

Is the American Dream Dead?

Four Scenarios for Opportunities in the United States to 2035

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A Behavioral History of the United States with Expectations for the Future.

In 1893 the historian Frederick Jackson Turner presented his “Frontier Thesis,” in which he argued that the development of American democracy, liberties, individualism, and free enterprise was due primarily to frontier pioneers engaged in the continuous Westward expansion. But he warned that the U.S. Census Bureau had determined that by 1890 the frontier was closed – the territorial limits had been reached. An alarming implication was that the U.S. had hit its peak and would decline. A somewhat similar idea arose in the Great Depression that the economic “frontier” had been closed with both industry and consumers reaching theoretical limits. These dire predictions did not come to pass, because the American frontier has never been just territorial or even the structure of American society and the economy – there have always come innovations of all sorts, scientific discoveries and emerging technologies, new products and new businesses, and new business models to address the changing needs of consumers and industries. If a time came when there were no innovations, then there might be an end to opportunities and people’s optimism to pursue them. Then the American frontier might close.

Although the United States emerged in the 20th century as the richest country on the planet, life for most Americans, not just the pioneers of the frontier, since the earliest settlements of the 17th century has often been difficult, frustrating, and full of dangers. What kept people going in the face of great hardships and fear was a dedication to the American Dream of a better tomorrow for one’s self and family. This American Dream has had a strong material aspect, with great emphasis on money as the measure of success. While many Americans would like some day to become rich, and the sooner the better, there have always existed spiritual, family, and emotional satisfactions in addition to material rewards. Achieving some or part of one’s personal interpretation of the American Dream is considered “success,” which has actually meant different things to different people over time.

Americans typically love to win at any and all forms of endeavors and competition, and they hate losing, but most Americans over their lifetimes have experienced disappointments and failures. Yet they can pick themselves up and try again even after defeats because of a cultural optimism about the future. Americans do not disdain failures as long as people keep on trying; rather, they condemn those who fail and quit trying. In the ideals of millions of Americans, each individual has merits and rights, but every individual also has the ultimate responsibility for their own survival and well-being.

Very few failures are considered to be final: there will always be another day, another game, and another opportunity. This attitude has largely driven the strong sense of entrepreneurship shown by so

many Americans for more than 400 years from the founding of Virginia that led to the successful cultivation of tobacco for world markets to the global digital age. Some Americans do indeed hit the jackpot in one way or another, but usually only after many attempts.

The heart of the optimism behind the American Dream is opportunity. In the early years of the American colonies, many hoped to find gold and silver, as the Spanish had in Mexico and Peru. The Americans, however, quickly learned that the riches of North America were not so easily discovered. They had to establish farms and plantations, cultivate crops, build businesses, ship goods around the world, and take any number of financial risks. Despite occasional gold rushes later in American history, most Americans have built their gold, not found it. The “gold” took the form of extensive opportunities to make profits and livings from value-added products extracted from the rich natural resources of fertile land, diverse and plentiful foods, abundant water, extensive forests, and vast deposits of coal, oil, natural gas, iron, copper, and other materials. In addition to the natural resources came the human advantages of hard work, talent, intelligence, and astute investments and management.

Once every so often throughout their history, Americans have felt threatened and discouraged by general economic downturns and ruinous personal finances. Many people endured great distress due to the panic of 1893, the Great Depression that began in 1929, and the Great Recession of 2008. While some Americans have prospered since 2008, many have not – they are still struggling for full-time jobs with good pay and benefits. Many of the jobs of the past will never reappear due to technological and business changes. Some unemployed and only part-time workers say there are no jobs to be had; meanwhile, many employers claim that the skills that they require cannot be found. A great fear facing many Americans in 2015 is that the era of strong American economic growth with abundant opportunities may be over and that “all the good stuff has already been taken.”

Opportunities might include broad access to life-long high quality and affordable education and skills training, job openings, fair hiring practices, career advancements, new business startups, business management, and investments. The challenge before Americans today is to what extent such opportunities will exist in the future and who will likely realize them.

Is the American Dream dead? This question often gets raised in 2015. For many Americans, it might seem dead given discouraging economic and financial circumstances. Yet, despite appearances, for most American citizens and for immigrants, both legal and illegal, the American Dream is still alive; but whether it survives depends greatly upon general and individual opportunities in the future.

Toward thinking about the future of opportunities in America, four alternative futures, or scenarios, to the year 2035 appear likely to us in 2015:

Scenario A. Opportunities Expand with Many Individual Participants. The first scenario is one of expanding individual and business opportunities stimulated by rapidly advancing science and technologies and expanding consumer markets around the world. Many process improvements and innovative products and services will be pursued by many players with the support of public communities. As in the past, economic growth will continue, with individual consumption and private enterprises leading the way. There will be periodic bouts of the traditional “get rich quick” mentality. There will also likely be periods of economic panics, but they will be relatively brief and mild compared with the conditions of 2008-2009. The emphasis on individual rights will be placed largely on material interests of free enterprise and border on the ideals of rugged individualism and “root hog or die” of the past. Private communities will be strong, especially corporations and businesses of various sizes.

There will likely be major technological advances in information and communication systems, energy, and health. The digital world will connect more people across the globe. Real-time and verifiable information will become commonplace. People will expect and enjoy more transparency in both business and government affairs. Advances in renewable and sustainable energy sources will continue throughout the century. The greatest potential energy breakthroughs will be the long-term, efficient storage of electricity and the processing of coal to remove undesirable traits so that clean coal could be widely burned to generate large quantities of electricity. Technologies will also improve the quality of life and the longevity of most Americans through enhanced nutrition, DNA treatments, micro-surgery, and a new emphasis on healthy life styles and preventative medicine.

The population of the U.S. will grow along with the economy, which will attract many immigrants, both legal and illegal. The rights of illegal immigrants will continue to be hotly debated. Meanwhile, social and economic diversity will continue to expand, with more emphasis put on individual merits than on ethnic, racial, gender, or life style identification. People will gravitate to private communities and will show some, but relatively little interest in public communities beyond traditional public health and safety issues. There will likely be a continuation of partisan politics, with different interest groups trying to prevail over others. There may be periods of some fear and violence, but on the whole the prevailing American attitude will be positive about the future.

The Federal and state governments will invest in infrastructure and promote free enterprise; they will improve the effectiveness and efficiency of their services; and they will regulate businesses to improve transparency and to prevent or mitigate business misrepresentations and abuses to assure the confidence of investors and consumers. Controversies over Federal budget deficits and the size of the national debt will diminish. All levels of government will provide more opportunities for high quality and lifetime education through grants, scholarships, and co-investment programs. National programs, such as Social Security, Medicare, Medicaid, and Obamacare will be kept in place, but greatly refined over time in scope, cost, and delivery.

Scenario B. Opportunities Stagnate with Emergence of Public Community Ideals and Interests.

In the second scenario, business and job opportunities and economic growth will stagnate or decline for an extended period of time, maybe decades. There may be more economic downturns like the Great Depression and the Great Recession. Markets will be volatile; interest rates will sharply increase. Companies that are uncertain about future consumer demand will cut employment to a bare minimum, thereby increasing unemployment and underemployment rates to new highs. People will drift from job to job to earn a living. Immigration will greatly decline, causing an overall stagnation or decline in the American population, which will see a dramatic increase in the number of people 65 years and older. Americans will experience much fear about their future and turn more pessimistic, perhaps hostile. There may be the fear of violence from the margins of society and external terrorists.

Americans will largely blame private communities, especially those of the wealthy and big business, for their troubles and turn to the national government for help. They will define their individual liberties and interests in the context of a new national patriotism for the well-being of all Americans facing a major national crisis. A broad coalition of interests, dominated by demand-side rather than supply-side ideals and interests, will drive the Federal government, which in turn will highly regulate, control, or even nationalize some major corporations, much in the same ways that it did in World War I and World War II. There will likely be a new highly graduated income tax to pay for government programs ranging from day care for children, through life-long education and training, to retirement and old age security.

There will also be strong political pressure to use the tax code and government programs to affect a national redistribution of wealth. Social Security benefits and national healthcare insurance will be expanded and there will be national health care clinics to serve patients directly, particularly low-income families with children and the elderly.

Scenario C. Opportunities Call for Cooperation of Individuals and Private and Public Communities.

The third scenario is something of a middle ground, with the emergence of opportunities that call for extensive cooperation between the private and public sectors. The ideals of individual merit, rights, and opportunities will co-exist with individual responsibilities, both private and public. Americans will continue to favor private communities, but they will cooperate and participate in public communities as well. Corporations and vested interest groups will find compromises and accommodations within the political process. There will emerge another Era of Good Feelings in national political affairs with a general strengthening of the middle class and the moderate center of the political spectrum. Partisan politics will be dominated mostly by personalities of candidates rather than controversial issues. There will be little fear of public disorder and violence, as people generally abide by the law and cooperate with law enforcement authorities. Americans will emphasize their private lives and families. They will take a more active interest in the education and well-being of children and care for the elderly. Issues of diversity in all regards will be largely personal and private rather than public. Most eligible voters will vote, and they will stay abreast of public sector issues through the Internet and social media. Americans will likely pay higher taxes, but they will demand benefits and value from government bodies, which will become more efficient and effective in delivering public services. People will expect public health and safety to reach new levels of performance, and they will take a greater interest in environmental quality issues.

Scenario D. Few Large Opportunities Pursued by Few Individuals and Private Communities. The fourth scenario is one in which the wealthiest individuals, families, and corporations will take control of the Federal government along with many state governments. Opportunities for economic growth will exist, but they will pose large challenges (especial private investment) that will best be financed and managed by relatively few individuals and corporations with extensive resources. Personal rights and the pursuit of material well-being will yield to the ideals and interests of private communities, especially employers. The private community of wealth and business interests will continually dominate public affairs. The culture of corporations will spread across American society in which every person will have privileges and rewards according to their responsibilities, productivity, and performance. Diversity will be widely accepted within the context of talent and achievement in the pursuit of corporate goals. If people are afraid of their future, then they will keep those fears largely to themselves. The corporate ideals of personnel management, performance reviews and bonuses, returns on investment, market share, and profitability will prevail. There will be little transparency and authority figures will be highly respected – the few at the top will make decisions as to what they think will be best for the many. There may even emerge a neo-feudal social order based upon the virtual monarchy and aristocracy of large corporate owners, CEOs, and senior executives.

Much money would be spent on national security and public safety to assure the protection of property and the maintenance of a tight public order. Immigration would be highly policed to assure that immigrants could find appropriate work and pay taxes in America. Individuals will receive appropriate levels of education and different levels of health care depending upon their station in a corporate society. The higher up one goes in the corporate hierarchy will largely determine that person's quality of life.

Each scenario seems possible and there are many potential variations upon these four basic scenarios. One must further consider who might be the winners and the losers in each scenario. And if one or more scenarios strike us as most desirable, then what would we have to do now to prepare for them and possibly do to make them happen in the future?