

Executive Summary

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Overview

The **2017 Index of Culture and Opportunity** evaluates a range of factors needed to sustain freedom and opportunity in America. Through charts that track social and economic changes and expert commentary that explains the trends, the *Index* reports on important indicators in American society and analyzes what they mean for our future.

What We Track

The *Index* tracks social and economic factors related to culture, poverty and dependence, and general opportunity in America. It monitors trends for 31 indicators, based on regularly updated national data and organized into three categories:

- **Cultural indicators**, including data on family, religious practice, and civil society;
- **Poverty and dependence indicators** related to marriage and poverty, workforce participation, and welfare spending and participation; and
- **General opportunity indicators**, such as measures of education, jobs and wealth, and economic freedom.

How We Track

For each indicator, a chart provides the most recent year of data available as of April 2017 and historical data over the past one, five, and 10 years.¹ In the chart, a red line designates

RIGHT TRACK WRONG TRACK

		RIGHT TRACK	WRONG TRACK
Culture	Marriage Rate (p. 14)		○
	Divorce Rate (p. 16)	●	
	Total Fertility Rate (p. 18)		○
	Single-Parent Households (p. 20)		○
	Teen Drug Use (p. 22)		○
	Abstinence Among High Schoolers (p. 24)	●	
	Abortion Rate (p. 26)	●	
	Religious Attendance (p. 28)		○
	Volunteering (p. 30)		○
Poverty & Dependence	Violent Crime Rate (p. 32)	●	
	Labor Force Participation Rate (p. 44)		○
	Unwed Birth Rate (p. 46)		○
	Self-Sufficiency (p. 48)		○
	Total Welfare Spending (p. 50)		○
	Subsidized Housing Participation (p. 52)		○
	Food Stamp Participation (p. 54)		○
	TANF Participation (p. 56)	●	
	TANF Work Participation Rate (p. 58)		○
General Opportunity	Reading Proficiency (p. 66)	●	
	Charter School Enrollment (p. 68)	●	
	Private School Choice Participation (p. 70)	●	
	High School Graduation Rate (p. 72)	●	
	Student Loan Debt (p. 74)		○
	Employment-Population Ratio (p. 76)		○
	Unemployment Rate (p. 78)		○
	Job Openings Rate (p. 80)	●	
	Job Hires Rate (p. 81)		○
	Money Taxed Away by Federal Government (p. 82)		○
Start-Up Job Share (p. 84)		○	
Major Federal Regulations (p. 86)		○	
Economic Freedom (p. 88)		○	

the main indicator; in some cases, related data are displayed alongside using grayscale lines. A key above each chart shows the change over one-year, five-year, and 10-year periods (with exceptions in the case of a few indicators).

The primary focus of this *Index* and the commentators' contributions is the 10-year change and its direction. That decade-long window allows us to observe what has happened over a longer period of time rather than focusing on short-term variations. This greater time horizon gives readers a sense of what has been happening regardless of changes in government or the state of the economy at any particular time. While examining annual data is helpful in some instances, it may not always be the most reliable approach for determining overall movement of a particular societal trend. This is particularly true with data that are affected by the business cycle, such as labor market and poverty indicators. It is also true for cultural trends that typically change quite gradually.

Commentary Providing Context

One of the unique aspects of the *Index of Culture and Opportunity* is the expert commentary alongside each indicator to put data in context. Contributors include researchers at The Heritage Foundation and other think tanks, academic scholars, journalists, and practitioners. These commentators explain why the indicator matters for culture and opportunity in America and help readers discern the significance of the trends within our current context.

Why It Matters

The Heritage Foundation seeks to advance conservative public policies based on the principles of free enterprise, limited government,

individual freedom, traditional American values, and a strong national defense. This *Index* is part of a set designed to assess our nation's strength in these areas, along with the *Index of Economic Freedom* and *Index of U.S. Military Strength*. Together, these indices measure America's economic, social, and military strength to help inform policy and cultural conversations both in Washington and across the country.

Policymakers will find the foundational data in this *Index* that they need to address issues involving:

- Marriage, family, and civil society;
- Welfare reform;
- Reduced spending;
- Economic growth; and
- The opportunity of individuals in a free society to improve their circumstances.

Individuals can use this *Index* to inform their own efforts to shape the future of our society, whether by raising the next generation, devoting efforts to overcoming neighborhood challenges, or participating in the public policy process.

Personal responsibility, concern for our neighbors, and public policy all influence the culture of opportunity. The *2017 Index of Culture and Opportunity* will equip those who are seeking to advance an America where freedom, opportunity, prosperity, and civil society flourish.

Highlights from the 2017 Indicators

Section 1: Culture

- While the marriage rate ticked up slightly again between 2014 and 2015, the 10-year change (2005 to 2015) was a drop of 6.4 marriages per 1,000 unmarried women. This follows a decades-long pattern of declining marriage rates. “Marriage has long been a part of the American dream. People have an innate understanding that healthy marriages build healthy lives and families. But the declining marriage rate shows that the dream is fading,” writes Derek McCoy.
- Just under one-quarter of 12th graders reported current drug use in 2016, an increase of 13.5 percent since 2006. “Three main areas of concern are marijuana, opioids, and access to mental health/substance treatment,” writes Christian Thurstone, MD. “Since 1999, the rate of people dying from opioid overdose has quadrupled.”
- Good news on abstinence: From 2005 to 2015, the percentage of 12th graders who had ever had sex decreased by 5 percentage points. “The 10-year decline in the percentage of high school students who have had sex should be a cause for modest hope. This year’s rate is lower than at any other point in the history of this indicator going back to 1991,” explains Judy Romea.
- Weekly religious attendance declined 2.1 percentage points between 2006 and 2016, continuing a gradual slide in recent decades. “The long-term decline in church attendance should trouble even those who are not personally religious,” writes John Stonestreet. As the scholarly research shows, “the benefits of regular church attendance...are virtually impossible to dispute.”

Section 2: Poverty and Dependence

- The labor force participation rate (LFPR) for adults ages 25 to 54—those at prime working ages—fell by 1.6 percentage points between 2006 and 2016. “For the better part of the past two decades, America’s LFPR has been heading mainly in the wrong direction. Worrisome in and of itself, the decline in LFPRs also reflects and further exacerbates a multiplicity of additional social ills,” writes Nick Eberstadt.
- The percentage of individuals who live in poverty (excluding welfare benefits) increased just under 1 percentage point (0.9) between 2005 and 2015. “Our current welfare system is structured to disincentivize self-improvement and the reaching of full potentials,” observes Representative Jim Jordan. “This encourages idleness—the exact opposite of what our welfare system should do. To improve the well-being of the poor, the welfare system should promote rather than penalize marriage and encourage work rather than idleness.”
- The number of individuals receiving food stamps increased by about 17.7 million between 2006 and 2016. “[T]he success of SNAP should be measured not only by how much it reduces hunger and improves nutrition, but also by how well it supports and encourages work,” says Angela Rachidi. “Employment among those who can work is the best path toward opportunity and a more prosperous society. All government safety-net programs, including the Supplemental Nutrition Assistance Program, should focus on this broader goal.”

Section 3: General Opportunity

- Charter school enrollment increased by 1.7 million students between 2006 and 2015, but behind this data point lies significant thwarted demand. As Jeanne Allen explains: “Once the most promising public school reform available to students, charter schools have stalled. From 1993–2009, the number of charter schools grew from 10 percent–15 percent each year. In the 2015 school year, the number of charters increased by just 7 percent. In 2016, school growth dropped dramatically to 2 percent. All the while, charter school enrollment has grown steadily each year. However, that masks the real story: Demands for charter opportunities outstrip supply by at least a million students.”
- Unemployment has declined almost to where it was 10 years ago, but there’s more to the story, says Rachel Greszler. “According to the topline unemployment rate, the labor market is doing fairly well. At 4.2 percent, unemployment among individuals 25–54 years old is near its ‘natural’ rate. But the unemployment rate does not reveal the millions of people who have dropped out of the labor force, stopped looking for work, or turned to disability insurance as an unemployment or early retirement program.”
- The employment-to-population ratio for those of prime working age (25–54) fell 1.9 percentage points between 2006 and 2016. This measure captures an important facet of our political climate that the unemployment rate does not, explains Henry Olsen. The focus on the latter “might have been warranted once, but today, the official unemployment rate does not accurately depict what is happening to American workers. That is because one is counted as unemployed only if one is not employed and is actively seeking a job (what

economists call ‘labor force participation’). If things are so bad that you are not even looking for a job, the unemployment rate does not capture your despair.”

Summary Observations

Mind the gap. Some of the most pressing challenges facing the United States today are those that fall outside the typical boundary lines of traditional public policy disciplines. Alarming growth in detachment from work and the opioid crisis, for example, are problems that have both economic and social dimensions, falling in the gaps between issue areas. Challenges like these call for responses that are not constrained by traditional lines of inquiry—responses that tap both policy and cultural ingenuity.

Different indicators tell different stories; the plot is thicker than any one trend. Historically low unemployment is good news. Not so the declines from 2006 to 2016 in the labor force participation rate and the employment-to-population ratio. This *Index* includes all three measures to represent the complexity of today’s economic and cultural situation. In education, Jeanne Allen notes a trend that similarly complicates the picture with respect to charter schools: Student enrollment in charter schools has risen consistently and significantly for the past two decades, but the growth rate in the *number* of charter schools has slowed dramatically. This supply-side stagnation has left widespread unmet demand.

Numbers don’t tell the whole story. Policy maneuvers can produce the appearance of more positive results than is actually the case. That’s what Katherine Bradley and Robert Rector discovered when they investigated an apparent large increase in the work participation rate under the Temporary Assistance for Needy Families (TANF) program (p. 58). Likewise, Lance Izumi is skeptical about whether the rise in graduation rates represents real academic gains (p. 72). Context and detail—the kind the commentators in this volume supply—are key.

Policy Implications

Many policies interact to create the conditions that will either encourage or hinder the expansion of opportunity. Policy leadership is required at federal, state, and local levels of government. Policymakers should pursue the following proposals based on the trends and commentary presented in this *Index*:

- Pursue policy that promotes life, marriage, and religious liberty.
- Pursue limited government, encouraging personal responsibility and concern for neighbors.
- Promote student-centered education choice options.
- Teach and reinforce, throughout middle school and high school, sexual risk avoidance and healthy relationship skills and messages.
- Advance comprehensive welfare reform, focusing on restoring self-sufficiency through work, eliminating work disincentives, and curbing marriage penalties in social safety-net programs.
- Reduce governmental regulations that impede entrepreneurship and the growth of small businesses.
- Identify and study effective and successful strategies and approaches for expanding opportunity.

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1. For several indicators for which annual data are not available, the intervals vary.