In a 1934 radio address from Glacier National Park, President Franklin Roosevelt declared: “Our national resources are not inexhaustible and… when public domain is stolen, a twofold injury is done, for it is a theft of the treasure of the present and at the same time bars the road of opportunity to the future.” Roosevelt’s narrative about community, opportunity, and the common good traces through our history in, for example, the National Parks, the idea of public education, a social contract to protect the vulnerable, and progressive taxation.

Our society also holds tight to a second narrative that features the individual freed from the bonds of the commons. This is the American Dream—the idea that we live in a meritocracy where all Americans can succeed if we work hard—where we all play by one set of rules and if we are strategic and patient, we can all win—where we rise or fall pretty much on our own.

In a fascinating book, The American Dream and the Power of Wealth, sociologist Heather Beth Johnson explores how citizens explain the narrative of the American Dream. Johnson and a group of researchers conducted in-person interviews. Here is one transcript:

Interviewer: “Do you think there are some ethnicities, races, groups in this country that are more disadvantaged than others? Responder: “Yeah.” Interviewer: “So you think there are certain
groups... as a whole that have a harder time making it today?” Responder: “Sure. Definitely.” Interviewer: “Okay, now, what about the American Dream? The idea that with hard work and desire, individual potential is unconstrained... everyone gets an equal chance to get ahead based on their own achievement?” Responder: “That’s a very good definition.” Interviewer: “Do you believe that the American Dream is true for all people and that everybody does have an equal chance?” Responder: “Yes. Everybody has an equal chance, no matter who he or she is.”

In interview after interview participants tightly hold both beliefs: some people have it much harder in America, and everyone has an equal chance. Johnson concludes the contradiction persists because we rarely openly discuss money. Mentioning wealth is taboo; “the intergenerational transmission of it and the purposeful use of it are normally hidden from public view.”

Today’s Congressional debate about the so-called fiscal cliff and the federal budget is as much about the narratives we believe as about actual dollars and their allocation. Extreme versions of the American Dream castigate those who use government services as lazy, even though millions of those citizens are veterans or public school children, or senior citizens who have paid into Social Security through their entire working lives.

The American Dream does not describe today’s America, where child poverty is 22 percent, highest in the developed world. Seven million of those 16 million poor children are trapped in extreme poverty with annual family income under $10,000. Social mobility has stalled, residential segregation by income increased, and inequality skyrocketed, while federal revenue is lower, as a share of GDP, than any time since 1950. Congress will need to shape the federal budget based on fact not fiction; realities about poverty and wealth must underpin choices about taxation and government’s responsibility.