Can Startups Save the American Dream?

Action Ideas

The Milstein Commission on Entrepreneurship and Middle-Class Jobs proposes the following five ideas to restart America’s entrepreneurial engine, and forge new pathways to create and sustain middle-class jobs:

**Unlock Capital for Main Street Entrepreneurs**

Main Street entrepreneurs often have difficulty accessing the capital necessary to launch, sustain, or scale their operations, particularly as the recent recession forced many community banks into consolidation or collapse. By unlocking Community Reinvestment Act and increasing Community Development Financial Institution investments, Main Street businesses will have access to a critical source of capital.

**Accelerate Impact Investing through PRIs**

Impact investing supports new and innovative models for confronting the great social challenges of our time. However, with mainstream investors yet to participate, it is essential to utilize all available sources of capital. By revising regulations governing program-related investments (PRIs), and expanding their awareness among foundations and entrepreneurs, we may accelerate impact investing and push it from the periphery to the mainstream.

**Build a Regulatory Roadmap**

Today’s regulatory environment imposes costly burdens on existing business and serves as a barrier to entry for aspiring entrepreneurs. Our proposed “Roadmap” will help new and emerging businesses navigate the regulatory landscape. In addition, it will put pressure on local, state, and federal regulators to offer better customer service to businesses, and encourage civic leaders to compete as top places to do business.

**Empower the Next Generation of Entrepreneurial Leaders**

A vibrant entrepreneurial society is predicated on an awareness of the opportunities entrepreneurship provides, the encouragement to pursue them, and the skills to launch and grow one’s own venture. By creating a national entrepreneurial competition for students at the K-12 level, students will be exposed to entrepreneurial thinking and opportunities before they begin their career path.

**Equip Civic Leaders to Build Entrepreneurial Ecosystems**

Entrepreneurial clusters have the power to transform communities and boost local and regional economies. However, civic leaders often do not have the tools or knowledge necessary to cultivate a productive entrepreneurial system. Our plug-and-play “Ecosystem-in-a-Box” concept combines the latest research with the unique qualities of local communities to provide playbooks for civic leaders to build their own vibrant entrepreneurial clusters.
In September 2013, with support from the Howard and Abby Milstein Foundation, the Miller Center launched the Milstein Symposium: Ideas for a New American Century. This multi-year initiative convenes policymakers, business and industry leaders, scholars, and journalists to define and advance bipartisan, innovative—yet achievable—ideas to rebuild the American Dream.

The Challenge: Rebuilding the American Dream
The development of a broad and thriving middle class was a signature achievement of post-WWII America. However, during the 1970s the American Dream began to erode and today—coming on the heels of “the lost decade”—some alarming long-term trends have emerged. Wages have stagnated, wealth has plummeted, debt continues to mount, and the cost of key middle class items—health care, housing, and education—has risen faster than wages. More broadly, public optimism and belief in attaining a middle-class life is near an all-time low. By almost any measure, the future of the American Dream is in peril. Policymakers are only now beginning to recognize the political, economic, and social dynamics that have been evolving for decades. Unfortunately, for many the Dream has already been lost.

What must be done to reinvigorate the American Dream in the 21st century? That question, so vital to the future of our nation, is at the heart of the Milstein Symposium.

Milstein Symposium, Year 1—“Creating the Jobs of the Future”
The American people, more today than ever before, view employment as fundamental to a middle-class lifestyle. An August 2013 Pew poll found that 86% of Americans feel that having a secure job is essential to being in the middle class. With over 14% of Americans currently unemployed or underemployed, the Symposium’s first year is focusing on “Creating the Jobs of the Future.”

The first Milstein commission, co-chaired by Governor Haley Barbour and Senator Evan Bayh, explored how to facilitate the growth of America’s small- and medium-sized manufacturing firms. The second commission, co-chaired by Steve Case and Carly Fiorina, looked at how entrepreneurship can be used to create and sustain middle-class jobs. The final commission of Year 1, co-chaired by Secretary Ray LaHood and Mayor Antonio Villaraigosa, will examine how to create middle-tier jobs and expand opportunities for middle-class Americans through infrastructure policy (projected release: Spring 2015).

Together, these three commissions will produce innovative, nonpartisan, action-oriented ideas to spur middle-class employment and help more people achieve the American Dream.