

March 5, 2015

"Bibi's Grand Slam" says John Podhoretz.

On Tuesday, Bibi Netanyahu gave the speech of his life before a joint session of Congress — and he has Barack Obama to thank for it.

Yes, the very same Barack Obama who hates Bibi, the same Obama who was furious the speech was being given at all, walked the bases full for Netanyahu and served up the sucker pitch he hit for a grand slam.

For six weeks, the president and his team have been letting it be known just how angry they are that the leader of the House of Representatives invited the Israeli prime minister to speak about the threat from Iran.

The enraged leaks and overt hostility toward the head of state of an ally have been unprecedented.

The White House even tried to engineer a mass Democratic boycott of the speech, an effort that either (take your pick) met with success because 50 members of his party agreed to it, or was a failure because 75 percent of elected Democrats on Capitol Hill defied him and chose to attend.

What did all of this do? It made the Netanyahu speech the most important political event of 2015 by far.

It elevated Netanyahu's powerful case against a nuclear deal with Iran to the highest level possible — so that the leader of a country of 8 million people roughly the size of New Jersey now possesses as much authority to discuss the issue as the leader of the free world. ...

Andrew Malcolm also had kudos for Netanyahu's speech.

Well, now we all can understand why unidentified Obama aides sought so hard to cancel, delay, snipe and ultimately undermine Israeli Prime Minister Benjamin Netanyahu's address to a joint meeting of Congress Tuesday.

In his idiomatic English and speaking as a friend, Israel's superior spokesman firmly delivered an eloquent, detailed and damning 3,900-word indictment of both Iran and the sell-out nuclear deal that the Obama administration is in the closing stages of drafting in Geneva. Netanyahu's delivery was Churchillian. Indeed, the 65-year-old former special forces captain just became only the second foreign leader after Sir Winston to address Congress three times.

Despite dozens of Democrats boycotting the 40-minute address, the House chamber was packed with extra folding chairs squeezed in by pages. Netanyahu spoke with a broad historical stroke. He moved smoothly from Biblical times to the Holocaust to Iran's provocative military exercises this week. He talked of centrifuges and even quoted Robert Frost.

The prime minister was interrupted by applause some 40 times. He was alternately moving, exhortatory, almost angry, determined and humble and grateful to both Americans and, surprisingly, Barack Obama, whom he praised profusely for his aid to Israel.

Embarrassingly, the American president could not find it in his conniving heart to rise above his innate political pettiness. In a forced photo-op, Obama spent 11 minutes claiming dismissively that he did not even watch the address. ...

The increasing lack of economic mobility in our country is the subject of a long form essay by [Yuval Levin](#). It's close to 5,000 words, but worthwhile. And, at least it is the end of our week. We have taken particular care with the pull quotes which themselves total 2,000 words, so at least they provide a shorter alternative.

We Americans have always prided ourselves on the extraordinary degree of mobility this country has long made possible for its citizens—the idea that, with hard work and a little luck, an immigrant or a child of poor parents can start out with nothing and end up successful and rich. We still believe this about ourselves: International comparisons of public opinion find that Americans express far greater confidence than citizens of other developed nations that hard work is rewarded and that everyone has a real chance to rise out of poverty. But in fact, by many measures, the United States actually does not stand out among advanced economies in terms of economic mobility, and it has not for decades.

Many of us surely sense this even if we do not know all the facts and figures. There is a divergence between what many Americans want to believe about their country and what they know to be true about the way they and their friends and family live now. Americans at the bottom of the income scale do not have enough opportunities to move up, Americans in the middle feel stuck, younger Americans are having trouble getting started, and Americans in general seem less inclined to follow after opportunities. These various challenges are all distinct, but they stem from the same core problem: immobility.

The degradation of this central aspect of the so-called American dream is finally beginning to take shape as a potent political issue. The headline of a front-page story in the Washington Post in January put its finger on an increasingly evident shift in our economic debates: “Both parties agree: Economic mobility will be a defining theme of 2016 campaign.”

That the two parties would agree even on the subject of our economic arguments is quite a change from recent years, when they have mostly been talking past each other. And more remarkable still is that they seem to have turned to the right subject, too. Serious attention to the state of economic mobility could help us overcome the peculiar mix of acrimony and nostalgia that has enveloped our politics since this century began and could help us see far more clearly some of the most pressing challenges our country now confronts. ...

*... **Relative mobility** refers to a person's economic status in relation to the nation as a whole. Economists often describe it in terms of moving up the income quintiles—the five slices of the American pie that measure the economic division in the country from poorest to richest—while the rest of us tend to think of it in the form of rags-to-riches stories. Can someone born in poverty today rise into the middle class and beyond it? Does the child of a middle-class family stand a reasonable chance of ending up wealthy? Or are people destined to end up roughly where they start?*

For most of American history, these questions would have been answered in a manner flattering to the country's own sense of itself as the world's beacon of opportunity. No longer. By some

measures, in fact, in terms of relative mobility, we are now lagging behind Canada and much of northern Europe. ...

... Why, then, have our anxieties about mobility intensified only recently? The answer can be found in the state of **absolute mobility**, which tells a more complicated story. Absolute mobility involves changes in people's living standards not relative to society as a whole but relative to their own past or to the prior generation. Are you better off than you were four years ago? Are you wealthier than your parents were at your age?

By this measure, America looks rather good over the long run but rather bad over a shorter run—and the difference is why mobility has now become a priority. Data from the Pew Economic Mobility Project show that the vast majority of Americans, about 84 percent, now have a higher income than their parents did at their age, adjusted for both inflation and family size. Such intergenerational absolute mobility is actually highest among the poor: Fully 93 percent of Americans in the lowest fifth of earners have higher incomes and greater purchasing power than their parents did at their age, compared with 70 percent of Americans in the top fifth. Overall American living standards have risen over time, and this has lifted essentially everyone's living standards some, even if it has not done much to change people's relative positions in society.

But the significance of this good news is limited in two ways that will help us to clarify the mobility challenge as policymakers must now confront it. First, strong absolute mobility amid weak relative mobility means that while people are more comfortable where they are in life, they are not moving ahead in skills or status. The mother working long days behind a restaurant counter in the expectation that her children should have better opportunities than she did would not be satisfied to hear that her children will be a little better paid for working behind that same counter all their lives.

Second, and perhaps most important, absolute mobility has declined significantly in the last two decades, so that while most Americans are doing better than their parents did at the same age, they are often not doing as well as similarly situated families (and maybe even their own families) were doing ten or even 20 years ago. This is the most pressing way in which many Americans are feeling the sting of immobility these days, with stagnant wages creating the sense that they're running in place.

The simplest way to illustrate this trend is to consider the median family. Adjusted for inflation and expressed in 2013 dollars, the median American family income was \$52,432 in 1989 and \$51,939 in 2013, according to Census Bureau data. In other words, the purchasing power of the median family has actually declined a little over the course of the last quarter century. ...

... What, then, might a response look like? Having sharpened our sense of the problem a little, it may be helpful to think in terms of five categories of steps that policymakers could take, at least for a start.

The first is the most general and the easiest for Republicans to embrace: growth. Because growth is a necessary if not sufficient condition for improved economic mobility, policymakers need to create and sustain the right environment for economic dynamism.

This means a growth-friendly tax code, ...

... The second category of needed reforms would seek to address persistently low mobility among poor and lower-middle-class Americans. It involves clearing up bottlenecks, often created by public policy, which hold people back from pursuing opportunity and prosperity. A bottleneck is a particular kind of obstacle: It is a function of a narrowing of options. The upward path into and through the middle class has clearly gotten narrower in America in recent decades.

One primary culprit is our higher-education system. A college degree has become an increasingly essential ticket into middle-class life even as higher education has grown more expensive and less edifying. Tuition costs have tripled over the past three decades, so that an average year of college now costs about half the annual income of the average American family. ...

... The third facet of a mobility agenda would involve lifting burdens imposed on the middle class and the poor by some perverse incentives and distortions in today's welfare state. For instance, the structure of our entitlement and tax systems means that parents are overtaxed—paying for today's entitlements while bearing the costs of sustaining tomorrow's. A significant increase in the child tax credit that could reduce families' payroll-tax burdens as well as their income-tax burdens would make an enormous difference to millions of middle-class families pressed by stagnating wages. And such tax relief for families would be a natural companion to the corporate tax reform necessary for stronger growth.

The unintentional marriage penalties in the tax code also burden many middle-class families, and similar penalties in most welfare programs (from the Earned Income Tax Credit to Medicaid, food stamps, and others) create disincentives to marriage that hurt the poor and counteract the very aims of these programs. No less perversely, many means-tested aid programs create disincentives to work, since working leads to benefit cuts that in many cases can outweigh the appeal of earned income. Correcting such disincentives would be no simple matter, but a number of conservatives have proposed promising ideas for doing so in recent years. ...

... The fourth element of a mobility agenda would go beyond lifting burdens and focus on the most difficult and important part of the mobility puzzle: the curse of entrenched poverty. This would involve the next stage of welfare reform, and it's the arena where a conservative approach to problem solving can do the most good.

The overwhelming fact about our half century of intense and costly efforts to combat entrenched poverty is that they have not worked. ...

... This was the essence of Paul Ryan's anti-poverty proposal last year. Ryan would let states choose to replace the full amount of money they now receive to administer means-tested federal welfare programs (such as food stamps, housing assistance, utilities subsidies, and others) with a single, consolidated "opportunity grant." They could then develop their own approaches to spending the money to help their poor residents rise, provided that these approaches involve programs that require work, emphasize reaching self-sufficiency, and prove their effectiveness over time. And states would have to provide each service through at least two competing providers, only one of which can be a state agency.

Liberals tend to see proposals like this as embodiments of some kind of fetish to privatize. But in fact, they are expressions of humility. Experimentation is what you do when you do not know the answer. ...

... Finally, the fifth element of a conservative mobility agenda should involve drawing a clear distinction between welfare assistance and disability benefits. In particular, the Social Security Disability Insurance program has come to function as a kind of welfare system of last resort, but it is very badly suited to that purpose. The share of working-age adults on SSDI has more than doubled since 1980, from 2.3 percent to 5 percent of the workforce, or about 9 million Americans. The increase is quickly bankrupting the program (its trust fund will be depleted next year) while contributing to the decline in workforce participation in America.

Part of the increase is driven by the aging of the population, as many baby boomers are now in the age range most prone to disabling injuries and health problems. But the actual prevalence of disability in the working-age population has grown at nowhere near the rate of SSDI claims. ...

... These are, of course, only the barest outlines of an agenda. But these five categories of steps—sustaining an environment for growth, clearing up bottlenecks, removing policy burdens, enabling vigorous experimentation in welfare and education, and separating welfare from disability support—offer the beginning of a conservative answer to the riddle of mobility.

Conservatives are far better positioned than liberals to take up the challenge of mobility. The left is wedded to the structure of our welfare state and persuaded that moving money around will address the problems we confront. But when we consider the particulars of the mobility puzzle, we can see that what is missing—as the very term mobility suggests—is not so much money as dynamism and energy. Injecting our economy with such energy requires us to allow more Americans to benefit from our free-market system, rather than shielding people from it, and would therefore require us to move beyond the liberal welfare state rather than expand it. ...

... In a message to Congress on the Fourth of July, 1861, amid the painful early setbacks of the Civil War, Abraham Lincoln sought to articulate what made the struggle worthwhile. When it came to describing what we valued in our government, Lincoln said this:

On the side of the Union it is a struggle for maintaining in the world that form and substance of government whose leading object is to elevate the condition of men—to lift artificial weights from all shoulders, to clear the paths of laudable pursuit for all, to afford all an unfettered start and a fair chance, in the race of life. Yielding to partial and temporary departures from necessity, this is the leading object of the government for whose existence we contend.

America has often been gloriously successful in advancing that cause, but it has been notably less so in recent decades. We have ignored that fact for too long and must now work to ensure that the rhetorical turn toward mobility in our national politics is followed up with substance and action.

NY Post

[Bibi's grand slam; Boxing in Obama on Iran's nukes](#)

by John Podhoretz

On Tuesday, Bibi Netanyahu gave the speech of his life before a joint session of Congress — and he has Barack Obama to thank for it.

Yes, the very same Barack Obama who hates Bibi, the same Obama who was furious the speech was being given at all, walked the bases full for Netanyahu and served up the sucker pitch he hit for a grand slam.

For six weeks, the president and his team have been letting it be known just how angry they are that the leader of the House of Representatives invited the Israeli prime minister to speak about the threat from Iran.

The enraged leaks and overt hostility toward the head of state of an ally have been unprecedented.

The White House even tried to engineer a mass Democratic boycott of the speech, an effort that either (take your pick) met with success because 50 members of his party agreed to it, or was a failure because 75 percent of elected Democrats on Capitol Hill defied him and chose to attend.

What did all of this do? It made the Netanyahu speech the most important political event of 2015 by far.

It elevated Netanyahu's powerful case against a nuclear deal with Iran to the highest level possible — so that the leader of a country of 8 million people roughly the size of New Jersey now possesses as much authority to discuss the issue as the leader of the free world.

Obama's own national security mouthpiece, Ben Rhodes, has said the White House views a deal with Iran as the "biggest thing President Obama will do in his second term on foreign policy."

Obama's fit of pique against Netanyahu has led to a man-to-man showdown that will likely complicate that "biggest thing" immensely.

Netanyahu yesterday laid out, calmly and comprehensively, the reasons the deal is likely to be a bad one — and he had not only an audience of Americans vastly larger than he would've had if the president hadn't had his hissy fit, but also the ear of the audience that matters most in this regard.

That audience is the United States Senate.

And his audience heard him.

Tuesday afternoon, after Netanyahu scored his success, Senate Majority Leader Mitch McConnell announced he'll bring up a piece of legislation requiring Senate consideration of any Iran deal for 60 days.

We can assume that the entire Republican caucus, 54 members in all, will be on board.

The bill will likely garner a healthy number of Democratic votes as well, led by the example of New Jersey's Robert Menendez, the Senate's most resolute voice on Iran.

But Obama will certainly veto any such legislation. It will take 67 votes to override a presidential veto.

Those who oppose a bad deal with Iran saw encouraging signs that this veto override might happen before the Netanyahu speech. McConnell clearly believes Bibi has made that all the more likely.

Almost from the outset, I thought the speech was a bad political idea — on the grounds that Netanyahu should've understood just how enraged the whole plan would make the president, whose hostility to Israel is nearly unprecedented.

Well, I was wrong.

I forgot I was talking about Barack Obama here, whose own political smarts extend as far as his own brilliance in getting himself elected and no further.

The president thought (and I thought) he could use the coming speech to set up a confrontation with Bibi that would make his job of selling the Iran deal easier.

It might have worked if the speech had been a dud. You know, like Obama's own State of the Union, delivered on the very same spot six weeks ago.

But it wasn't. It was a triumph — because, unlike Obama, Netanyahu had something of surpassing importance to say, and he said it with force, with strength, with conviction and with grace.

Commentary

[How Netanyahu's Iran speech undermines Obama's deceitful deal](#)

by Yuval Levin



Well, now we all can understand why unidentified Obama aides sought so hard to cancel, delay, snipe and ultimately undermine Israeli Prime Minister Benjamin Netanyahu's address to a joint meeting of Congress Tuesday.

In his idiomatic English and speaking as a friend, Israel's superior spokesman firmly delivered an eloquent, detailed and damning 3,900-word indictment of both Iran and the sell-out nuclear deal that the Obama administration is in the closing stages of drafting in Geneva. Netanyahu's delivery was Churchillian. Indeed, the 65-year-old former special forces captain just became only the second foreign leader after Sir Winston to address Congress three times.

Despite dozens of Democrats boycotting the 40-minute address, the House chamber was packed with extra folding chairs squeezed in by pages. Netanyahu spoke with a broad historical stroke. He moved smoothly from Biblical times to the Holocaust to Iran's provocative military exercises this week. He talked of centrifuges and even quoted Robert Frost.

The prime minister was interrupted by applause some 40 times. He was alternately moving, exhortatory, almost angry, determined and humble and grateful to both Americans and, surprisingly, Barack Obama, whom he praised profusely for his aid to Israel.

Embarrassingly, the American president could not find it in his conniving heart to rise above his innate political pettiness. In a forced photo-op, Obama spent 11 minutes claiming dismissively that he did not even watch the address.

He said he found nothing new in it and wished Netanyahu had offered "viable alternatives," clearly a talking point phrase that spewed from the mouths of numerous Obama supporters all afternoon. Probably a coincidence, don't you think? And obviously written in advance because the Israeli leader's expressed alternative is to back up in the talks.

Other Democrats, who also claimed they hadn't bothered to watch, dismissed the address as political theater concocted by congressional Republican leaders seeking to embarrass the president and embraced by a desperate Netanyahu running for reelection in two weeks. In fact, Congress is pondering tougher sanctions on Iran, opposed by Obama, and sought Israeli insights.

Netanyahu's speech drew intense international interest, being broadcast around the globe in large part because the Chicago crowd made such a big advance stink about it. Netanyahu's words were broadcast live Tuesday evening in Israel with a five-minute tape delay to allow official campaign referees to delete any domestic political attacks by Netanyahu, who was way too smart for that.

Political speeches are very difficult to craft. Bad ones seem endless as speakers wade through what they want to say, oblivious to an audience's interests or connecting with listeners. Many sound as if written by committee, which they are, as aides compete to insert favored passages and prove their worth.

Although Obama made his initial national splash with an eloquent, now painfully ironic 2004 convention speech on unity, during last fall's midterm campaign rallies, audience members were often seen grabbing coats and leaving as soon as he began.

Good political speeches, however, are like fine suits, carefully stitched together in just the right places with none showing. They compliment the intelligence of audience members, connect with them, not talk down pedantically or stridently. The words emerge in a seemingly effortless flow. That was Netanyahu's address.

He opened with standard bipartisan pleasantries and flattery, calling Congress the world's "most important legislative body." It was not a joke.

He thanked Americans, Congress, Obama and John Kerry for their long, full support. The two nations, he said, share "the destiny of promised lands that cherish freedom and offer hope."

He traced Iran's revolutionary history since 1979: "America's founding document promises life, liberty and the pursuit of happiness. Iran's founding document pledges death, tyranny and the pursuit of jihad. And as states collapse across the Middle East, Iran is charging into the void to do just that."

Detailing Iran's export of terror including hundreds of American victims, Netanyahu noted: "Don't be fooled. The battle between Iran and ISIS doesn't turn Iran into a friend of America. Iran and ISIS are competing for the crown of militant Islam. One calls itself the Islamic Republic. The other calls itself the Islamic State.

"Both want to impose a militant Islamic empire first on the region and then on the entire world. They just disagree among themselves who will be the ruler of that empire. In this deadly game of thrones, there's no place for America or for Israel." And without mentioning Obama, Netanyahu suggested counting on regime change is dangerously naive.

The prime minister outlined the nearly-completed deal, which he said would not inhibit Iran obtaining nuclear weapons but virtually guarantee it. Netanyahu has also noted ominously that Iran's ICBM force is not under negotiation and is not necessary to annihilate nearby Israel. Gee, what distant satanic land could possibly be the target?

This speech will force Obama to play defense and more fully explain why anyone should trust the Tehran crowd in this deal--or him, for that matter. No wonder he wants to avoid submitting it to Congress.

We strongly recommend you scroll down and watch the video yourself. This is a stirring, thought-provoking address likely to become an historic landmark. And when you do, listen carefully to Netanyahu's final words, almost drowned by congressional applause:

"Thank you, America. Thank you."

Commentary

[The Mobility Crisis](#)

by Yuval Levin

We Americans have always prided ourselves on the extraordinary degree of mobility this country has long made possible for its citizens—the idea that, with hard work and a little luck, an immigrant or a child of poor parents can start out with nothing and end up successful and rich. We still believe this about ourselves: International comparisons of public opinion find that Americans express far greater confidence than citizens of other developed nations that hard work is rewarded and that everyone has a real chance to rise out of poverty. But in fact, by many measures, the United States actually does not stand out among advanced economies in terms of economic mobility, and it has not for decades.

Many of us surely sense this even if we do not know all the facts and figures. There is a divergence between what many Americans want to believe about their country and what they know to be true about the way they and their friends and family live now. Americans at the bottom of the income scale do not have enough opportunities to move up, Americans in the middle feel stuck, younger Americans are having trouble getting started, and Americans in general seem less inclined to follow after opportunities. These various challenges are all distinct, but they stem from the same core problem: immobility.

The degradation of this central aspect of the so-called American dream is finally beginning to take shape as a potent political issue. The headline of a front-page story in the *Washington Post* in January put its finger on an increasingly evident shift in our economic debates: “Both parties agree: Economic mobility will be a defining theme of 2016 campaign.”

That the two parties would agree even on the subject of our economic arguments is quite a change from recent years, when they have mostly been talking past each other. And more remarkable still is that they seem to have turned to the right subject, too. Serious attention to the state of economic mobility could help us overcome the peculiar mix of acrimony and nostalgia that has enveloped our politics since this century began and could help us see far more clearly some of the most pressing challenges our country now confronts.

For the Democrats, the turn to mobility talk follows the political failure of their favored bugaboo, inequality. For most of the Obama era, they seemed to believe that by attributing all our economic troubles to a growing gap between the rich and the rest, they could use voter worries to advance the left’s longstanding agenda of redistribution through higher taxes and higher spending on a range of benefit programs. But the public hasn’t bought it; inequality has never ranked high among voter priorities. So by 2013, prominent Democrats had begun to tie inequality to mobility, which voters clearly do care about. “The combined trends of increased inequality and decreasing mobility pose a fundamental threat to the American Dream, our way of life, and what we stand for around the globe,” President Obama said in December of that year. So far, however, the goal of linking (if not confusing) inequality and mobility still appears to be the advancement of the same tired agenda. It remains to be seen whether the Democrats are really ready to think about what is keeping Americans back.

For Republicans, a similar turn has followed the recognition that their economic message failed to appeal to voters in 2012, particularly because it failed to articulate what Republican policies might offer those in the economic middle and bottom. Republicans have tended to talk about America’s economic dilemmas in terms of the need to improve growth. While there is no question that growth is an essential prerequisite for prosperity, it is only a prerequisite. Emphasizing it alone causes Republicans to speak too abstractly about economics, as Mitt Romney’s failed presidential campaign painfully demonstrated.

By 2013, some Republicans had begun to respond to this problem by talking up mobility, and in early 2014, two of the party’s most creative policy entrepreneurs (Representative Paul Ryan and Senator Marco Rubio) each proposed a package of significant anti-poverty reforms to improve it. But for most Republicans, as for most Democrats, the shift has been largely a rhetorical effort to recast their longstanding agenda. To get beyond talk, the two parties will need to treat the challenge of mobility not just as a means to their familiar ends but as the best lens through which to understand the role of economic policy in America more generally.

Economic mobility is ultimately about improved living standards over time. It is therefore a measure of material progress, and of whether our economy is allowing people to better their conditions,

which must after all be its primary purpose. We can begin to understand the state of such mobility in America by breaking it down into two key components: relative mobility and absolute mobility.

Relative mobility refers to a person's economic status in relation to the nation as a whole. Economists often describe it in terms of moving up the income quintiles—the five slices of the American pie that measure the economic division in the country from poorest to richest—while the rest of us tend to think of it in the form of rags-to-riches stories. Can someone born in poverty today rise into the middle class and beyond it? Does the child of a middle-class family stand a reasonable chance of ending up wealthy? Or are people destined to end up roughly where they start?

For most of American history, these questions would have been answered in a manner flattering to the country's own sense of itself as the world's beacon of opportunity. No longer. By some measures, in fact, in terms of relative mobility, we are now lagging behind Canada and much of northern Europe. Economist Markus Jäntti and his team have found that over the past generation about 25 percent of Danish men who were born in the bottom 20 percent remained in that lowest quintile as adults, compared with 42 percent of American men. Some economists have questioned the methodology behind Jäntti's finding and suggest instead that mobility looks rather similar across the developed world. But no one argues that Americans are still *uniquely* mobile. At best, we are on par with Europeans and Canadians.

And this is not because relative mobility has declined in America in the 21st century. Although you would not know it from some of our political debates, the data suggest that our national level of relative mobility has been remarkably stable—and remarkably low—for at least the past five decades. A child born to parents living in poverty at any point since the 1960s has had only about a 30 percent chance of ever making it into the middle class, and about a 5 percent chance of ending up in the highest fifth of income earners. Rags-to-riches stories, even rags-to-comfort stories, are awfully rare. And this has not changed much in living memory.

This is the first piece of the mobility crisis: It is far too difficult to rise out of poverty in America, and it was so even throughout what we have thought of as America's postwar economic golden age. This problem has not gotten markedly worse (or better) as inequality has grown, and it has not improved or worsened with rising or falling growth, or tax rates, or spending levels. Neither party's economic prescriptions seem likely to change it much. It will require some new thinking.

Why, then, have our anxieties about mobility intensified only recently? The answer can be found in the state of **absolute mobility**, which tells a more complicated story. Absolute mobility involves changes in people's living standards not relative to society as a whole but relative to their own past or to the prior generation. Are *you* better off than you were four years ago? Are *you* wealthier than your parents were at your age?

By this measure, America looks rather good over the long run but rather bad over a shorter run—and the difference is why mobility has now become a priority. Data from the Pew Economic Mobility Project show that the vast majority of Americans, about 84 percent, now have a higher income than their parents did at their age, adjusted for both inflation and family size. Such intergenerational absolute mobility is actually highest among the poor: Fully 93 percent of Americans in the lowest fifth of earners have higher incomes and greater purchasing power than their parents did at their age, compared with 70 percent of Americans in the top fifth. Overall American living standards have risen over time, and this has lifted essentially everyone's living standards some, even if it has not done much to change people's relative positions in society.

But the significance of this good news is limited in two ways that will help us to clarify the mobility challenge as policymakers must now confront it. First, strong absolute mobility amid weak relative mobility means that while people are more comfortable where they are in life, they are not moving ahead in skills or status. The mother working long days behind a restaurant counter in the expectation that her children should have better opportunities than she did would not be satisfied to hear that her children will be a little better paid for working behind that same counter all their lives.

Second, and perhaps most important, absolute mobility has declined significantly in the last two decades, so that while most Americans are doing better than their parents did at the same age, they are often not doing as well as similarly situated families (and maybe even their own families) were doing ten or even 20 years ago. This is the most pressing way in which many Americans are feeling the sting of immobility these days, with stagnant wages creating the sense that they're running in place.

The simplest way to illustrate this trend is to consider the median family. Adjusted for inflation and expressed in 2013 dollars, the median American family income was \$52,432 in 1989 and \$51,939 in 2013, according to Census Bureau data. In other words, the purchasing power of the median family has actually declined a little over the course of the last quarter century.

Now, the average household is a little smaller than it was two decades ago, but even adjusted for family size, the median income today is essentially where it was in the mid-'90s. This is in part the effect of the severe 2008–09 recession, which reduced household incomes sharply for a time, but it is largely a result of the fact that incomes have simply not been growing quickly, even in good times, especially since the beginning of this century.

Although overall inflation has been low in this period, some key middle-class costs—most notably higher education and health care—have risen a lot, so that a family with the same real income it would have had 20 years ago is in some important ways getting less for its money. This is why such wage stagnation has come to be called the “middle-class squeeze,” and has had a lot to do with the general sense of unease and frustration among middle-income voters over the past decade. It is also why the term “mobility” captures the challenge we confront particularly well, even though by some technical definitions of the term we have actually done reasonably well over time. The problem as it presents itself to working families feels like immobility—like being stuck.

It expresses itself, too, in other symptoms that are well captured under the rubric of “mobility.” For instance, Americans aren't picking up and moving around the country in search of opportunity as we once did. The dynamism and resilience of American economic life has frequently been driven by the willingness and the ability of Americans to move in search of well-paying work. But geographic mobility has been declining.

This trend, too, is not new, but it has been getting worse. Both the rate and (remarkably, given population growth) the number of Americans who change their residence each year has been declining since the mid-1980s, and has fallen especially low in this century. In 2011, the Census Bureau's “mover's rate” reached its lowest level since the agency began to measure geographic mobility in the 1940s, and it has basically remained there since.

Geographic mobility is not an unalloyed good. Rootedness in one's community can be vitally important both to economic resilience and to a broader human flourishing. But particularly in challenging economic times, Americans have often been able to overcome hardship by moving to seek work, and the recession and weak recovery of the past few years have been very unevenly distributed across the country. Even putting aside some extreme examples (like the Dakotas,

which have benefited uniquely from an oil and gas boom), job opportunities have been far more plentiful in some parts of the country than in others. In every single month of the past five years, for instance, California's unemployment rate has been at least twice Nebraska's unemployment rate. Absolute and relative mobility, too, have varied in different parts of the United States. But Americans have generally not been moving accordingly.

Geographic mobility has declined particularly sharply in the wake of the Great Recession and has been intertwined in the course of the nation's slow recovery with the inability of younger Americans, just graduating high school or college, to find work and move out on their own. Last year, just over a third of Americans between ages 18 and 31 were living in their parents' home—the highest share in at least four decades, according to a Pew Research Center analysis of Census data. Some of this has to do with higher rates of college enrollment during the economic downturn (as some students living in dorms are counted by the Census as living at home), but it also clearly indicates a real decline in young Americans making their own way independently. This “failure to launch” may well ease some if economic conditions further improve, but by effectively decelerating the early adulthood of millions of millennials, it stands to set back the economic prospects of the rising generation in ways that will reverberate for decades to come.

Overall economic growth has improved in recent months, and there is room to hope that such improvements may continue. But while a stronger economy is certainly a more pleasant backdrop against which to consider these different pieces of the mobility puzzle, it is not an answer. These trends did not begin with the most recent recession (or presidency) and have not abated much during periods of stronger growth in recent decades. Growth is surely a necessary precondition for addressing them, but not a sufficient response.

What, then, might a response look like? Having sharpened our sense of the problem a little, it may be helpful to think in terms of five categories of steps that policymakers could take, at least for a start.

The first is the most general and the easiest for Republicans to embrace: growth. Because growth is a necessary if not sufficient condition for improved economic mobility, policymakers need to create and sustain the right environment for economic dynamism.

This means a growth-friendly tax code, which in our time particularly requires corporate tax reform that lowers rates and encourages investment—bringing our corporate code into line with those of other advanced nations. It means a health-care system geared to enable real competition and cost containment. It means spending and deficit restraint, and the kinds of reforms necessary to avoid the fiscal collapse of our entitlement programs—a danger that politicians tend to talk about in terms of protecting their grandchildren but that is in fact projected to become an unmanageable burden just when Americans now entering the workforce will be in their prime working years. It means that monetary stability and predictability, free and open trade, and a restrained approach to regulation are all vital.

It also requires policymakers to see a lower cost of living as a primary goal of economic policy, and in general to put the interest of the consumer—even more than that of employers or employees, large businesses or small ones, or the nation's global competitiveness—at the heart of our economic thinking. This emphasis, which is akin to the emphasis on mobility itself, has been a core principle of capitalism since at least Adam Smith, and a secret to its success, but it is easy to overlook and too often forgotten.

Much of this has been central to the Republican approach to economic policy for a long time. But important and challenging as it is, it needs to be seen as only a first step. While a mobility agenda must begin with growth, it cannot end there.

The second category of needed reforms would seek to address persistently low mobility among poor and lower-middle-class Americans. It involves clearing up bottlenecks, often created by public policy, which hold people back from pursuing opportunity and prosperity. A bottleneck is a particular kind of obstacle: It is a function of a narrowing of options. The upward path into and through the middle class has clearly gotten narrower in America in recent decades.

One primary culprit is our higher-education system. A college degree has become an increasingly essential ticket into middle-class life even as higher education has grown more expensive and less edifying. Tuition costs have tripled over the past three decades, so that an average year of college now costs about half the annual income of the average American family. For many families, this means going deeply into debt. And although a college degree continues to provide an important economic advantage, the earnings of graduates have been sliding for over a decade, and many in recent years have failed to find work in their field. Higher costs, lower value, and growing debt make for an increasingly bad deal, and families know that, but they are short on other options for upward mobility. Rather than a path to prosperity, college itself is increasingly a bottleneck.

Liberals who think about this problem tend to emphasize ways of pushing more people through the system—especially by having government bear more of the ever-rising costs. But pushing more people through is no way to address a bottleneck. A solution would require widening the aperture, and opening up more paths to the same destination, to create competition and give families more choices.

Policymakers should, for instance, allow the states to experiment with new approaches to accreditation that look beyond the model of the standard campus and allow credit hours to be unbundled and pursued more flexibly (as Senators Mike Lee and Marco Rubio have each proposed in recent years). They should also clear the way for more professional certificates, apprenticeship, and other ways of gaining the skills for well-paid employment that do not require a college degree. Many of the problems with our higher-education system are functions of misguided federal policies that protect entrenched incumbent universities. Reforms that both held down costs and opened up new avenues of opportunity would be a natural element of any mobility agenda—particularly for conservatives.

Higher education is the most obvious and problematic bottleneck slowing mobility, but it is not the only one. At the state and local levels, for instance, licensing and professional-certification requirements are often merely tools used by well-established interests to keep out new competitors. Lifting and loosening them would create new avenues for mobility for millions. In these and other instances, providing people with more options for advancement, rather than just more access to existing ones, stands to unleash some of the dynamism we now lack.

The third facet of a mobility agenda would involve lifting burdens imposed on the middle class and the poor by some perverse incentives and distortions in today's welfare state. For instance, the structure of our entitlement and tax systems means that parents are overtaxed—paying for today's entitlements while bearing the costs of sustaining tomorrow's. A significant increase in the child tax credit that could reduce families' payroll-tax burdens as well as their income-tax burdens would make an enormous difference to millions of middle-class families pressed by stagnating wages. And such tax relief for families would be a natural companion to the corporate tax reform necessary for stronger growth.

The unintentional marriage penalties in the tax code also burden many middle-class families, and similar penalties in most welfare programs (from the Earned Income Tax Credit to Medicaid, food stamps, and others) create disincentives to marriage that hurt the poor and counteract the very aims of these programs. No less perversely, many means-tested aid programs create disincentives to work, since working leads to benefit cuts that in many cases can outweigh the appeal of earned income. Correcting such disincentives would be no simple matter, but a number of conservatives have proposed promising ideas for doing so in recent years.

The same kinds of means-tested programs that create marriage and work disincentives for the poor also undermine geographic mobility. Because these programs tend to be place-based, eligibility often does not carry over from state to state (even though the funding is federal), so that people contemplating a move to find work stand to lose any assistance they receive. This could be readily addressed without undermining the important freedom states have to tailor welfare benefits to local needs. Policymakers could also actively aid those wanting to move in search of work without increasing public costs by allowing people to choose to receive unemployment benefits as a lump-sum mover's benefit to help defray the costs of relocating.

The fourth element of a mobility agenda would go beyond lifting burdens and focus on the most difficult and important part of the mobility puzzle: the curse of entrenched poverty. This would involve the next stage of welfare reform, and it's the arena where a conservative approach to problem solving can do the most good.

The overwhelming fact about our half century of intense and costly efforts to combat entrenched poverty is that they have not worked. Very little we have done has proven consistently effective in helping people in the worst circumstances to rise up and succeed, and a fair amount of what we have done has made things worse. That means we do not have an answer that can be put into effect using the resources and power of the government. Rather, those resources and that power can enable experimentation with different approaches by different public and private providers of services and aid throughout the country.

This was the essence of Paul Ryan's anti-poverty proposal last year. Ryan would let states choose to replace the full amount of money they now receive to administer means-tested federal welfare programs (such as food stamps, housing assistance, utilities subsidies, and others) with a single, consolidated "opportunity grant." They could then develop their own approaches to spending the money to help their poor residents rise, provided that these approaches involve programs that require work, emphasize reaching self-sufficiency, and prove their effectiveness over time. And states would have to provide each service through at least two competing providers, only one of which can be a state agency.

Liberals tend to see proposals like this as embodiments of some kind of fetish to privatize. But in fact, they are expressions of humility. Experimentation is what you do when you do not know the answer. The challenge facing welfare reformers is daunting: They have to find ways to help people who lack not only money but often also stable families, functional communities, and decent schools. They have to encourage work and responsibility while offering aid, and they often have to help people break bad habits or confront addiction or abuse while also respecting their dignity and independence. This can't be done by a government check. Welfare often works best when it is accompanied by advice, by obligations, and by evident compassion at a personal level. Using public resources to let different institutions—from state social agencies to local civic groups to churches and nonprofits—try different ways of meeting this daunting challenge in different circumstances is not market idolatry; it is what you do when you haven't found the right solution and when it isn't clear that any one solution will suffice.

A conservative mobility agenda will therefore need to transform the federal welfare apparatus into a means for enabling robust experimentation with different local approaches to helping the poor rise. The same spirit should also inform an education policy geared to the nation's poorest children—they and their families should have options to choose from and the resources to make their choices matter, since education is a crucial tool for rising from the bottom.

Finally, the fifth element of a conservative mobility agenda should involve drawing a clear distinction between welfare assistance and disability benefits. In particular, the Social Security Disability Insurance program has come to function as a kind of welfare system of last resort, but it is very badly suited to that purpose. The share of working-age adults on SSDI has more than doubled since 1980, from 2.3 percent to 5 percent of the workforce, or about 9 million Americans. The increase is quickly bankrupting the program (its trust fund will be depleted next year) while contributing to the decline in workforce participation in America.

Part of the increase is driven by the aging of the population, as many baby boomers are now in the age range most prone to disabling injuries and health problems. But the actual prevalence of disability in the working-age population has grown at nowhere near the rate of SSDI claims. Those growing claims have had more to do with liberalized eligibility criteria and with the weak economy of the last decade—as more Americans have seen SSDI as a means of opting out of the workforce even when they might not have to. The program offers people a cash benefit and free health insurance if they are willing to give up trying to work. For many, it is an obstacle to mobility. Social Security's Supplemental Security Income program, or SSI, has witnessed similar trends and problems.

A mobility agenda should therefore reform these programs by tightening medical-eligibility criteria (to help ensure that disability support really serves its purpose), placing time limits on some benefits, and requiring more ongoing reviews of eligibility. It could also better encourage employers to enable workers with modest disabilities to keep working—for instance by requiring firms whose workers enroll in SSDI at substantially above-average rates to pay a higher rate of Social Security taxes (as some states now do with their workers' compensation funds). Combined with a greater emphasis on work in the welfare system, as suggested above, this could help us begin to separate policies (like welfare) aimed to help people get back to work from those (like disability insurance) aimed to help those who are unable to work.

These are, of course, only the barest outlines of an agenda. But these five categories of steps—sustaining an environment for growth, clearing up bottlenecks, removing policy burdens, enabling vigorous experimentation in welfare and education, and separating welfare from disability support—offer the beginning of a conservative answer to the riddle of mobility.

Conservatives are far better positioned than liberals to take up the challenge of mobility. The left is wedded to the structure of our welfare state and persuaded that moving money around will address the problems we confront. But when we consider the particulars of the mobility puzzle, we can see that what is missing—as the very term mobility suggests—is not so much money as dynamism and energy. Injecting our economy with such energy requires us to allow more Americans to benefit from our free-market system, rather than shielding people from it, and would therefore require us to move beyond the liberal welfare state rather than expand it.

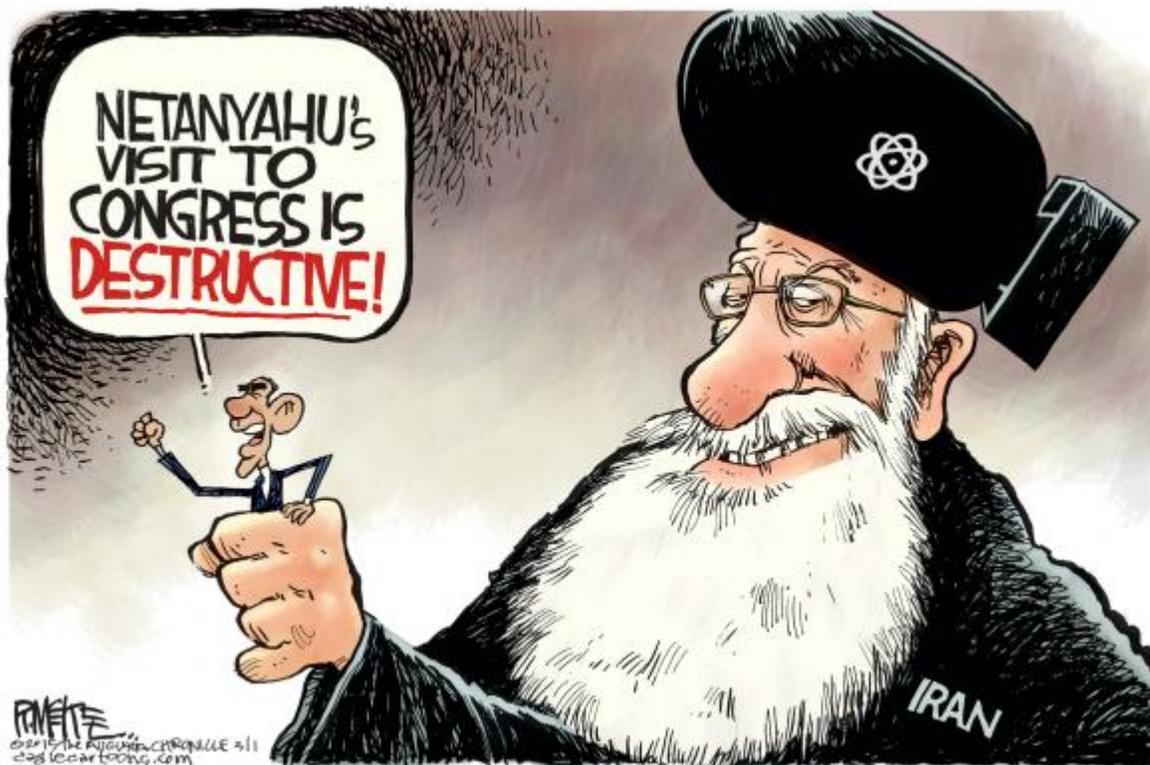
Reformers seeking such improvements need to understand that upward mobility requires not only a strong economy but also strong families and communities and a supportive culture. At the end of the day, these matter most, and it is vital that the steps we take to strengthen our economy reinforce rather than undermine these most essential means to achieving prosperous and happy lives.

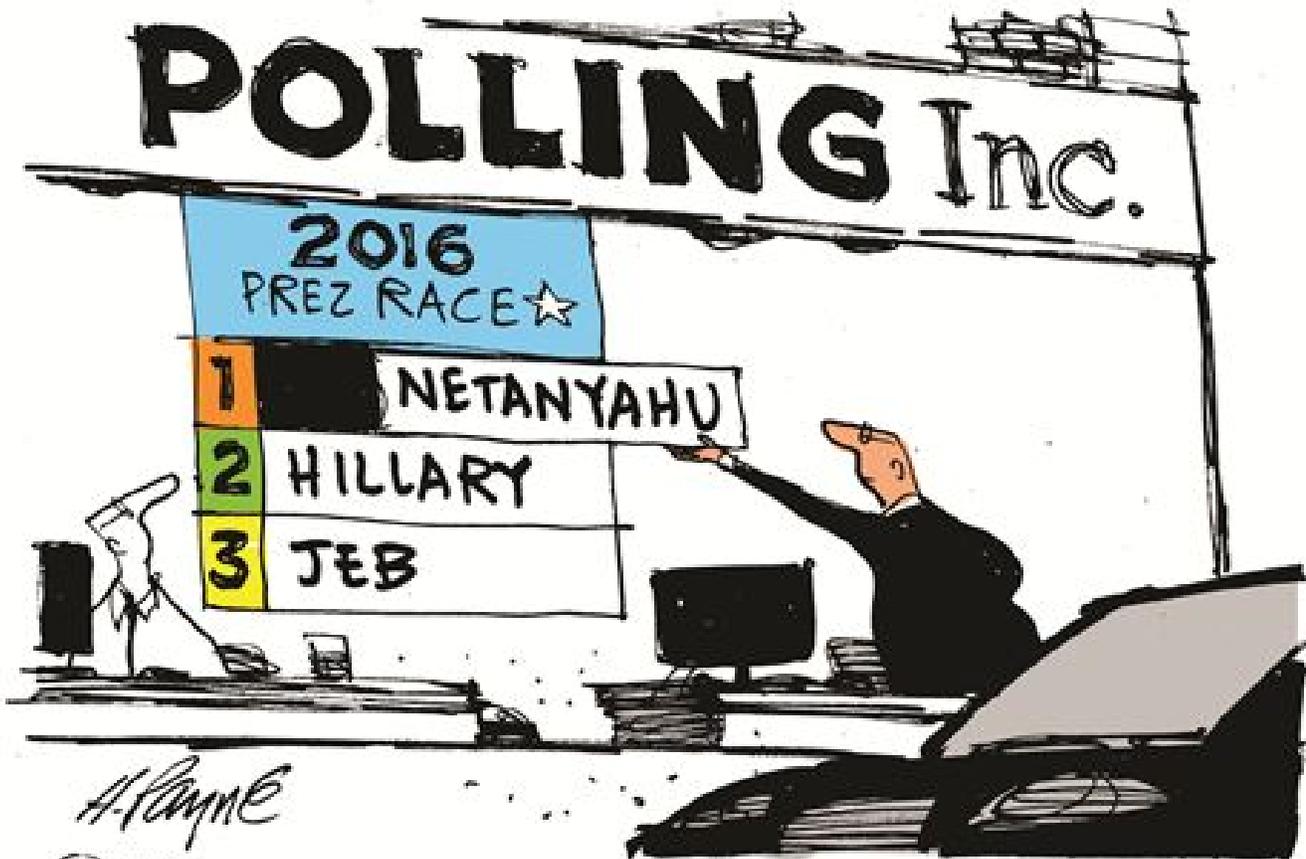
Enabling that kind of flourishing should be the goal of our politics, to which various policy mechanisms are only means. That is why putting mobility at the center of our economic thinking can help us get our priorities straight. Upward mobility is not the highest virtue a nation can advance, but it can make the others shine more brightly. And Americans have often understood our national government in particular to be rightly devoted to that cause.

In a message to Congress on the Fourth of July, 1861, amid the painful early setbacks of the Civil War, Abraham Lincoln sought to articulate what made the struggle worthwhile. When it came to describing what we valued in our government, Lincoln said this:

On the side of the Union it is a struggle for maintaining in the world that form and substance of government whose leading object is to elevate the condition of men—to lift artificial weights from all shoulders, to clear the paths of laudable pursuit for all, to afford all an unfettered start and a fair chance, in the race of life. Yielding to partial and temporary departures from necessity, this is the leading object of the government for whose existence we contend.

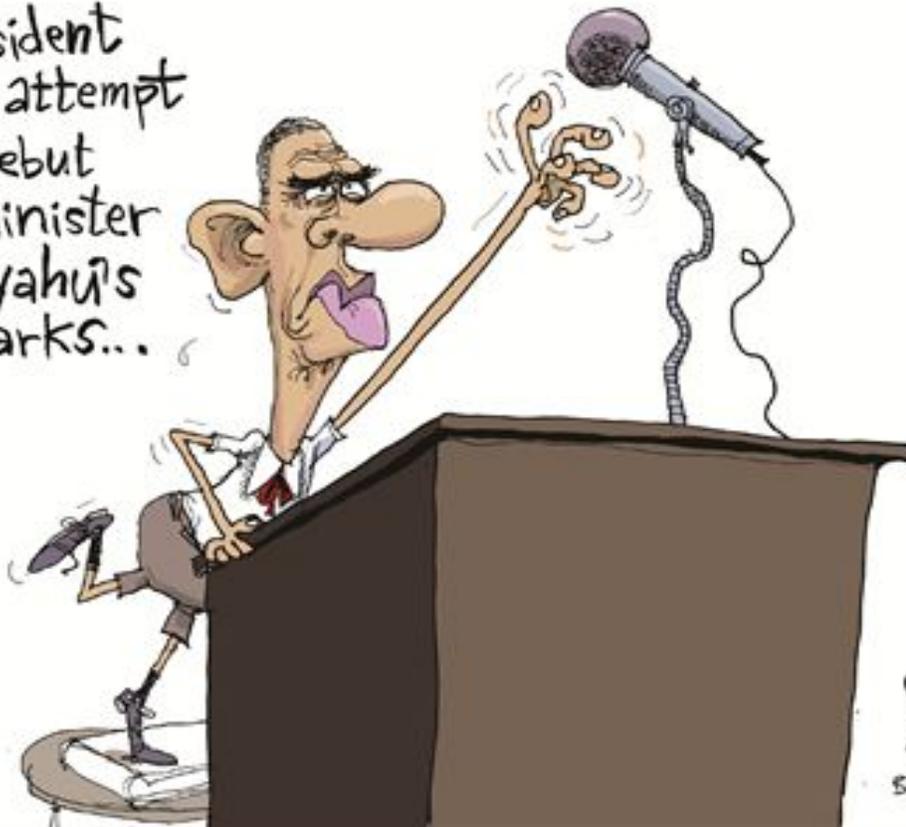
America has often been gloriously successful in advancing that cause, but it has been notably less so in recent decades. We have ignored that fact for too long and must now work to ensure that the rhetorical turn toward mobility in our national politics is followed up with substance and action.



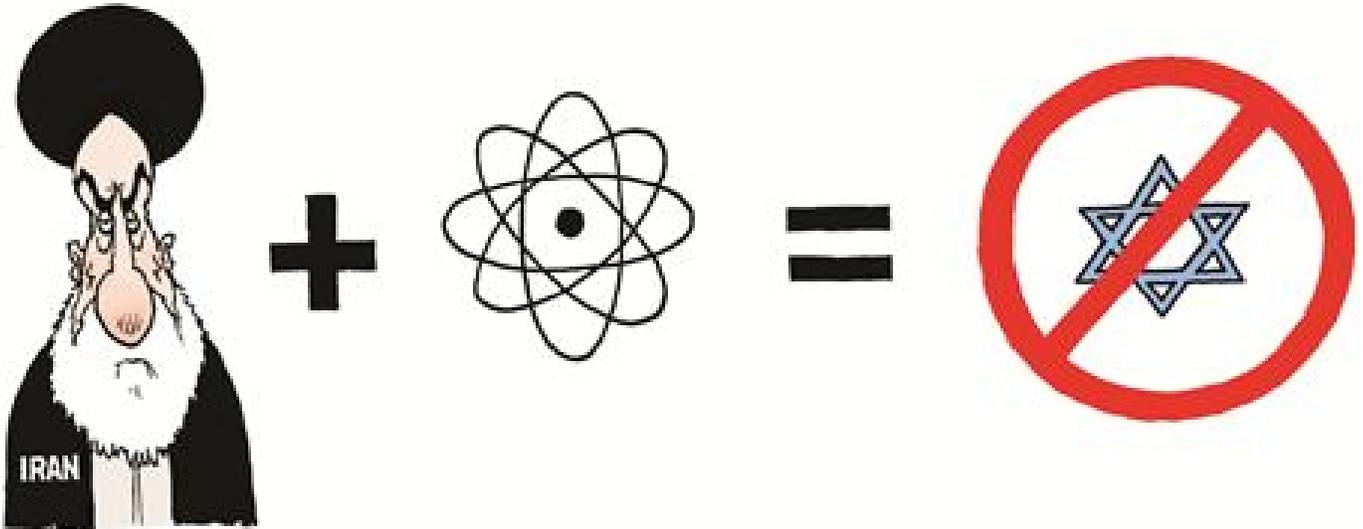


© 15 UFS comics.com/EMAIL: hpayne@detroitnews.com

The President
will now attempt
to rebut
Prime Minister
Netanyahu's
remarks...



DO THE MIDEAST MATH :



DIFFERENT WORLD VIEWS

