

From Occupation to Reclamation:

Building support for government's role in a more equitable economy

Patrick Bresette – pbresette@demos.org



www.publicworkspartners.net

Public Works: The Dēmos Center for the Public Sector

**Public support for a
government dedicated to the
common good and empowered
to address the challenges and
opportunities of the 21st
Century.**



**Where we are
today . . .**

The State Level Context is Daunting

- Record state **shortfalls continue**
- State programs and services have already faced **devastating cuts**
- There is **real harm** to people and communities, growing hardship
- **Real uncertainty** about a recovery and the ongoing impact on funding for public services
- ***But . . . new attention*** to disparities, inequalities and struggling families and communities

Current Moment as an Opportunity

- Possible to present stark choices
- Clear impacts of new budget choices and other policy changes
- Public and media attention



Growing Attention to Economic Inequality *(Thanks #OWS)*



Growing sense that the game is rigged

“... I have always been fascinated by the apparent tolerance in the United States for a huge gap between rich and poor. Survey data from a few years ago show that this tolerance has been due to the American public's strong belief that you can be poor today but rich tomorrow, that your children will do better than you, and that anyone who works hard and has a certain amount of talent can make it in America ...

Now it seems many Americans have decided that playing by the rules doesn't work ...

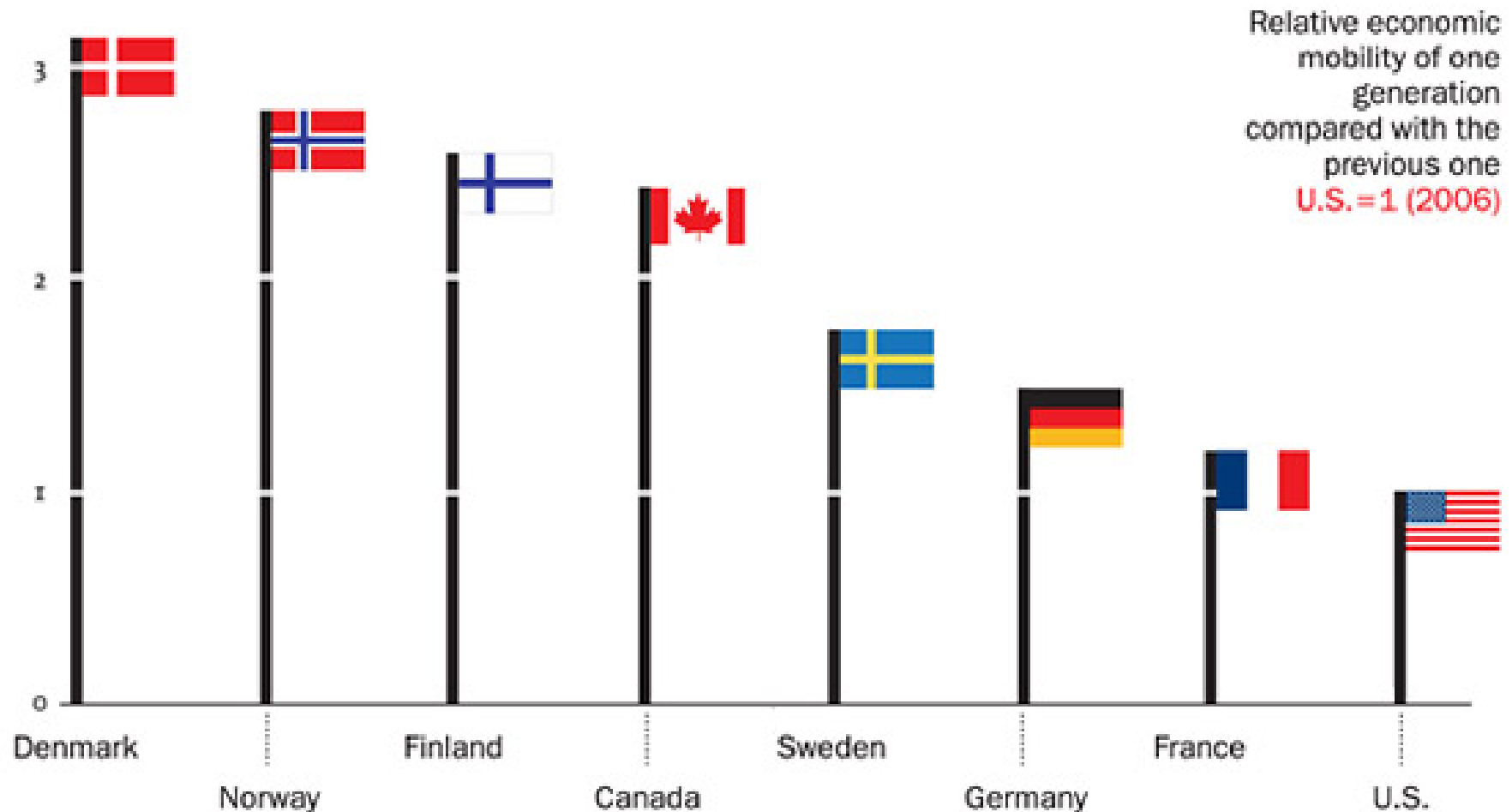
It is not the outcomes they complain about but the fact that the game itself is not fair.”

- Isabel Sawhill, Brookings

<http://www.democracyjournal.org/arguments/2011/10/occupy-wall-street-and-the-demise-of-the-american-dream.php>

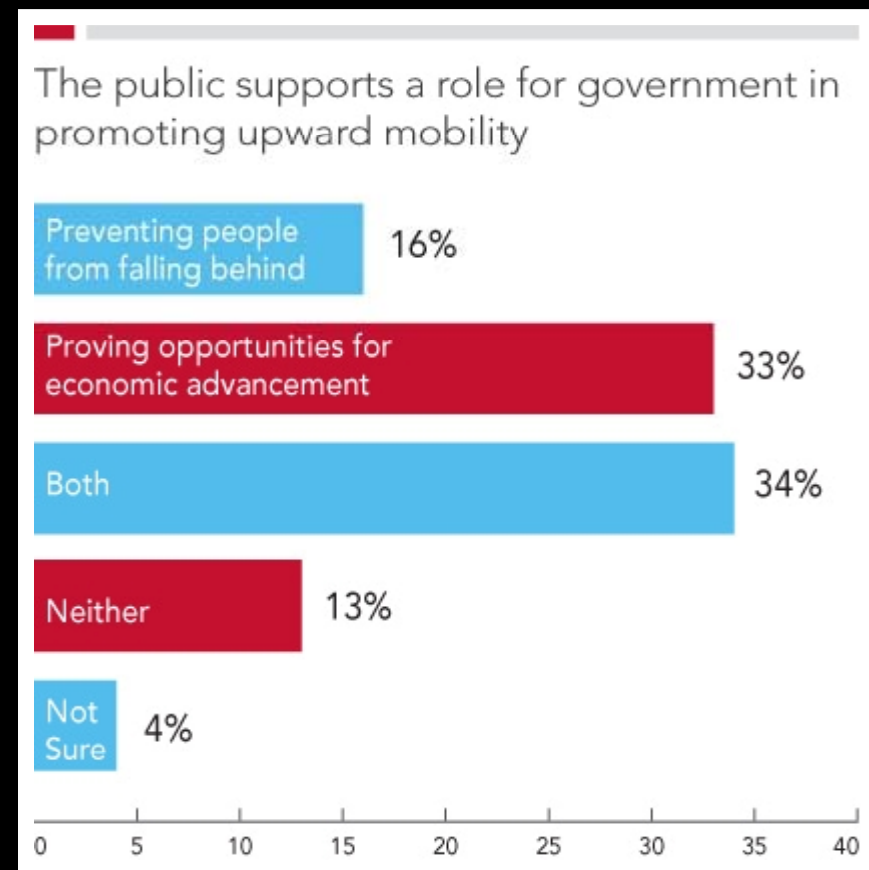
Why We're Falling Behind

The U.S. trails other Western industrialized nations in many of the key areas that influence a person's prospects for economic mobility



Americans want the government to play a role in promoting economic mobility

An overwhelming **83 percent** want the government to either provide opportunities for the poor and middle class to improve their economic situations, prevent them from falling behind or both.



However, Americans believe the government is currently doing an ineffective job.

2011 - The Pew Economic Mobility Project

Do you think the government does too much, not enough, or about the right amount for the following people?

1. Older people



2. Middle class people



3. Children



4. Poor people



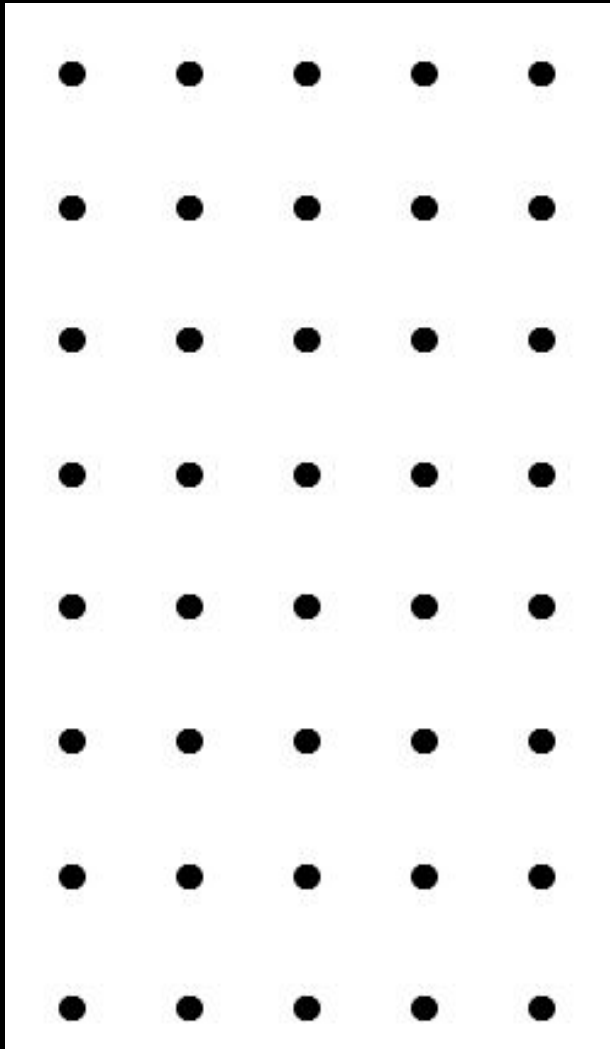
5. Wealthy people



Source: Sept. 22- Oct. 4, 2011 Pew poll.

Not doing enough for those most affected by the economic downturn

How do we Connect the Dots . . .



Between . . .

- people's desires for **less inequality** and more **broadly shared prosperity**
- the desires they have for their **communities**

And . . .

- the **public tools and resources** necessary to achieve these aspirations.

What's Going On



Parallel Challenges

- Mission and purpose obscured
- No system awareness
- Limited sense of personal role

Government

The Economy

A “Natural Economy”

Based on this latest survey, most Americans believe that the U.S. economy won't reach **placid waters** for some time. But as they struggle to **steer through the rapids**, each major group in society increasingly appears to be piling into its own boat. And more and more of us feel as if we are paddling alone.

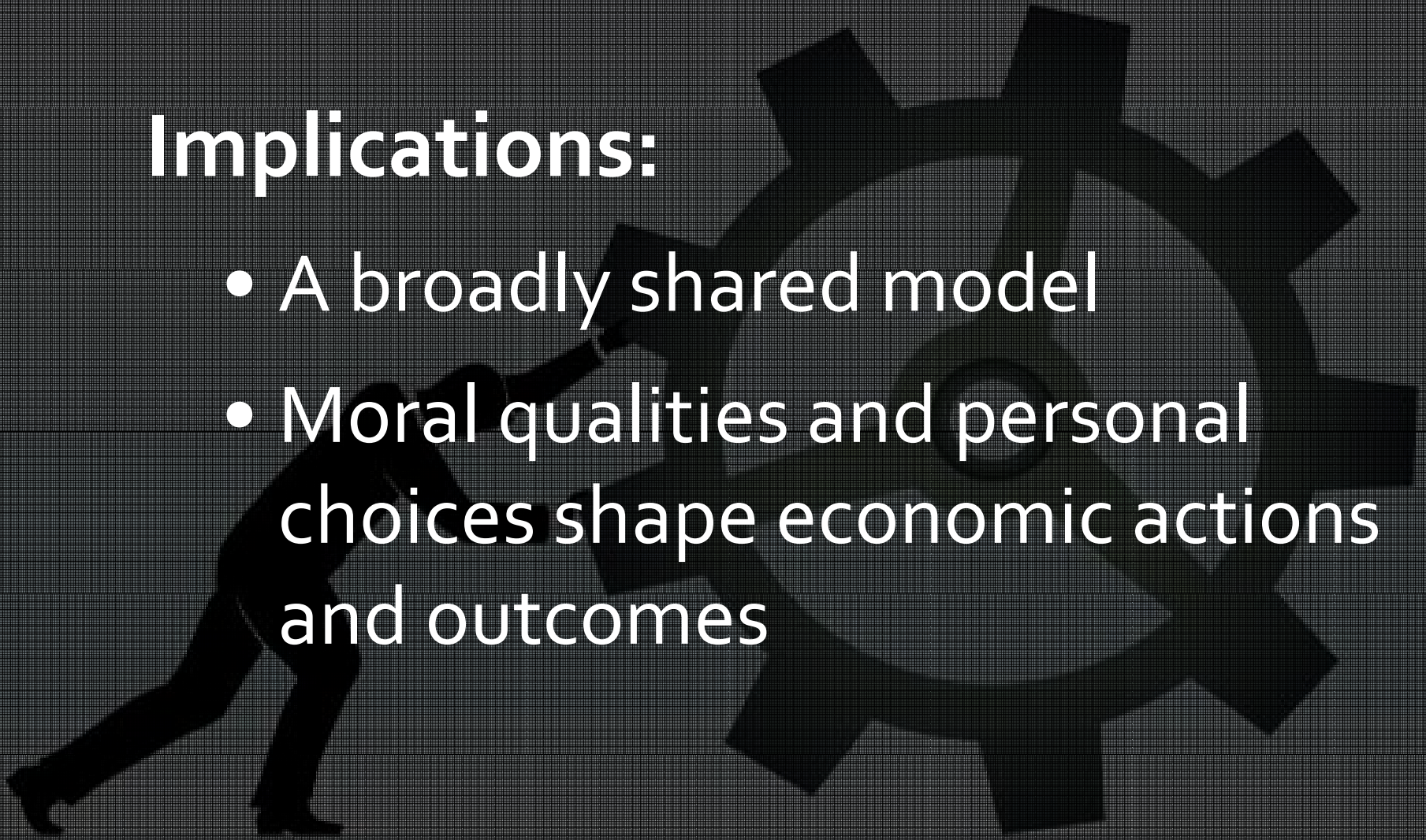
*Paddling Alone On The Economic Rapids
Allstate/National Journal Poll - Saturday, Oct. 10, 2009*



The Individual Actor Economy

Implications:

- A broadly shared model
- Moral qualities and personal choices shape economic actions and outcomes



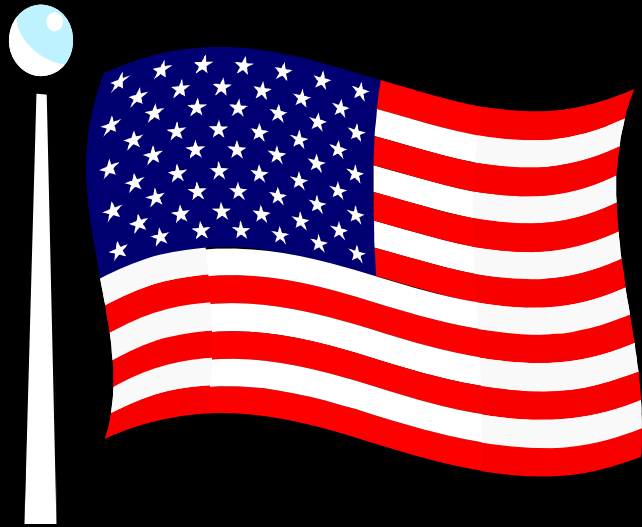
Inequality Happens



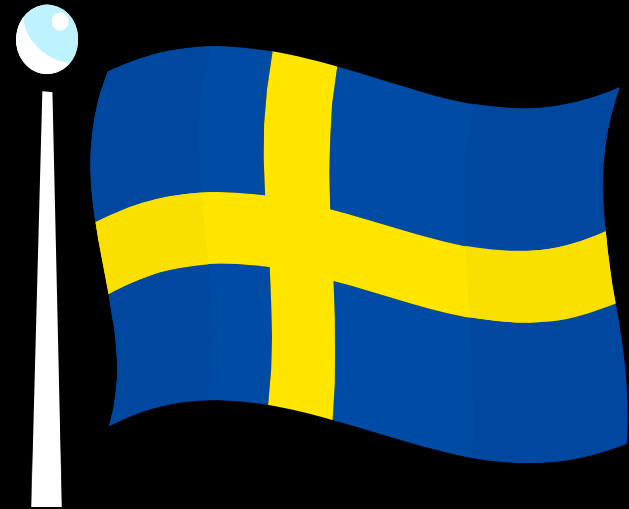
Inequality Happens



Americans would prefer Sweden's Level of Inequality



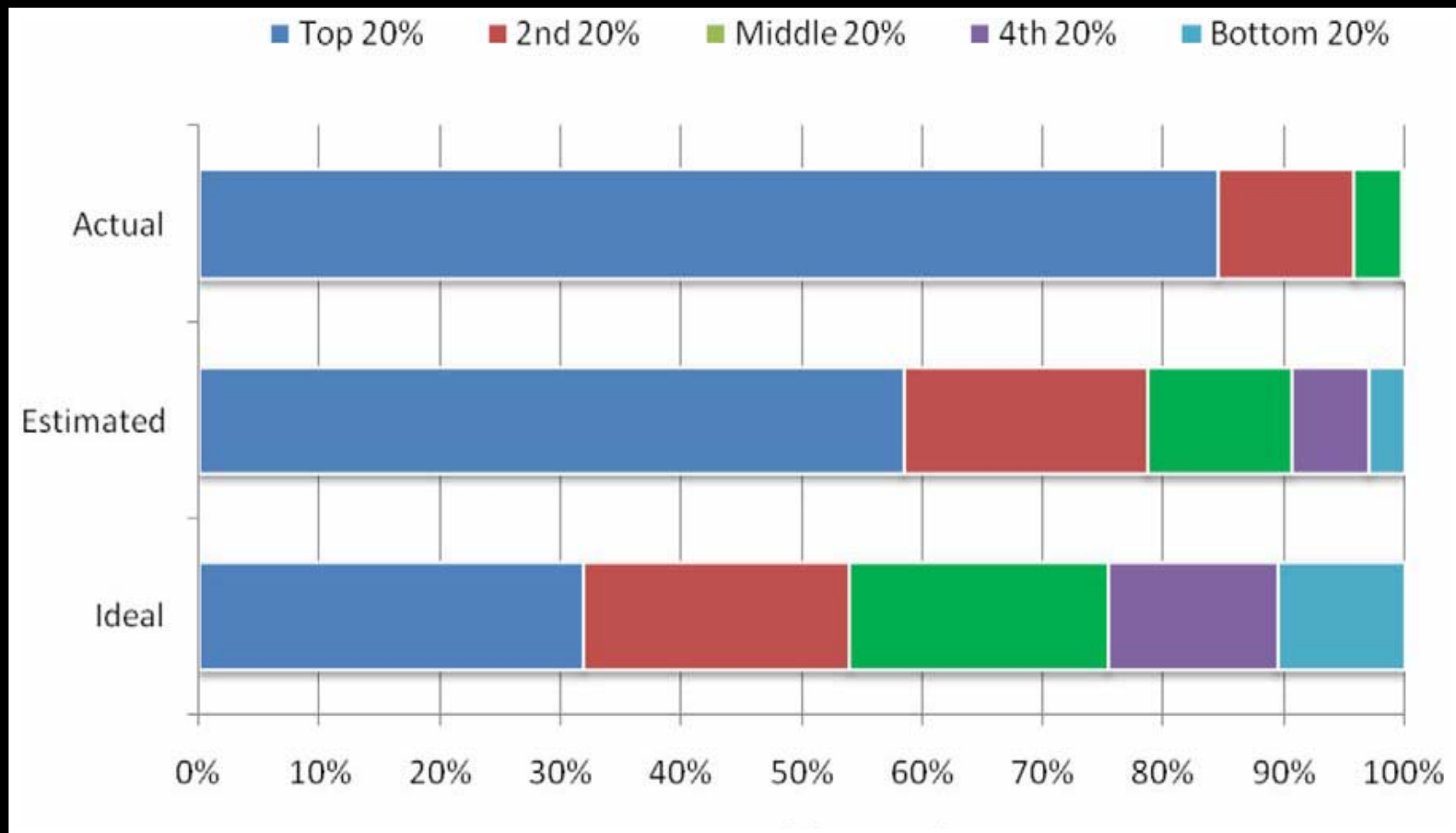
Top Quintile has 84% of Wealth



Top Quintile has 36% of Wealth

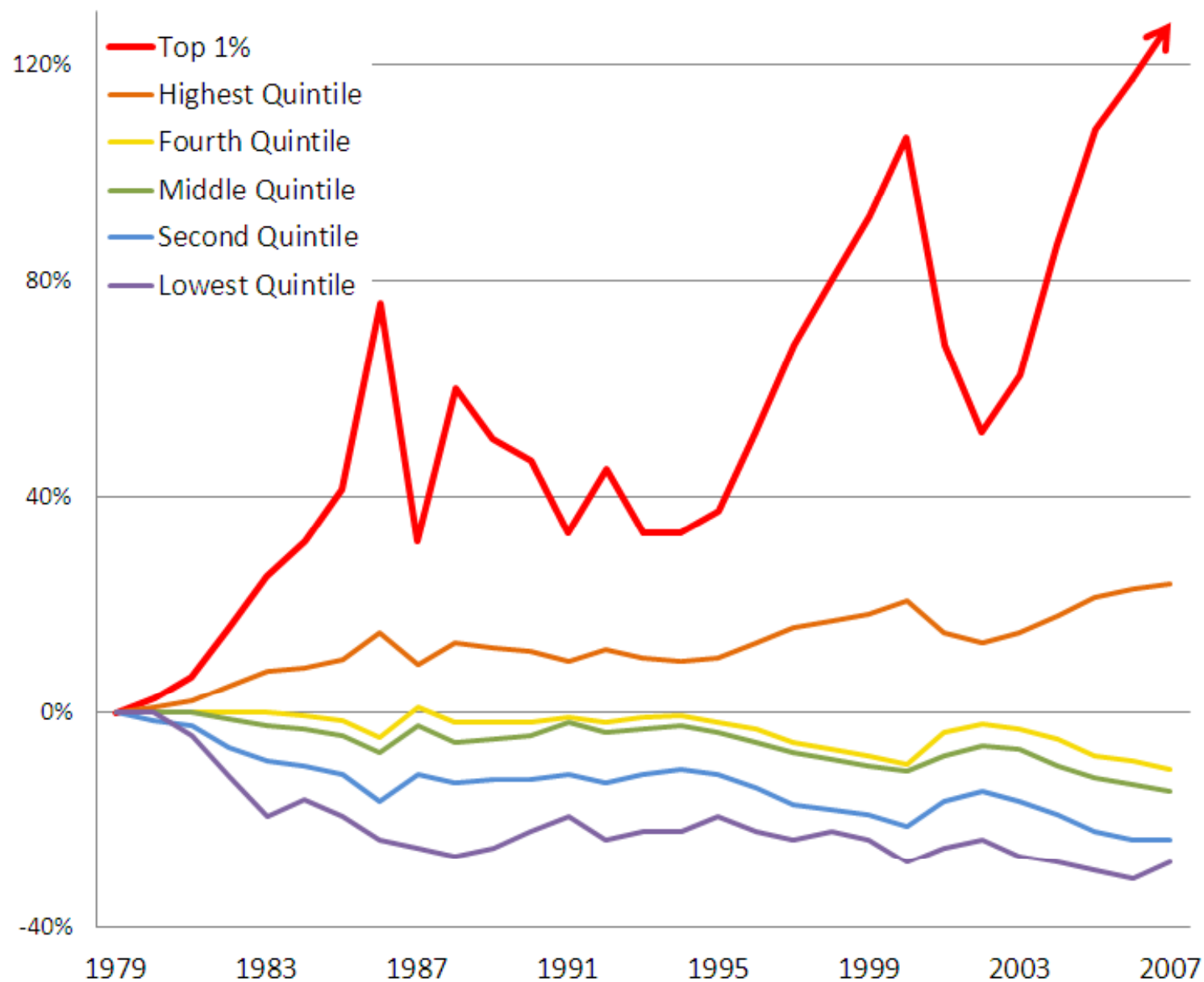
<http://www.people.hbs.edu/mnorton/norton%20ariely%20in%20press.pdf>

Americans' Perceptions of Inequality



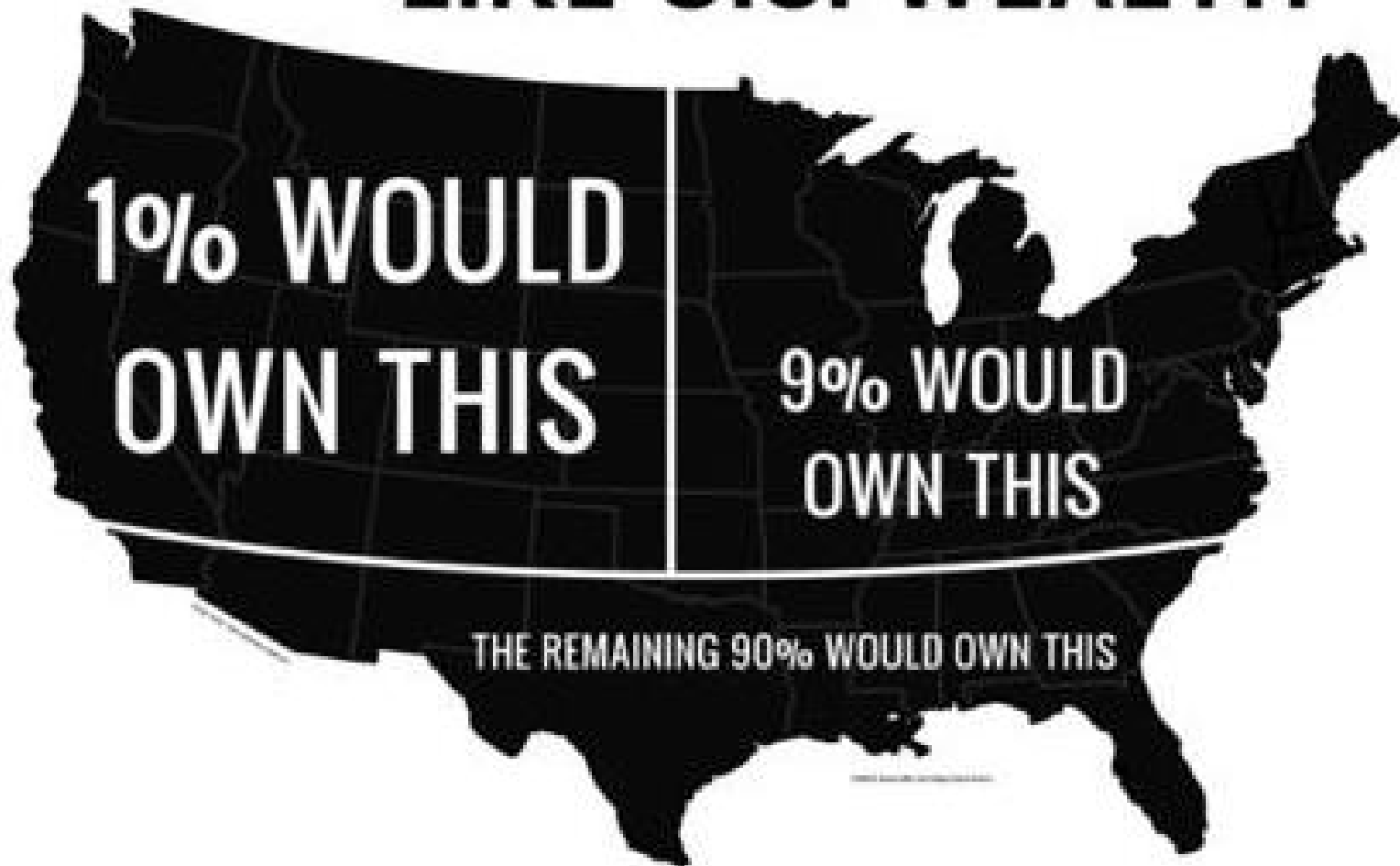
Change In Share of Income

1979 - 2007, After Taxes



Source: Congressional Budget Office

IF U.S. LAND WERE DIVIDED LIKE U.S. WEALTH



**DEAR 1%,
WE FELL ASLEEP
FOR A WHILE.
JUST WOKE UP.
SINCERELY, THE 99%**

OCCUPYWALLST

...TION.

A young boy in a blue t-shirt and jeans is pushing a red lawnmower on a green lawn. The lawnmower is red with a black deck and a black engine. The boy is leaning forward, holding the handle. In the background, there are green bushes and trees.

**I figured out at a
young age the
easiest way to get
money from rich
people**

It's called a JOB

How we talk about Inequality Matters

Discussing Inequality:

Challenges and Recommendations

Joe Grady and Axel Aubrun of Cultural Logic with Berkeley Media Studies Group director Lori Dorfman and Larry Wallack of Portland State University

http://bmsg.org/sites/default/files/bmsg_report_provoking_thought_changing_talk.pdf

Inequality as Barrier:

Ideas to Embrace, Ideas to Avoid

Anat Shenker Osorio

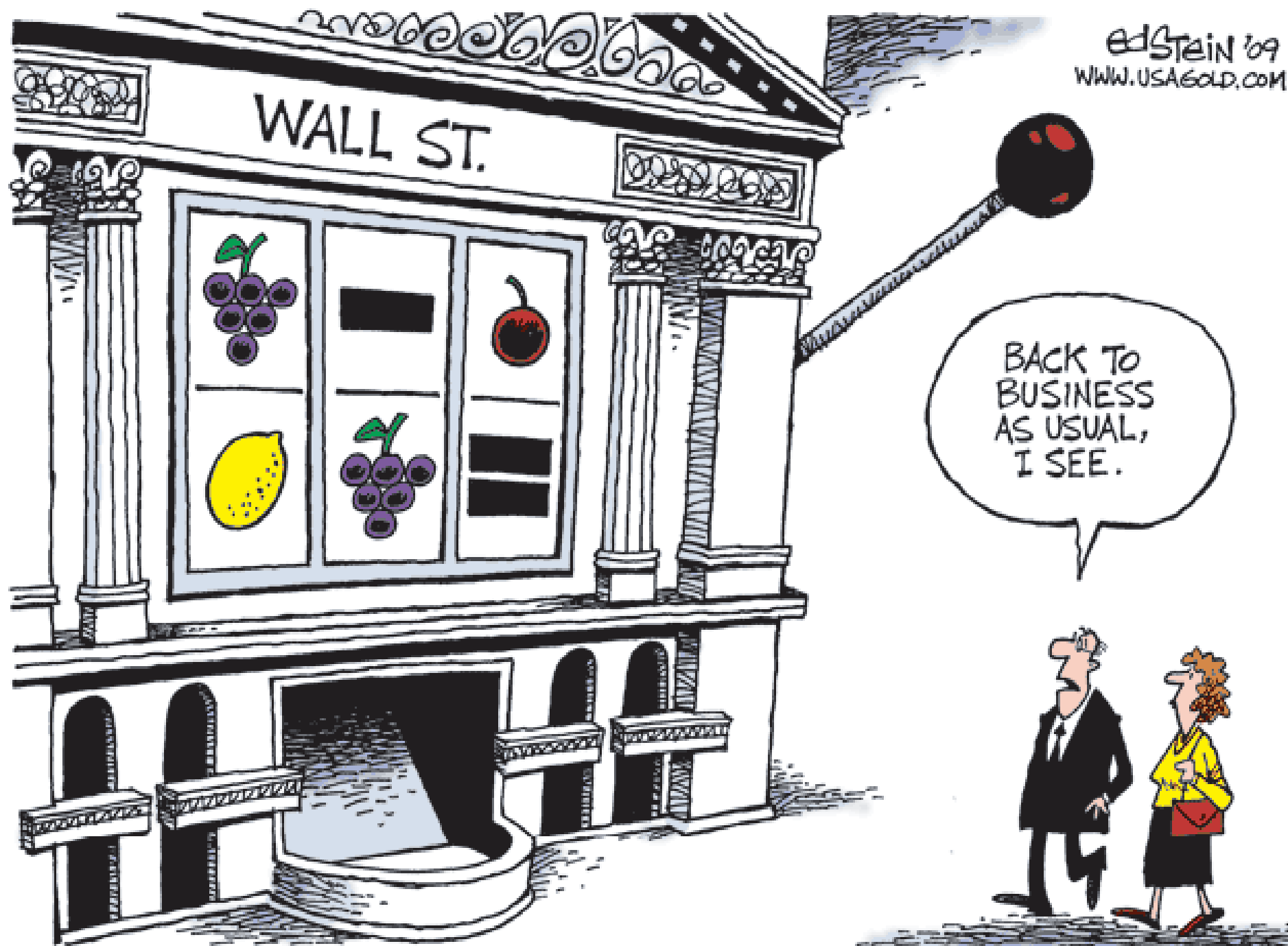
<http://asocommunications.com/>

<http://www.progressiveideasnetwork.org/messaging-inequality/>



We cannot just tell a **morality tale**; we also need a story of a **system** that was broken and taken advantage of and needs to be **repaired**.

edStein '09
WWW.USAGOLD.COM



Suspicious of Government's Role



- *Should be Last Resort*



- *Creates Dependency*



- *Stifles Business*

Limitations on Government Action



- *Policing* the “Bad Actors”



- *Protecting* the Deserving

. . . and after the fact.

What is Our Role?



Worker?

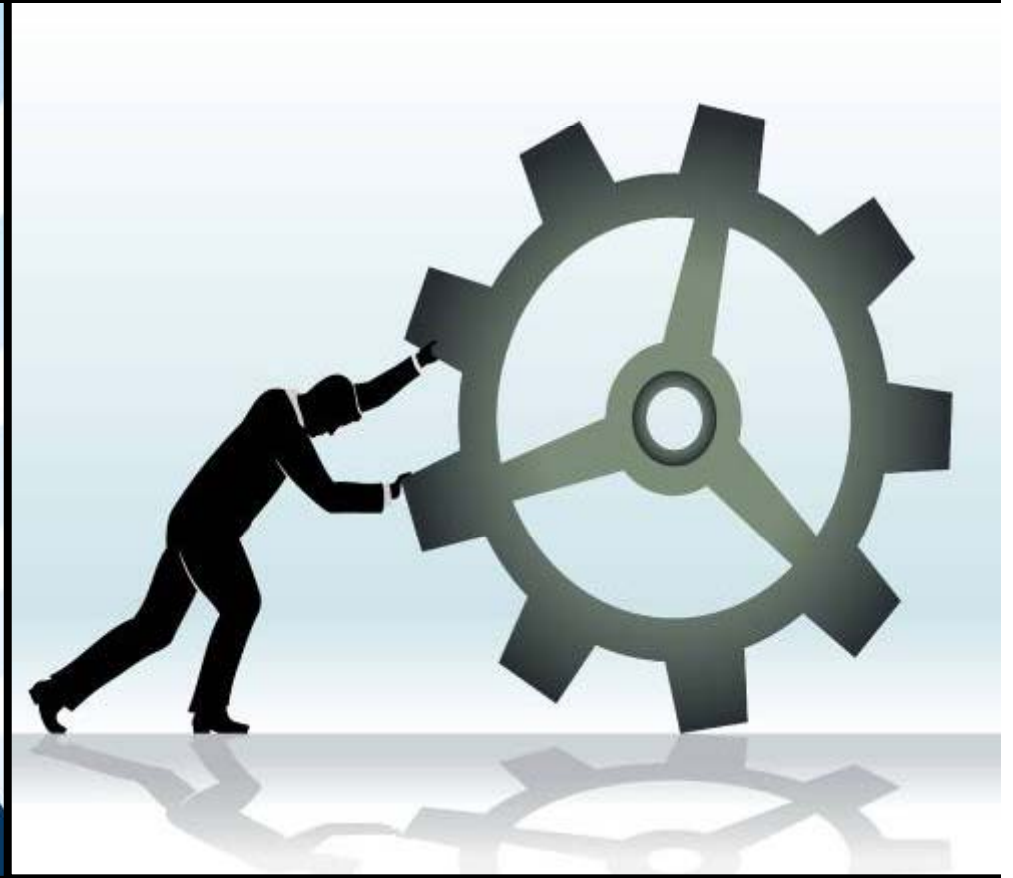


Consumer?

Shaping Economic Outcomes



Policy?



Hard Work!

Transforming Understanding

Default	Goal
<ul style="list-style-type: none">• The economy is “free” & “natural” – have to adapt.	<ul style="list-style-type: none">• The economy is man-made and intentional.
<ul style="list-style-type: none">• Individual character/luck determine outcomes.	<ul style="list-style-type: none">• Systems & Structures affect outcomes.
<ul style="list-style-type: none">• Everyone competes for their own interests.	<ul style="list-style-type: none">• Everyone’s interests are connected and interdependent.
<ul style="list-style-type: none">• The strength of the overall economy – GDP, Stock Market – matters.	<ul style="list-style-type: none">• The economic wellbeing of average people matters.
<ul style="list-style-type: none">• Government’s role is minimal and reactive.	<ul style="list-style-type: none">• Government’s role is fundamental and proactive.

Connecting the Dots

✓ *Purpose*

- What is the Economy for?

✓ *Intentionality*

- How do we create the Economy we desire?

Elements of A New Story

- A good economy is one in which opportunity and prosperity are broadly shared.
- A strong middle class is the result of deliberate and proactive policy choices.
- Public structures are the foundation of our economy and the tools for creating opportunity, prosperity and a strong middle class.
- The economic well-being of average Americans matters to us all.

An Intentional Middle Class

A strong middle class – the engine that drives our economy – doesn't arise by accident, but is the result of deliberate and proactive policy choices.

"Having a strong middle class is an indicator of a healthy country."

53-year old Democratic woman, Oklahoma

"The middle class drives the economy, so government economic policy should be crafted to allow for a broad middle class that can succeed through hard work."

30-year old Independent man, New York

"As the middle class goes, so does the economy and that it is important for the government to make policy that reflects that."

28-year old Republican man, Ohio

Middle Class as “Job Creators”

“We’ve had it backward for the last 30 years. Rich businesspeople like me don’t create jobs. Middle-class consumers do, and when they thrive, U.S. businesses grow and profit. That’s why taxing the rich to pay for investments that benefit us all is a great deal for both the middle class and the rich.”

- Nick Hanauer (Venture capitalist), February 2, 2011

The Public Foundations of a Good Economy

Public Structures (like the FDIC, community colleges, & Social Security), that have been created and maintained by government are foundational to prosperity, opportunity, economic stability, and a strong middle class.

"Although there are more ways to promote economic growth and stability, one of the most important ways is the use of public structures."

34-year old Republican man, South Carolina

"The average middle class person relies on these systems and structures to maintain a healthy, productive lifestyle. These systems allow Americans to save money, and continue on with their lives at a productive pace. Without these systems the quality of life for Americans would greatly diminish."

25-year old Democratic woman, Maryland

Public Structures as Economic Foundation

“There is nobody in this country who got rich on his own . . . You moved your goods on the roads the rest of us paid for. You hired workers the rest of us paid to educate. You were safe in your factory because of police forces and fire forces that the rest of us paid for.”

- *Mass. Senate Candidate, Elizabeth Warren, 2011*

The Openings:

- Rising awareness and concern about inequality
- A deep sense that the “*system*” has been rigged against regular people
- Emerging recognition that the economy we have has been “*created*”
- A desire for government to “do something”

Our Tasks:

- Connect the dots between the economy we want and the public systems, structures and investments we need
- Demonstrate how civic engagement and policy change *can* address economic inequality

A New View - A New Role



Citizen Managers:
we can shape the
economy we need

The American Dream

“ . . . life should be better and richer and fuller for everyone, with opportunity for each according to ability or achievement . . . regardless of the fortuitous circumstances of birth or position . . .

- *James Truslow Adams, 1931*

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