

# AEI Enterprise Report

Restoring Liberty, Opportunity, and Enterprise in America



## The Importance of Germany

By Robert Doar

Germany is the hinge nation that could determine whether the West prevails in its contest with China and Russia.

That's the conclusion I came to after two trips to Europe in the past year and many conversations with AEI scholars, including **Hal Brands**, **Dalibor Rohac**, and **Kori Schake**.

Before reaching Germany, my most recent trip first took me to the Balkans. I visited Skopje in North Macedonia at the invitation of **Mike Zafirovski**, who leads Macedonia2025, an economic development nonprofit he started in 2007 to help the country of his birth. From there, I went to Munich and immediately saw the difference between an emerging, developing democracy escaping Communism's long shadow and a mature nation leading a flourishing, affluent society.

German leaders in business and politics are acutely aware of their potential role in the world. They are proud of their economic strength and comfortable siding with the US in the war in Ukraine and the ideological contest with China.

"Of course, we are on the side of Ukraine," one leading politician told me, "and obviously China is a flawed, authoritarian nation." A businessman who does significant business in China said, "We knew there was something wrong just by observing how



Robert Doar greets Oksana Markarova, Ukraine's ambassador to the United States, before an event at AEI in February.

our expats live in China—in walled-off, exclusive enclaves to keep them away from Chinese citizens. And then we saw how the CCP handled COVID, and their authoritarian nature was clearer than ever.”

German leaders know which side is right. They are confident they could lead well, but they still hesitate—not as much as in the past, but that hesitation is still there. It’s fading, though. My own view is that Germany should step up. If it does, the West will win much sooner than if it holds back.

Since my return from Munich, news has been encouraging, signs that Germany is stepping up. On May 13, the *New York Times* reported that Germany committed its largest aid package to Ukraine yet, sending \$2.95 billion in arms to bolster the country’s defense against Russian aggression.

The Balkans are another matter entirely. Plagued by corruption, cronyism, and an overreliance on the state, the region is struggling with unemployment and slow growth. But there is much upside potential. It is promising that all the Balkan states—including Albania, Bosnia and Herzegovina, Croatia, Kosovo, North Macedonia, Serbia, and Slovenia—are eyeing each other, competing to see which emerges with the most stable politics, friendliest business environment, best educational institutions, and lowest levels of corruption. This competition is good. This may be too bold, but I bet that in 25 years, the Balkan country that most successfully gets its act together will be among the leading nations of Europe in per capita gross domestic product.

That’s a lot of world politics from a former social services administrator from Brooklyn. But in order to lead AEI forward, this broader perspective is required. Not expertise—that’s for our scholars—but exposure to and appreciation of the fact that we live in a world community and, of course, always have. America’s relationship with the rest of the world has direct bearing on human flourishing here at home.

Human flourishing in America depends on domestic issues too. It depends on the endurance of the American dream—that if you work hard and play by the rules, you can secure a better life and better opportunities for yourself and your children. That aspiration and the challenges it now faces from the left and the right are why AEI’s **American Dream Initiative** has become such a big priority for our organization.

Since I last wrote about the American Dream Initiative, we’ve made significant progress on its core programs.

At the beginning of May, we launched the **Center on Opportunity and Social Mobility**. This launch came with a flurry of new reports and articles by **Kevin Corinth**, **Angela Rachidi**, and **Scott Winship**. These works all included novel contributions to the scholarly literature on social capital, poverty measurement, and safety-net policy. Rachidi’s report, revealing the adverse health and employment outcomes of food stamp recipients, inaugurated a new research series called **AEI Perspectives on Opportunity**, modeled after **AEI Economic Perspectives**, which many of you know and love.

On May 4, Corinth, Winship, and their team at the center hosted a full day of panels and lectures, featuring past and present AEI scholars, including **William A. Schambra** and **Robert Woodson**, to discuss the social breakdown affecting Americans and limiting their mobility and opportunity. It was another example of what we do best: bringing great minds together to discuss our country’s toughest problems and develop solutions.

Overall, this project connects to our belief in our country’s founding ideals. We believe that the American system of free enterprise and limited, constitutional government provides the most opportunity for the most people, and we want to preserve and enhance it. Protecting this system is the best way to uplift those Americans in need of opportunity and ensure the prosperity of future generations.

Thank you for your support of AEI. It makes our work to help our country and world possible.

A handwritten signature in black ink, appearing to read 'R. Doar'.

# AEI Gathers Top Students for Summer Honors Program



In June, AEI is hosting 240 students from 128 colleges and universities across 10 countries for the 13th annual Summer Honors Program. The Summer Honors Program is one of the premier academic opportunities for college students who care about public policy and want to learn about conservative ideas. This fully funded, weeklong opportunity gathers students from diverse ideological backgrounds for a series of discussion-based seminars that offer participants the forum to delve deeply into policy areas of their choice. Outside the seminars, students participate in briefings with distinguished guests, high-level networking opportunities, and site visits in Washington.

Each student participates in courses taught by AEI scholars and guest instructors, including

- “Political Brokenness and Cultural Alienation: Civil Society in America,” by **Timothy P. Carney**;
- “China and Competition in the Indo-Pacific,” by **Zack Cooper**;
- “American Unity and the Promise of Pluralism,” by **David French**;
- “Freedom, Progress, and Tradition,” by **Yuval Levin**;
- “More Than a Paycheck: Work and Dignity in a Rapidly Changing Economy,” by **Brent Orrell**;
- “The American Safety Net: Work, Poverty, and Opportunity,” by **Angela Rachidi**;
- “Technology’s Challenge to Democracy,” by **Christine Rosen**;
- “Understanding the Middle East Challenge,” by **Michael Rubin**;
- “War and Decision-Making,” by **Kori Schake**;
- “Democratic Capitalism: Principles and Practices,” by **Michael R. Strain**; and
- “The Constitution: Original Meanings and Modern Times,” by **John Yoo**.

Students will also hear from a variety of guest speakers including Russell Moore (*Christianity Today*), Amanda Ripley (*Atlantic*), Sen. Mitt Romney (R-UT), and AEI scholars **J. Joel Alicea**, **Michael Beckley**, **Karlynn Bowman**, **Mackenzie Eaglen**, **Chris Stirewalt**, **Ryan Streeter**, and **Shane Tews**.

Visit [www.aei.org/academic-programs](http://www.aei.org/academic-programs) to learn more.

## What past Summer Honors participants have said:

*“The best part of the program was the ability to truly pursue education in an environment that not only supports but encourages free academic inquiry. I have never felt more comfortable in expressing my ideas in my life—and I am moderately liberal.”*

*“Never stop doing this program. It made my summer.”*

## Summer Honors Program by the Numbers

**7** students each from Columbia University and Georgetown University

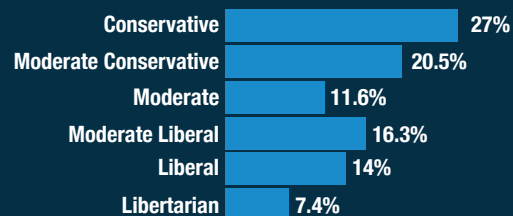
**6** students each from University of Notre Dame and Baylor University

**5** students each from Cornell University, Harvard University, and Washington University in St. Louis

**4** students each from Claremont McKenna College, Clemson University, Texas A&M University, University of Chicago, University of Pennsylvania, University of South Carolina, University of Texas at Austin, and University of Virginia

**Average GPA: 3.9**

### Ideological Identity





Center on  
**Opportunity and  
Social Mobility**

## New AEI Center Dedicated to Opportunity

AEI's recently launched Center on Opportunity and Social Mobility (COSM) is continuing to grow its scholar ranks with the addition of Adjunct Fellow **Leslie Ford**, who will specialize in welfare, poverty, inequality, and hunger and food programs.

Led by AEI scholars **Scott Winship** and **Kevin Corinth**, COSM serves as a hub of activity at AEI and in Washington for rigorous scholarship related to poverty and opportunity—all undergirded by a commitment to personal responsibility and agency. Center affiliates include **Robert Doar**, **Howard Husock**, **Brent Orrell**, **Angela Rachidi**, **Naomi Schaefer Riley**, **Ian Rowe**, **Paul Ryan**, and **Matt Weidinger**.

In addition, in May, COSM launched “The Social Breakdown,” a new research series dedicated to the study of social capital, with a daylong event at AEI. The event featured panelists and speakers including Sen. Mike Lee (R-UT), Isabel Sawhill (Brookings Institution), William Schambra (Hudson Institute), and Robert Woodson (Woodson Center), for a discussion that highlighted AEI’s long history of studying mediating structures and civil society, how government crowds out civil society, and how to renew trust in our shared institutions.

Over the next year, COSM will produce rigorous research and develop policy that can reduce entrenched poverty, increase upward mobility, and rebuild social capital through several projects, including:

- **State Policy Database.** COSM will launch a regularly updated database of effective state-policy solutions that will not only track policy developments including state legislation, executive orders, state programs, and other stage actions but also maintain detailed descriptions of what policy has been successful at the state level.
- **AEI Perspectives on Opportunity.** COSM will curate a new series of policy reports including theoretical analysis of issues related to opportunity in the United States and evidence-based policy proposals to expand opportunity, promote upward mobility, and strengthen social capital.
- **Doing Right by Kids.** COSM Director Winship will release an edited volume titled *Doing Right by Kids*, which will include contributions from AEI scholars and outside experts focused specifically on creating a mobility agenda for America’s children.

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

### New AEI Scholar Leslie Ford



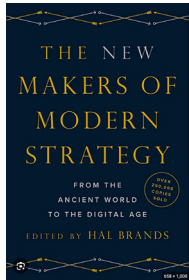
New AEI Adjunct Fellow **Leslie Ford** was most recently a visiting fellow in the Center for Health and Welfare Policy at the Heritage Foundation, where she specialized in welfare, poverty, inequality, and hunger and food programs. She previously served in the Trump administration as a domestic policy adviser and special assistant to the president from 2018 to 2020. Before her work in the White House, Ford was a legislative adviser to Sen. Mike Lee (R-UT) on Capitol Hill.

## Timeline of AEI’s Impact on Welfare Policy

- **1965**  
AEI published *Poverty: Definition and Perspective* (AEI Press) by Rose Friedman. The Census Bureau later embraced alternative definitions of poverty thanks in part to decades of work at AEI.
- **1974**  
PBS broadcasted **AEI’s Distinguished Lecture Series on the Bicentennial of the United States** at important historic locales around the country. Topics included “Welfare and Opportunity in the New Nation,” delivered by the sociologist Seymour Martin Lipset.
- **1977**  
AEI released *To Empower People: From State to Civil Society*, by Peter Berger and Richard John Neuhaus, on the importance of mediating institutions.
- **1988**  
A group of scholars, led by Michael Novak, published *The New Consensus on Family and Welfare: A Community of Self-Reliance*, which included a work recommendation and became the basis for welfare reform in 1996.
- **1996**  
Congress passed the **Welfare Reform Act**, signed by President Bill Clinton and inspired by AEI scholar Charles Murray’s work on welfare reform. This legislation helped start a decline in poverty (especially child poverty) that continues to the present day.
- **2014**  
**Robert Doar** joined AEI and started our poverty studies program. Doar, along with Lawrence Aber, Jonathan Haidt, and Ron Haskins, established the AEI-Brookings Working Group on Poverty and Opportunity dedicated to finding bipartisan solutions to poverty in America.  
  
**Rep. Paul Ryan (R-WI)** chose to unveil a new national poverty plan at an AEI event.
- **2015**  
The first major report from the AEI-Brookings Working Group, *Opportunity, Responsibility, and Security: A Consensus Plan for Reducing Poverty and Restoring the American Dream*, was released, shaping policy debates on welfare policy.
- **2016**  
**Nicholas Eberstadt** published *Men Without Work: America’s Invisible Crisis* (Templeton Press), revealing a new crisis of men leaving the workforce.
- **2017**  
AEI released *This Way Up*, an influential compendium of new thinking about poverty and opportunity.
- **2019**  
Former House Speaker Ryan joined the AEI poverty studies team.
- **2023**  
AEI founded the **Center on Opportunity and Social Mobility**, led by Scott Winship and Kevin Corinth.

# AEI Scholars Release New Books on Congress, Education, and Modern Strategy

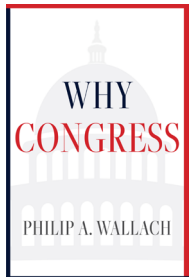
AEI scholars will publish and promote several books in the coming months, covering a wide range of topics including foreign policy, governing institutions, and education improvement. Highlights include:



## **The New Makers of Modern Strategy: From the Ancient World to the Digital Age** (Princeton University Press, 2023).

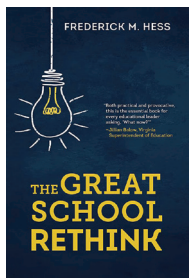
**Hal Brands's** new edited volume provides definitive work on strategy and key figures who have shaped the theory and practice of war and statecraft throughout the centuries. Featuring contributions from major scholars and historians, including John Lewis Gaddis (Yale University), Margaret MacMillan (Oxford University), **John Maurer** (AEI), Walter Russell Mead (Hudson Institute), and **Kori Schake** (AEI), the volume draws timely and relevant lessons from history's most influential strategists. Learn more about the volume here:

[www.aei.org/modern-strategy](http://www.aei.org/modern-strategy).



## **Why Congress** (Oxford University Press, 2023). **Philip Wallach's**

recently released book, *Why Congress*, covers the past, present, and future of Congress to understand how it has become so dysfunctional and how it might be restored. The book examines several key questions: What does a working Congress look like? How did Congress get broken? What are the consequences of a broken Congress? The book has already been positively reviewed in the *Washington Post*. Wallach will speak extensively about the book on campuses, podcasts, and television appearances throughout the summer and fall. You can learn more about the book here: [www.whycongressbook.com](http://www.whycongressbook.com).



## **The Great School Rethink** (Harvard Education Press, 2023).

In his most recent book, *The Great School Rethink*, **Frederick M. Hess** explores how the uncertainty of the pandemic offers an ideal moment to reimagine US education on issues including how to use time and talent, the role of parents, what to do with digital tools, and how to meet community needs. Learn more about the book here: [www.aei.org/school-rethink](http://www.aei.org/school-rethink).



**National Affairs.** The spring 2023 issue of *National Affairs* features essays from **Nicholas Eberstadt** on the geography of work, **Howard Husock** on citizenship and districting, Harvey Mansfield (Harvard University) on conservatism and the common good, **Robert Pondiscio** on teachers and conservatism, **Sally Satel** on opioids in Appalachia, **Philip Wallach** on the presidency, and more. Visit [www.nationalaffairs.com](http://www.nationalaffairs.com) to read more.



## AEI Launches New Fellowship Dedicated to Civic Renewal

*"I learned that there are many like-minded people like me trying to actively make a change. That is extremely reassuring. [It] gives me hope and will keep me moving forward with my efforts."*

—AEI Civic Renewal Fellow

In February, AEI hosted the first-ever cohort of the Civic Renewal Fellowship, which brings together 20 competitively selected leaders who are dedicated to rebuilding civic institutions in their communities. The fellowship is more than just an academic exercise: Each fellow is required to complete a project in their community that will bring people together and help restore the building blocks of our political and social lives. The event celebrating the fellowship featured dinner discussions with **Timothy P. Carney** on institutions in local communities, **Robert Doar** on public service, and **Yuval Levin** on the core themes of his book *A Time to Build: From Family and Community to Congress and the Campus, How Recommitting to Our Institutions Can Revive the American Dream* (Basic Books, 2020).



# with Dan Blumenthal and Frederick W. Kagan



Frederick W. Kagan



Dan Blumenthal

**The Coalition Defense of Taiwan** is a new project that pairs **Dan Blumenthal's** leading Asia expertise with **Frederick W. Kagan's** rigorous military planning exercise methodology. This partnership between AEI and the Institute for the Study of War (ISW) will supply new insights into China's ongoing coercive campaigns against Taiwan, the United States, and America's allies. Blumenthal and Kagan have trained the research and analytical teams in a "levels of war" framework to analyze Beijing's activities at the strategic, operational, and tactical levels. Five researchers at AEI and three analysts at ISW will investigate Chinese leadership structures and decision-making while tracking Chinese information operations and military activity. The project will perform superior analysis of Chinese actions and forecast future Chinese decisions. Over the next year, the project will continue to reframe the policy debate and make concrete recommendations to policymakers and the US military that help America defend Taiwan.

To follow this work, visit [www.aei.org/coalition-defense-of-taiwan](http://www.aei.org/coalition-defense-of-taiwan).

**Many are concerned that China might invade Taiwan in 2027. What can the US do over the next five years to counter China? What do most policymakers and analysts get wrong in debates about countering China?**

The conviction that a Chinese invasion is imminent is overwrought. Xi Jinping might invade, but he is pursuing other means to gain control of Taiwan as well. The US must be able to deter an invasion, but that's not enough. We must also help the Taiwanese resist Beijing's persuasion and coercion campaigns. US policymakers are focusing too narrowly on one way China could win and must pay more attention to the others.

**Many of your former research assistants and analysts are currently serving in key positions. Why do you think the Critical Threats Project and AEI provide such a great launchpad for young leaders?**

We attract talented, mission-oriented young people to our teams because we invest in them and give them opportunities to make an impact early in their careers. They want to affect policy, and we give them an opportunity to do that. They get rigorous training and develop the analytical and communications skills relevant to government policymaking positions.

**How does your project methodology lend itself to addressing the threat to Taiwan?**

We are contextualizing Beijing's fundamental calculus regarding its objectives and what price it is willing to pay to accomplish its objectives regarding Taiwan. China has many grand strategic objectives for which unifying Taiwan is not necessary. It believes that time is on its side when it comes to displacing the US as the world's leader. It has to take that into account as it decides whether to start a war over Taiwan. Our project is assessing Beijing's decision calculus, its possible course of action to have its way with Taiwan short of a full-scale war, and under what conditions it would decide that war is necessary.

**How are you trying to shape the debate about countering China?**

We are providing assessments of how China behaves as a strategic actor that are not speculative, but informed by how China has already accomplished key goals such as expanding its maritime influence in the South China Sea and East China Sea. We are assessing how it engages in comprehensive coercion against Taiwan daily to shape our decisions and judgments. Our assessments should lead to comprehensive counter-coercion strategies.

*Frederick W. Kagan is the director of AEI's Critical Threats Project. Dan Blumenthal is an AEI senior fellow focusing on East Asian security and Sino-American relations.*

*Please contact Jason Bertsch [jbertsch@aei.org](mailto:jbertsch@aei.org); 202.862.5873 if you are interested in supporting this crucial work.*

# State and Local Leaders Join 21st Leadership Network Cohort



On April 26–28, AEI convened the 21st cohort of the Leadership Network at AEI headquarters in Washington, DC. Sixty-one leaders attended from 23 states across the country. Attendees included nonprofit and community leaders, elected officials, leaders in state and local policy, free-market think-tank leaders, foundation executives, lawyers, and business leaders. Participants heard from AEI scholars including **Kevin Corinth, Nicholas Eberstadt, Frederick M. Hess, Yuval Levin, Brent Orrell, Angela Rachidi, Chris Stirewalt, Michael R. Strain, Ryan Streeter, and Scott Winship.**

## Post-Summit Survey

The average summit rating was nine out of 10.

**93%** of respondents would recommend this program to their peers.

**91%** of respondents said their knowledge of the American dream increased as a result of summit programming.

**85%** of respondents would like to help AEI spread its mission principles of freedom, opportunity, and free enterprise in their community.

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*"I liked the new ideas that challenged conventional wisdom. The speakers went well beyond the usual arguments offered in politics and government."*

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*"Multiple sessions were transformative in how I think about my community and how to lead within it—Rick Hess, Yuval Levin, Tim Carney, and Chris Stirewalt in particular."*

The AEI Leadership Network now numbers more than 1,500 members nationwide. Visit [www.aei.org/leadership-network](http://www.aei.org/leadership-network) to learn more.

## FREE Forum Promotes Principles of Personal Agency



In March, AEI partnered with the Sutherland Institute to host the third FREE Forum in Salt Lake City, Utah. The FREE Forums are a pillar of AEI's FREE Initiative—a project led by **Ian Rowe** and designed to educate and inspire a rising generation of leaders who are equipped to strengthen local institutions and build agency in the next generation.

There were 135 local and national leaders representing the policy, nonprofit, and business community, alongside community service providers, who attended the forum, which included AEI scholars **John Bailey, Timothy P. Carney, and W. Bradford Wilcox.**

## Post-Forum Survey

The average forum rating was nine out of 10.

**89%** of respondents said that after attending the FREE Forum, they are more likely to promote the principles of family, religion, education, and entrepreneurship and their essential role in building agency in young people in their communities.

**89%** of respondents said they were leaving the forum with new ideas for actionable steps to take in their circle of influence related to the concepts of FREE.

Visit [www.aei.org/free](http://www.aei.org/free) to learn more.

## Save the Date

# AEI Annual Dinner and Irving Kristol Award



On November 7, 2023, AEI will hold the Annual Dinner and Irving Kristol Award Ceremony at the National Portrait Gallery in Washington, DC. Please contact Sean McGilley (sean.mcgilley@aei.org; 202.862.5949) for information about sponsorship opportunities.

The Irving Kristol Award is the highest honor conferred by AEI. AEI annually recognizes an individual who has made exceptional intellectual and practical contributions to improve government policy, social welfare, or political understanding.

Visit [www.aei.org/irving-kristol-award](http://www.aei.org/irving-kristol-award) to learn more about past Irving Kristol Award recipients.



Troy and Elizabeth Fowler Receive Harlan Crow Award.

*“What sets Troy and Elizabeth apart has been their shared vision for what the AEI community can be and their commitment to realizing that vision. They have exemplified how AEI’s friends can be standard-bearers for our mission and help us reach people outside of Washington, DC, or our major gatherings.”*

—Robert Doar

## AEI Honors Troy and Elizabeth Fowler for Building AEI Community

In March, AEI awarded the Harlan Crow Community Builder Award to longtime leaders in the AEI community, Triad Foundation directors Troy and Elizabeth Fowler. The award recognized the many contributions the Fowlers have made to AEI for more than a decade, including providing key early guidance on what would become the AEI National Council, formalizing AEI’s Regional Councils (which now include 13 chapters across the country), and building out AEI’s thriving community in Tampa Bay, Florida. They have generously supported many initiatives at AEI, including outreach on college campuses, the AEI internship program, and new communications initiatives.

The Community Builder Award was created to honor longtime AEI trustee Harlan Crow. It is granted to leaders who most exemplify Crow’s incredible record of community building in and around AEI. Award recipients have made a significant contribution to the growth and flourishing of AEI as an Institute by bringing people together and attracting new members to our community who share our mission and ideals.

## Make Free Enterprise Your Legacy

For more than 80 years, AEI scholars have been tackling our nation’s greatest challenges by producing work that bolsters free enterprise and innovation, strengthens our communities, defends our nation’s founding values, and revitalizes America’s leadership in the world. One of the best ways you can ensure that AEI can carry out this mission far into the future is by including AEI in your life and estate plans. Planned gifts provide AEI with long-term financial stability, guaranteeing the Institute has the means to continue our important work for years to come. If you would like to learn about making a planned gift, including will or trust provisions, charitable remainder trusts, and charitable lead trusts, please visit [www.aei.org/donate-about/planned-giving](http://www.aei.org/donate-about/planned-giving) or contact Jason Bertsch (jbertsch@aei.org; 202.862.5873).

## Paul Lettow Joins AEI Foreign and Defense Policy Team



**Paul Lettow** recently joined AEI’s Foreign and Defense Policy team as a senior fellow focusing on US foreign policy, US grand strategy, and strategic competition with China and Russia.

Before joining AEI, Lettow served on the National Security Council staff at the White House as senior director for strategic planning. In addition, he was senior adviser to the under secretary of state for democracy and global affairs in the State Department.

He is the author of *Ronald Reagan and His Quest to Abolish Nuclear Weapons* (Random House, 2005) and several important articles and book chapters. To follow his work, visit [www.aei.org/lettow](http://www.aei.org/lettow).



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