

The Atlantic

The Dark Side of American Optimism

And the bright side of rising pessimism about the American Dream



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One of the hallmarks of America's supposed exceptionalism is its citizens' extraordinary optimism. A 2014 [study](#) found that Americans were more likely to describe their day as "particularly good" than any rich European country. Nothing reflects this sunniness like the enduring parable of the American Dream, the idea that, only in America, even the poorest can transform their fortunes through hard work.

But there is a dark and deeply ironic element to American dreaminess. Americans are “too optimistic” about the odds of poor citizens getting richer “relative to actual mobility in the U.S.,” according to a new [paper](#) by the economists Alberto Alesina, Stefanie Stantcheva, and Edoardo Teso. As a result, Americans are less likely to support large federal anti-poverty programs—programs that would actually help the American Dream become reality for more people—since they believe that they are already living among throngs of Horatio Algiers.

In Europe, the opposite is true. Citizens of France, Italy, and Sweden are far more pessimistic about social mobility, the study found, and those pessimists are far more supportive of welfare policies. Even within these countries, the “pessimistic respondents tend to favor more generous [welfare].” So, while Americans see their economy as a meritocracy, in which both rich and poor deserve their fates, Europeans see their economies more like lotteries, in which the poor are unlucky through little fault of their own. Poverty isn’t what they deserve, but rather what they were born into. Instead, what they deserve is help.

Here, then, is the ultimate irony. Social mobility is actually higher in Europe than in America. The biggest difference between the U.S. and similar European countries is the intergenerational mobility of the very poor. In America, they are locked in a quasi-permanent state of poverty, unable to move into the middle class. The U.S.’s quasi-religious faith in social mobility makes many Americans allergic to welfare, even though welfare is essential to making a society more socially mobile. The American Dream’s true believers, blinded by their own optimism, destroy the dream itself.

This dynamic—generous pessimists vs. laissez-faire optimists—is on display often in the news. Senator Bernie Sanders championed universal health care and education along with more cash assistance for the poor. He defended these views by arguing that the economic system was rigged by the plutocratic few against the public. On the other hand, one of the sunniest warriors on the right, Paul Ryan, is an advocate for smaller government, fewer regulations, less health care. He says [welfare doesn't work](#) and only [smaller government](#) will help the poor get ahead.

And then there is Donald Trump, scrambler of all ideological orthodoxies. Trump has been a fount of gloomy proclamations about economics, trade, work, and America's future. These warnings aren't always comprised of facts. For example, he recently said that [nearly 100 million Americans are out of work](#), a figure composed mostly of retired people. The real figure is closer to 5 million.

But as Alesina and other economists have shown, there may be a surprising and positive side-effect of the pessimism channeled by Trump. When people stop thinking that they live in a natural meritocracy, they tend to support more welfare spending—which, ironically, has the effect of improving social mobility for the very poor. If Trump can persuade conservatives that the economy is inherently unfair, he may help break the fever dream of American optimism and the right-wing's faith that “getting government out of the way” is sufficient for helping the poorest.

This line of thinking might be too optimistic, on my part, and attitudes toward social mobility aren't the only factor that determines welfare policy. Something else that clearly constrains support for anti-poverty spending in America is race. America's historical skepticism of welfare is inseparable from its [legacy of states rights](#) and racism.

The broader lesson is that social optimism is neither panacea nor poison but rather, like most medicine, something that requires a measured application. Ideally, Americans would maintain a culture of personal optimism—where each individual young person is motivated to work hard, believing that he or she can achieve their own definition of professional success—with a kind of public realism, which acknowledges that pure meritocracy is a myth, social mobility is not a natural state, and there is no shame in using government programs to correct the hardships life brings. But Americans will have to part with their uplifting overconfidence in their own nation's perfect meritocracy. If Americans want to live the dream, they have to wake up first.

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