



From Welfare State to Opportunity State

How Progressives Should Respond to Demographic Change

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Introduction and summary

In October 2009, the Center for American Progress published "The European Paradox," a paper prepared for the inaugural Global Progress Conference held in Madrid that month. That paper sought to analyze why the fortunes of European progressive parties had declined following the previous autumn's sudden financial collapse and the global economic recession that ensued.

The starting premise was that progressives should, in principle, have had two strengths going for them. First, we argued that modernizing trends were shifting the demographic terrain in their political favor. Second, we asserted that the crisis had illustrated the intellectual and policy bankruptcy of conservatism, which had now proven itself devoid of creative ideas of how to shape the global economic system for the common good.

Despite these latent advantages, we surmised that progressives in Europe were struggling for three primary reasons. First, it was increasingly hard to differentiate themselves from conservative opponents who seemed to be wholeheartedly adopting social democratic policies and language in response to the economic crisis. Second, the nominally progressive majority within their electorate was being split between competing progressive movements. Third, their traditional working class base of support was both shrinking and increasingly being seduced by a new politics of identity driven by cultural insecurities rather than by economic arguments.

In response, we argued that if progressives could define their long-term economic agenda more clearly—and thus differentiate themselves from conservatives—establish broader more inclusive electoral coalitions, and organize more effectively among their core constituencies to convey their message, then they should be able to resolve this paradox over time.

While many of the prescriptions we outlined in that paper over a year and a half ago still hold, it is high time for us to revisit and reassess the challenges progressives now face. This is the focus of our paper. In the pages that follow, we will

examine the shifting politics of the economic crisis that has enabled right-wing populism to steal away progressive constituencies on one side of the political spectrum, while more leftist parties have nabbed progressive values voters on the other side. We then delve in more detail into this new politics of identity and break down the elements of a new progressive coalition that must answer this challenge:

- The traditional (yet shrinking) working class
- Rising educated, middle class, and professional voters
- Immigrants and minorities
- Women
- · Singles and seculars
- The younger generation

After examining how these new political actors fit into the contours of traditional progressive parties, we then conclude with what we hope is a provocative argument that progressives must go beyond defending the welfare state to advocacy of a new agenda centered on what we call the opportunity state.

We believe the future of progressivism rests on our support of this opportunity state, which we argue must show the voters of our new coalition how progressive state action can enhance their individual life opportunities and help them build a solid middle-class life through lifelong educational opportunities, high-wage, high-skilled economies, the transformation of infrastructure and cities, clean energy, a more modern tax and labor market system, new international leadership, and the creation of a global middle class and new export markets. We look forward to your reactions.

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