust civil society. The inaugural class of 20 fellows gathered at AEI for an orientation and briefings with scholars on February 22–24. They will return to AEI later in the year for another in-person symposium and join two additional virtual gatherings. Fellows will also meet regularly for small-group discussions, networking, and mentoring from business, philanthropic, and community leaders, and they will complete an on-the-ground project in their communities to reinvigorate a local institution.

To learn more, visit [www.aei.org/civic-renewal-fellowship](http://www.aei.org/civic-renewal-fellowship).

## NATIONAL AFFAIRS

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### Winter Edition of *National Affairs* Now Available

The new edition of AEI's quarterly policy journal focuses on education and schooling and includes essays on relieving poverty and advancing opportunity, developing a better framework than race for thinking about poverty in America, understanding the transformation of liberalism, and combating America's epidemic of loneliness.

To read this and past editions or subscribe to *National Affairs*, visit [www.nationalaffairs.com](http://www.nationalaffairs.com).

# Q&A with Kevin Corinth



*Kevin Corinth is a senior fellow and the deputy director of AEI's new Center on Opportunity and Social Mobility. He has a PhD in economics from the University of Chicago and most recently served as the staff director of the Joint Economic Committee in Congress and chief economist in the White House's Council of Economic Advisers. Corinth's research focuses on economic opportunity, social mobility, poverty, safety-net programs, and homelessness. He publishes widely in both the popular press and scholarly journals.*

To follow all of Corinth's work, visit [www.aei.org/profile/kevin-corinth](http://www.aei.org/profile/kevin-corinth).

## **You are back at AEI to help run the Center on Opportunity and Social Mobility. Why is such a center needed now?**

Even as living standards continue to rise in the United States, we face serious threats to opportunity and social mobility. Children from disadvantaged backgrounds lack sufficient opportunity to climb the economic ladder. Men are accelerating their decades-long retreat from work. And more than 100,000 Americans die of drug overdoses each year.

Unfortunately, our current policy debate is not up to the task of addressing these problems, instead focusing on ineffective policies like unconditional cash assistance to families or exploiting social problems as fuel for the populist fire. AEI's new Center on Opportunity and Social Mobility will refocus the policy debate on serious, evidence-based solutions to the biggest barriers to opportunity and social mobility.

## **In the policy debates on poverty and economic opportunity, what is least understood by policymakers and the public? How should they shift their thinking?**

Contrary to what many policymakers still believe, we have been highly successful in reducing poverty in the United States. Correctly measured, poverty has fallen by over 90 percent since President Lyndon

Johnson declared the War on Poverty over half a century ago.

We should continue to worry about Americans who struggle to make ends meet. But policymakers should shift their focus to the opportunity gap holding back disadvantaged children, along with the disconnection from work, family, and communities faced by a growing number of Americans.

## **What one policy change would provide the greatest return on investment in alleviating poverty?**

Relaxing local restrictions on building housing. This single policy change would reduce the cost of living for low-income families in expensive areas. It would make it easier for poor people in distressed areas to move to thriving places where they can get a higher-paying job and where their kids can attend higher-performing schools. It would reduce homelessness. And it would stretch our safety-net programs further to serve more people. It costs us nothing to relax restrictions on building housing, so the ratio of benefits to costs is essentially infinite.

## **You worked in both the executive and legislative branches of government. How does a think tank like AEI complement and support the work of those in government?**

Social scientists who serve in advisory roles in government have a sacred

responsibility to provide an honest and accurate assessment of the evidence to policymakers. A think tank like AEI is indispensable to fulfilling this responsibility. Not only do scholars have unrivaled knowledge of the policy landscape and research, but they are also committed to truth and willing to embrace nuances and uncertainties in scientific understanding. This makes AEI scholars indispensable to government officials who want to understand the consequences of their policy actions and an antidote to the growing subservience of science to political expediency.

## **What did you miss about AEI, and why are you excited to be back?**

I continued to seek the wisdom of my former AEI colleagues while working in government during the past six years, so in some ways I felt like I never left. But there was one thing that I didn't realize I missed until returning to the building and reconnecting with old friends and new colleagues: a shared conviction among scholars and staff that every human being has inherent worth and dignity and how that conviction animates so much of the work we do across issue areas. I am excited to live out that ideal in my own work at AEI.

# A NEW CHINA PLAYBOOK



## AMERICA'S CHANCE TO EXPLOIT THE CCP'S FAILURES

China has spun a narrative that it is destined for dominance—but AEI China scholars' research paints a different picture. As China grows more aggressive, AEI scholars aim to provide a road map for how the US can confront the Chinese Communist Party (CCP) in our latest research initiative—a New China Playbook. The project is led by **Dan Blumenthal**, **Zack Cooper**, and **Derek Scissors** and was launched with their recommendations for addressing the CCP's economic coercion, deterring Chinese military aggression, and cooperating with allies in Asia.

These scholars will continue to produce reports, op-eds, and other research focused on countering the CCP's coercive practices and stabilizing the military balance in Asia. An event series is also being planned where policymakers can offer their thoughts on US-China policy in discussion with AEI scholars.

To learn more, visit [www.aei.org/chinaplaybook](http://www.aei.org/chinaplaybook).

## The Experts



**Dan Blumenthal**  
Senior Fellow

**Zack Cooper**  
Senior Fellow

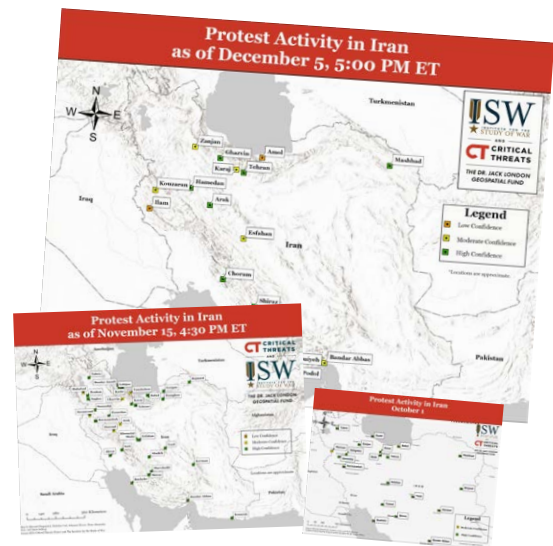


**Derek Scissors**  
Senior Fellow

## Critical Threats Project Leads Coverage of Iran Protests

AEI's Critical Threats Project (CTP) has been the leader in English-language coverage of the protest movement in Iran that began at the end of September following the death of 22-year-old Mahsa Amini while in police custody. CTP analysts, under the direction of **Frederick W. Kagan**, with support from the Institute for the Study of War, produce daily assessments with maps of protest activity and characterizations of protest size, regime response, and notable protest activity. Major media outlets and policymakers have leveraged and praised CTP's insights and maps. CTP's maps and updates are being translated into Persian and circulated by protest groups.

To learn more or receive CTP's daily updates, visit [www.criticalthreats.org/analysis/ctp-iran-crisis-updates](http://www.criticalthreats.org/analysis/ctp-iran-crisis-updates).



## Continuity of Government Commission

AEI's Continuity of Government Commission was launched after 9/11 when it became clear that a major catastrophe could halt government operation. The COVID-19 pandemic presented a new set of problems, so AEI Senior Fellow **John C. Fortier**, who served on the original commission, relaunched the commission in 2021. Since then, the commission has issued two reports with formal recommendations for federal policymakers and hosted an AEI public event. Members



of the commission have also testified before Congress.

In January, the House Select Committee on the Modernization of Congress

released its final report of recommendations to help make Congress work better for the American people. In preparing the report, the committee relied on the Continuity of Government Commission's work. Members of the commission testified before the Select Committee in April 2022 and met with Select Committee members several times in 2022 to discuss continuity of Congress issues.

To learn more, visit [www.aei.org/profile/continuity-of-government-commission](http://www.aei.org/profile/continuity-of-government-commission).

## AEI Community Member Spotlight

# Legacy Society Member Craig Woody

Craig Woody, who recently retired from the University of Denver as chief financial officer after 25 years, became a member of AEI's Legacy Society in February 2023. Woody's conviction in the importance of AEI's work motivated him to make an estate plan commitment to benefit AEI's outreach to tomorrow's generation of leaders, including AEI's internship program and campus outreach. The AEI Legacy Society recognizes those supporters who make a long-term commitment to support AEI's work and mission.

*You first became acquainted with AEI in the early 1980s. What is it about AEI's impact that has kept you engaged with our scholarship through the years?*

I think that opinions should be supported by facts. AEI does that.

*What specifically inspired you to direct your gift to the AEI Next Generation Endowment Fund?*

The opportunity for young people to learn from a top-notch organization is a wonderful opportunity that I wish I had 50 years ago. Now I can do something about it with my gift—not for me but for others to benefit from.

*What would you say to encourage others who might be considering updating their will or estate plan to include AEI?*

Philanthropy is something that we can pass on to others. Even through modest gifts, we pass along the type of society that we hope survives, which AEI promotes with its programs.

If you would like to learn about making a planned gift, including bequests, beneficiary designations, and other estate planning strategies, visit [www.aei.org/donate-about/planned-giving](http://www.aei.org/donate-about/planned-giving) or contact Christopher Grozev, senior director of development (914.494.4978; [Chris.Grozev@aei.org](mailto:Chris.Grozev@aei.org)).

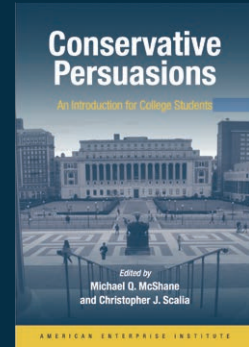
## Applications Open for Summer Honors Program for College Students

Academic Programs is currently recruiting for its flagship Summer Honors Program, an intensive, fully funded educational and professional development opportunity at AEI headquarters in Washington, DC. Program participants have the chance to connect with AEI's ideas, research, and network by participating in a one-week seminar with an AEI scholar or partner instructor. Courses offered this year include "Technology's Challenge to Democracy" with **Christine Rosen**; "Freedom, Progress, and Tradition" with **Yuval Levin**; "Living the Good Life: The Human Person and Liberal Education" with



David and Elizabeth Corey; and "China and Competition in the Indo-Pacific" with **Zack Cooper**.

To learn more or recommend a student, visit [www.aei.org/summer-honors-program](http://www.aei.org/summer-honors-program).



## New Volume Introduces College Students to Conservative Thought

AEI Senior Fellow and former Director of Academic Programs **Christopher J. Scalia** collaborated with AEI Adjunct Fellow **Michael Q. McShane** to commission and publish a new edited volume to introduce students to the key ideas that have shaped conservative thought. *Conservative Persuasions* includes essays from McShane on human dignity, **Yuval Levin** on the conservative disposition, **Matthew Continetti** on civil society, Mary Eberstadt on religious belief, and **John Yoo** on the Constitution.

This volume will boost Academic Programs' efforts to introduce college students—many of whom only ever hear a defense of progressive thought and policy—to the foundations of conservative thought. Academic Programs will distribute the volume to participants in its programming throughout this year.

To learn more or share the book, visit [www.conservativepersuasions.com](http://www.conservativepersuasions.com).



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