



**Occasional Paper Series**

**Number 64**

# **The Coming Federal Divide in America: Progressives strike back?**

**Amit Gupta**



The Forum of Federations, the global network on federalism and multilevel governance, supports better governance through learning among practitioners and experts. Active on six continents, it runs programs in over 20 countries including established federations, as well as countries transitioning to devolved and decentralized governance options. The Forum publishes a range of information and educational materials. It is supported by the following partner countries: Australia, Brazil, Canada, Ethiopia, Germany, India, Mexico, Nigeria, Pakistan and Switzerland.

# The Coming Federal Divide in America: Progressives strike back?

Amit Gupta

© Forum of Federations, 2022  
ISSN: 1922-558X (online ISSN 1922-5598)

Occasional Paper Series Number 64  
The Coming Federal Divide in America: Progressives strike back?  
By Amit Gupta

For more information about the Forum of Federations and its publications, please visit our website: [www.forumfed.org](http://www.forumfed.org).

This project has been implemented by:



Forum of Federations  
75 Albert Street, Suite 411  
Ottawa, Ontario (Canada) K1P 5E7  
Tel: (613) 244-3360  
Fax: (613) 244-3372  
[forum@forumfed.org](mailto:forum@forumfed.org)

Suggested citation for this publication:  
**Amit Gupta, The Coming Federal Divide in America: Progressives strike back? (Forum of Federations, Occasional Paper Series, 2022).**

## Abstract

In the next 25 years, spatial and demographic shifts will create major changes within the American political system: by 2040, it is estimated that 8 states will have 50% of the population and another 7 states will have an additional 25% of the populace; secondly, by 2045, the minorities in the United States become a majority, making it the first western nation to have moved to this status. The United States, therefore, is going through a major spatial and demographic transition that will reshape the relations between the 50 states. It has been argued that, as a result of this spatial realignment of the population, the presidency will be determined by older white voters living in sparsely populated states because the American system of the Electoral College will give these states a continued advantage in determining the election results. This article argues that while institutional power may remain in the hands of the demographically older, sparsely populated, and conservative states, the states with the largest populations will have the resources and be at the center of the knowledge economy that the United States is fast becoming. These advantages will allow these states to rewrite the terms of their relationship with the poorer, more ethnically homogenous, and educationally backward states. Further, the more populated states may be able to bring out some significant changes in the social and economic policies of the less-populated states.

Additionally, this spatial and demographic shift will be influenced by a gender transition, which sees more women in positions of power and influence, and the transition from the baby boomers to the millennials in the economy. Such shifts will, however, shape the domestic clash of civilizations in America as some religious and alt-right groups continue to push back against progressive values.

*Amit Gupta is an Associate Professor in the USAF Air War College where he works on international security and issues of demography. His most recent book is an edited volume on the future of airpower. The views in this article are his and do not necessarily reflect those of the USAF or the Department of Defense.*

## Introduction

Over the next 25 years, spatial and demographic shifts will create major changes within the American political system: by 2040, it is estimated that 8 states will have 50% of the population and another 7 states will have an additional 25% of the populace; secondly, by 2045, the minorities in the United States become a majority, making it the first western nation to have moved to this status. The United States, therefore, is going through a major spatial and demographic transition that will reshape the relations between the 50 states. The conservative political scientist, Norman Ornstein, has argued that as a result of this spatial realignment of the population, the presidency will be determined by older white voters living in sparsely populated states (because the American system of the Electoral College will give these states a continued advantage in determining the election results).<sup>1</sup> This report argues that while institutional power may remain in the hands of the demographically older, sparsely populated, and conservative states, the states with the largest populations will have the demographic resources and be at the center of the knowledge economy that the United States is fast becoming. The rich, educated, multicultural, and multiethnic states, therefore, are going to rewrite the terms of their relationship with the poorer, more homogenous, and educationally backward states—most likely to the disadvantage of the poorer states. Further, the more populated states may be able to bring out some significant changes in the social and economic policies of the less-populated states for if the latter seek investments and work forces from these more populated states, they will have to adapt their policies to satisfy investors.

Additionally, this spatial and demographic shift will be influenced by a gender transition, which sees more women in positions of power and influence, and the transition from the baby boomers to the millennials in the economy. Such shifts will shape the domestic clash of civilizations as some religious and alt-right groups continue to push back against progressive values.

## Demographic Transition

The U.S. Census Bureau has calculated that, by 2045, more than half of all Americans are projected to belong to a minority group; thus the United States will be the first western nation that sees a significant racial shift in its composition as the minority becomes the majority.<sup>2</sup> Despite the best efforts of Stephen Miller (Senior Advisor to the Trump White House) and the Trump Administration to halt immigration, and to try and reverse this demographic shift, it seems that the transformation of America may happen sooner than later. Recently released statistics show how rapidly this shift is taking place in the youngest demographic cohort of Americans: while in 1997, over 63 percent of the 46.1 million U.S. public school students were white, now white students comprise just 49.7 percent of the 50 million students enrolled.<sup>3</sup> The significance of this shift cannot be underestimated even though in the United States it is seen largely in terms of electoral politics and voting calculations. The real significance lies in the fact that we will see cultural and foreign policy shifts that will have far reaching consequences for public policy within the United States and in how the country views its role in world affairs.

---

<sup>1</sup> Ornstein's interview on the subject was cited in, Phillip Bump, "In about 20 years, half the population will live in eight states," *The Washington Post*, July 12, 2018.

<sup>2</sup> Sandra L. Colby and Jennifer M. Ortman, Projections of the Size and Composition of the U.S. Population: 2014 to 2060, United States Census Bureau, Issued March 2015, p. 1.

<sup>3</sup> Grace Chen, White Students are Now the Minority in U.S. Public Schools, *Public School Review*, October 14, 2019.

The demographic shift has already led to a cultural change in terms of the representation of Americans on television shows, in advertisements, in cuisine, and in university courses. Joe Biden repeatedly referred to this shift in a speech commemorating the 100<sup>th</sup> anniversary of the Tulsa Massacre:

“And although I have no scientific basis of what I’m about to say, but those of you who are over 50 – how often did you ever see – how often did you ever see advertisements on television with Black and White couples? Not a joke. I challenge you — find today, when you turn on the stations — sit on one station for two hours. And I don’t know how many commercials you’ll see — eight to five — two to three out of five have mixed-race couples in them. That’s not by accident. They’re selling soap, man. (Laughter.) Not a joke.”<sup>4</sup>

This change in the demographic composition of the United States will only accelerate because, as the Pew Foundation points out, the most common age for a white person in the United States is 58 while the most common age for a Hispanic is 11—for a Black it is 27, and for an Asian it is 29.<sup>5</sup> The minorities, therefore, will have the bulk of the young people in the country who are going to dominate the workforce and, more importantly, this will be the cohort from which innovations will most likely come to bring about transformations in America’s knowledge economy.

The role of minorities in America’s knowledge economy cannot be underestimated since after the pandemic hit, the top five tech companies accounted for 20% of the value of the stock market and in each of these companies the number of minority employees, particularly Asians, was high.<sup>6</sup> As the Table below shows, Asians have an outsized role in America’s biggest tech industries:

**Percentage of Asians in Major Tech Companies (Figures in Parentheses give the date of the Company’s Diversity Report from which the data was retrieved)**

Company	Percentage of Asians
Microsoft	33.3% (2019)
Alphabet/Google	42.3% (2021)
Facebook	44.4% (2020)
Apple	27% (2020)
Amazon	13.6% (2020)

For those energized by Trumpian populism, it is important to understand that what we are seeing is not shift from the American work ethic—migrants tend to exemplify the Protestant work ethic—but rather a move away from the idea of a White Anglo-Saxon Protestant culture, and the foreign and economic policies that have gone hand in hand with it, to one which is more globalized and focusing on the non-western parts of the world. Secondly, the bulk of the minorities are in the major states since those are the regions where the maximum jobs are likely to be located, especially for reasons discussed below. Thus, we are likely to see a shift in relations between Europe and the US to a greater focus in the United States’ foreign and economic relations with Asia, which is the fastest growing economic region in the world, and with Central and South America—where a large percent of the minority-majority population will have its roots. European politicians are beginning to accept this change as being inevitable for, as the French president Emmanuel Macron warned, Europe has

<sup>4</sup> Remarks by President Biden Commemorating the 100th Anniversary of the Tulsa Race Massacre, The White House, Speeches and Remarks, June 1, 2021, Washington, D.C.

<sup>5</sup> Katherine Schaeffer, *The most common age among whites in U.S. is 58 – more than double that of racial and ethnic minorities*, Pew Research Center, July 30, 2019.

<sup>6</sup> Paul Eavis and Steve Lohr, “Big Tech’s Domination of Business Reaches New Heights,” *The New York Times*, August 19, 2020.

focused too much on growing as a market and that the United States now pays more attention to the Pacific rather than to Europe.<sup>7</sup> Further, Latinos support the UN and multilateralism, are less interested in waging foreign wars and intervention, and are more supportive of the Palestinians in the Arab-Israeli dispute.<sup>8</sup>

### **Demographics, The Generational Shift**

In the next 10 years, Millennials are estimated to become about 75% of the American workforce by most reports and their values and ideology will shape the nature of the American workforce and of American society. What is coming after the Millennials is generation Z, also known as the Zoomers, who were born, depending on varying studies, between 1997 and 2016.

The political attitudes of these generations are significantly different from those of the Baby Boomers and Generation X in areas of social justice, the environment, inclusiveness, and the role of government. The Pew Center, which has done some of the most comprehensive research on the political attitudes of the millennials and Generation Z, in a report states that, “similar to Millennials, Gen Z’ers are progressive and pro-government, most see the country’s growing racial and ethnic diversity as a good thing, and they’re less likely than older generations to see the United States as superior to other nations.”<sup>9</sup> While Millennials do have different political ideologies, with many calling themselves libertarian and being in favor of small government, their social attitudes and their workplace requirements tend to be similar. One may describe their approach, tongue in cheek, as Libertarianism with Socialist characteristics.

As Charlotte Alter (national correspondent for Time magazine) has written, millennials tend to favor government-run health care, student debt relief, marijuana legalization and criminal-justice reform, and they demand urgent government action on climate change.<sup>10</sup> They are also more likely to be openly LGBTQ. So, diversity in the workplace and a social safety net are societal aspects that millennials tend to agree on and they want to live in areas where their value system is respected. Further, given the emphasis on education in this generation, there will be a natural tendency to move to the states which are the basis of America’s knowledge economy.

### **Time is on their Side**

The Millennials and Zoomers have an added advantage that conservatives will find impossible to counter—they are young, and time is on their side. For other generations, the aging process is rapidly catching up with them and they will be leaving the workforce or dying. In 2020, the youngest World War II veteran (who was 18 in 1945) is 93, the youngest Korean war veteran is 85, and the youngest Vietnam war veteran is 66. These generations have long left or are soon to leave the workforce and their place is being taken by the millennials who, by 2025, are expected to be 75% of the workforce.<sup>11</sup> Moreover, those espousing the political agenda of the millennials and “zoomers” will be living for a very long time. If we assume 85 is the American life-expectancy that Alexandria Ocasio-Cortez may live till 2075 while Pete Buttigieg will live till at least 2065—in that year, to go into the realm of fantasy, Donald Trump would be 119 and Mike Pence would be 106, and conservative icons like Addison Mitchell McConnell would be 123 while Lindsay Olin Graham would be 110. It is safe to say that all

<sup>7</sup> “Macron criticized by US and Germany over NATO ‘brain death’ claims,” *The Guardian*, November 7, 2019.

<sup>8</sup> For a discussion see Amit Gupta, Demographic Shifts and US Foreign Policy, *Orbis*, Summer 2016, p. 363.

<sup>9</sup> Kim Parker and Ruth Igielnik, “On the Cusp of Adulthood and Facing an Uncertain Future: What we know about Gen Z so far,” *Pew Research Center*, May 14, 2020.

<sup>10</sup> Charlotte Alter, “How millennial leaders will change America,” *Time*, January 23, 2020.

<sup>11</sup> Big demands and high expectations *The Deloitte Millennial Survey*, January 2014, p. 2.



of them will likely be deceased or infirm by then. In the interregnum, the Ocasio-Cortez and Buttegeig generation will leave its mark on public policy.

Even more progressive than the Millennials may be the Zoomers and the generation that comes after them, as best seen in the influence of a teenager named Greta Thurnberg and Time magazine's new "Kid of the Year" Gitanjali Rao. Thurnberg, at 16, addressed both Houses of Congress and the United Nations General Assembly on climate issues while Gitanjali Rao, an Indian-American, has spoken about, "...her astonishing work using technology to tackle issues ranging from contaminated drinking water to addiction and cyberbullying, and about her mission to create a global community of young innovators to solve problems the world over."<sup>12</sup> Given current life-expectancies, both teenagers could live till 2090 (when they would be 85) and Donald John Trump would be 144, Ivanka Trump would be 109, and Addison Mitchell McConnell would be 148. Let us face facts: time is running out for the older generation and its ideas, and states clinging to such ideas and attitudes will not be attractive to the coming generation. Youth flight is likely to follow in even greater numbers from these states.

### The Spatial Divide

Norm Ornstein's comments on elderly white populations determining the presidency come from a report of the Weldon Cooper Institute at the University of Virginia that ran the data to come up with the conclusion about the spatial distribution of population in America. The eight states were:

State/Country	Estimated Population in 2040
USA	379,392,729
California	46,467,701
Texas	40,015,913
Florida	20,873,488
New York	20,873,488
Georgia	12,820,271
Pennsylvania	12,809,150
North Carolina	12,658,927
Illinois	12,397,564

Source: Weldon Cooper Center, University of Virginia, *Population Projections for the 50 States and D.C.*, Available at: <https://demographics.coopercenter.org/national-population-projections>

Additionally, the next 7 most populated states will have another 25% of the population.

State	Population in 2040
Ohio	11,751,540
Virginia	9,876,728
Washington	9,776,728
New Jersey	9,470,012
Arizona	9,166,279
Colorado	7,692,907
Indiana	7,095,000

Source: Weldon Cooper Center, University of Virginia, *Population Projections for the 50 States and D.C.*, Available at: <https://demographics.coopercenter.org/national-population-projections>

These 15 states will also have a strong correlation with the demographic shifts in America as minorities flock for employment to them. Therefore, Florida requires large-scale immigrant labor to maintain its

<sup>12</sup> Angelina Jolie, "Kid of the Year: Gitanjali Rao, 15," *Time*, December 3, 2020.

agricultural programs while states like California, Texas, and Washington will need knowledge economy-based employees who will come both from within America and from around the world. The numbers in the future populous states are already quite revealing for, as the Migration Policy Institute data has shown, in the last two decades, Georgia has seen an 84% growth in its foreign-born population, Florida 67.6% and Texas 70%.<sup>13</sup> This influx is particularly apparent in the knowledge economy companies as can be seen from the data in Table 3 showing how many Asians (both foreign born and native) are in their workforce:

**Table 3**

Corporation	Asians as Percentage of Workforce
Apple	21%
Facebook	41.4%
Google	36.3%
Microsoft	38.2%
Twitter	25.8%

*Source: Diversity Reports of each corporation, 2018*

The tech companies are the sunrise industries of America and for them to attract world class labor, they have to ensure that their workforce lives and carries out its professional duties in an environment that is not racist, sexist, homophobic, or demeaning to women (although the argument can be made that tech companies have problems with gender issues which they are now seeking to address). States that cannot provide such an environment will lose out on attracting new investments in cutting-edge industries.

The counter argument is made that the conservative states offer non-union labor forces and cheaper wages. In the medium to long term, this factor will become far less relevant because of the rapid advent of 5G, Artificial Intelligence, and Robotics into the forces of production. Such technological innovations will dramatically reduce the demand for unskilled labor while having a growing need for small numbers of highly educated labor.

Along with the spatial shift has come a clear division of wealth in the nation with the liberal areas accounting for an overwhelming proportion of the wealth. In a study published shortly after Trump's 2016 win, the Brookings Institute presented some startling figures on the division of wealth in the country by county. As the authors pointed out, Hillary Clinton won 472 American counties thus winning 2.9 million more votes than Trump but, more importantly, her counties accounted for 64% of American GDP. In contrast, Trump won 2584 counties, but these areas only accounted for 36% of American GDP.<sup>14</sup> In the 2020 election, the wealth divide and electoral divide was even more striking as Joe Biden won 477 counties which gave him 7 million more votes than Trump but, again, these 477 counties generate 70% of American GDP. In contrast, Trump won 2,497 counties which account for only 29% of American GDP.<sup>15</sup> The data graphically illustrates that there is a concentration of wealth and population taking place in America and this divide will only be exacerbated by the coming demographic and spatial divides. Added to the demographic and spatial shifts will be three

<sup>13</sup> Migration Policy Institute, [State Demographics Data](https://www.migrationpolicy.org/state-demographics-data) | [migrationpolicy.org](https://www.migrationpolicy.org)

<sup>14</sup> Mark Muro and Sifan Liu, *Another Clinton-Trump divide: High-output America vs low-output America*, Brookings Institution, November 29, 2016.

<sup>15</sup> Mark Muro, Eli Byerly Duke, Yang You, and Robert Maxim, *Biden-voting counties equal 70% of America's economy. What does this mean for the nation's political-economic divide?* Brookings Institution, November 10, 2020.

factors: the feminization of America, the rise of knowledge economies, and the urbanization of America.

### Feminization

For the past four decades, more women than men have obtained college degrees and, in fact, the number of men getting college degrees continues to decline. According to the data of the National Council of Education Statistics, by 1980, 54% of all college degrees were being awarded to women and by 2019-2020 the percentage had gone up to 61.3%.<sup>16</sup> Traditionally, women have been poorly represented in the sciences but even there the number of degrees awarded to women are going up. The National Center for Science and Engineering Statistics data shows that in the hard sciences the number of women, which used to be low, are now quite impressive.

**Table 4**

Field of Study	Bachelors	Masters	Doctoral
Computer Science	18.7%	30.8%	20.1%
Engineering	20.9%	25%	23.5%
Mathematics and Statistics	42.4%	41.6%	28.5%
Physical Sciences	19.3%	22.1%	19.3%

Source: *Women, Minorities, and Persons with Disabilities in Science and Engineering*, National Center for Science and Engineering Statistics. Available at: <https://nces.nsf.gov/pubs/nsf19304/digest/field-of-degree-women#physical-sciences>

With more women getting advanced college degrees, particularly graduate degrees, they will have greater economic and professional independence and will be making decisions in their households about where to locate in the United States; one may argue that given the shift in the political and social views of the millennials and the Zoomers, they are not likely to want to go to states with conservative ideologies and instead prefer to stay in the urban, cosmopolitan states that are densely populated and are more gender friendly.

### Education and Innovation

The gap between the educated and the less educated—those with college degrees versus. those that do not have them—will also grow as the nature of the American economy changes to one that increasingly relies on innovation and services. Coupled with the pull towards the knowledge economy, which is high reward but also employs lower numbers, is the fact that manufacturing in America will be increasingly dependent on automation; therefore, the jobs that existed for unskilled and semi-skilled labor, in sectors such as automobile manufacturing, will shrink as corporations taking advantage of the Industrial Internet of Things created by 5G will move towards robots that are high performance, that can interact with each other, and that have low latency rates. This will most likely accelerate the movement out of the less populated states as they will find it increasingly difficult to provide lucrative employment to younger populations. Along with the fact that employment with good wages may be hard to come by is the fact that the move to the more populated states will come because of a demand for a lifestyle imperative.

<sup>16</sup> Degrees conferred by postsecondary institutions, by level of degree and sex of student: Selected years, 1869-70 through 2027-28, National Center for Education Statistics, Available at: [https://nces.ed.gov/programs/digest/d17/tables/dt17\\_318.10.asp?current=yes](https://nces.ed.gov/programs/digest/d17/tables/dt17_318.10.asp?current=yes)

## The Lifestyle Imperative

The 2018 edition of the United Nations World Urbanization Prospects report highlighted the advantages of an urban lifestyle:

“Urban areas also serve as hubs for development, where the proximity of commerce, government and transportation provide the infrastructure necessary for sharing knowledge and information. Urban dwellers are often younger, more literate and more highly educated, are more likely to have access to decent work, adequate housing and social services, and can enjoy enhanced opportunities for cultural and political participation as well as gender equality.”<sup>17</sup> The lure of urbanization and the impact it could have on shaping corporate decisions was perhaps best seen in the competition for Amazon’s HQ2—its second headquarters in the United States.

Amazon’s HQ2 competition laid out the requirements for the second campus as follows: “In choosing the location for HQ2, Amazon has a preference for:

- Metropolitan areas with more than one million people.
- A stable and business-friendly environment.
- Urban or suburban locations with the potential to attract and retain strong technical talent.”<sup>18</sup>

Among the additional requirements for the locating of the second headquarters were proximity to a major international airport and a major urban center, but then the requirements became more precise and demanded what overly conservative states could not provide. The report stated that the headquarters would require a highly educated workforce so a strong university system would be required. Also, “The Project requires a compatible cultural and community environment for its long-term success. This includes the presence and support of a diverse population, excellent institutions of higher education, local government structure and elected officials eager and willing to work with the company, among other attributes.”<sup>19</sup> The report concluded its requirements by stating that, “We want to invest in a community where our employees will enjoy living, recreational opportunities, educational opportunities, and an overall high quality of life.”<sup>20</sup>

238 cities in the United States, Canada, and Mexico applied for hosting the headquarters and New York and Northern Virginia were eventually chosen. What Amazon was calling for was a location that was hip, urban, multicultural, educated, and racially diverse and this is likely to become the template for any major corporation that is seeking to invest in the United States since it means moving their skilled and educated workforce to such a location.

Yet while the economic trends are suggesting that the new economy of the United States will be highly-skilled, highly educated, multicultural, and requiring social, cultural, and educational stimulation, political power in the United States will continue to rest with the aging states with declining population. This then raises an important question for the future: Will the United States, because of its antiquated version of contestation and representation (an electoral college that does not reflect the realities of population and a Senate system where a Wyoming with a population of roughly half a million gets two senators as does California with a population of over 39 million) become the country that Norm Ornstein says it will—one where less populated states full of elderly white people decide the presidency

<sup>17</sup> *World Urbanization Prospects, The 2018 Revision*, (United Nations, Department of Economic and Social Affairs, New York, 2019), pp. 1-2.

<sup>18</sup> Amazon HQ2 RFP, p.1, [RFP 3. V516043504 .pdf \(ssl-images-amazon.com\)](https://www.amazon.com/hq2-rfp/3/V516043504.pdf)

<sup>19</sup> *Ibid.*, p. 5.

<sup>20</sup> *Ibid.*, p. 5.

and, because of representation in the senate, public policy? Or will the concentration of wealth, educational attainment, innovation, and youth give the more populated states an advantage in shaping public policy?

### **The Left Strikes Back?**

The 2020 elections saw 74 million Americans vote for Donald Trump and the agenda of Make America Great Again. The media and politicians call for dialogue with disaffected Trump supporters and the common refrain is to not talk down to them.

The American federal system was constructed to give an equal voice to all states, to prevent a monarchical type leader imposing their will, and to have slow, measured debate with resulting policy being based on compromise. Instead, in an age of advanced communications and demographic and spatial shifts, we are witnessing increasing polarization and routine gridlock. In this situation, public policy is not a reflection of debate and compromise but, instead, the ability of one party to garner enough votes in the Senate to push through bills that may not be endorsed by the majority of the population. Thus, in the past few years, the United States Senate has successfully appointed three conservative judges to the Supreme Court even though their judicial philosophies may not reflect the social and political values of the bulk of the population—of the big eight states of the future, the senators from California, New York, and Illinois did not vote for the most recent Supreme Court nominee while in Pennsylvania the vote was split. Is such a state of affairs likely to continue?

The 2020 elections would suggest a mixed record since, with the exception of Arizona, most Republican senators managed to retain their seats despite pollsters projecting a blue wave that would see democrats winning a majority in the senate. On the other hand, in Georgia, Jon Ossoff and Raphael Warnock won by handy margins and turned the state blue in the Senate.

Also, it was clear that despite the Democrats long-standing affiliation with labor and minorities, in a number of regions Trump over performed with the minorities to the extent that he handily won the election in Florida and Texas—both states, because of their sizable minority populations, were considered possible pick-ups by the Democrats.<sup>21</sup> While such shifts within minority populations may aid the conservative movement and the Republican party, it will not change the overall concentration of wealth in the progressive suburbs of America where Joe Biden found his vote bank (also, despite making a dent in the minority vote in both Texas and Florida, the majority of non-white votes in these states still went to the Democrats). With such a concentration of wealth, based as it is around sunrise industries and financial services, these blue states will be able to exercise a considerable degree of leverage over the aging and less populated conservative states by using the financial lever to demand a softening of social and economic positions that at present are inimical to the richer blue states. Such a strategy has been described as one of embedding environmental, social institutions but instead to use investments to bring about definitive social and economic changes incrementally.<sup>22</sup> Two examples come to mind of such a trend becoming prevalent in America. One is the possible response to the overturning of America's pro-choice law.

On June 24, 2022, the Supreme Court of the United States overturned *Roe vs Wade*, the decision that had kept abortion legal in the United States for 49 years. The division among American states was predictable as the liberal states mobilized to try and protect the right to choose while the conservative

---

<sup>21</sup> For an analysis see Jack Herrera, "Trump Didn't Win the Latino Vote in Texas. He Won the Tejano Vote," *Politico*, November 17, 2020, <https://www.politico.com/news/magazine/2020/11/17/trump-latinos-south-texas-tejanos-437027>

<sup>22</sup> Tensie Whalen, "Making a Better Business Case for ESG" *Stanford Social Innovation Review*, August 17, 2020. [Making a Better Business Case for ESG \(ssir.org\)](https://ssir.org/making-a-better-business-case-for-esg)

states rapidly imposed the trigger laws they had in place to immediately ban abortions in their jurisdiction (trigger laws were meant to come into place immediately after the Supreme Court gave a decision against *Rowe*).<sup>23</sup>

Liberal groups sought to influence corporations since it would be difficult to change the composition of legislatures in red states and impossible to change the membership of the Supreme Court unless vacancies occurred. While less than 10% of corporations commented publicly on the verdict, a number of prominent firms like Uber, Microsoft, Disney and vowed to help give employees access to abortions.<sup>24</sup> While employers have not as yet taken more proactive measures to help their workforce, observers believe that, “Given the widespread implications for half the workforce in anti-abortion states, experts have said companies based in jurisdictions with abortion bans will face repercussions around recruitment and retention and even possible legal jeopardy.”<sup>25</sup> Although it is too early to say how this will play out in the American workforce, the corporate response to Georgia’s attempt to pass a stringent abortion law was met with a vigorous counter from corporations.

In 2019, Georgia passed a restrictive abortion law that banned all abortions after six weeks of pregnancy had elapsed. The law was met with criticism and threats from Hollywood corporations like Disney, Warner Media, and Netflix who threatened to pull film and television series production from the state. Atlanta and the surrounding areas have been dubbed the Hollywood of the South because of the extensive film and T.V. shooting that takes place in the area and a boycott of Georgia would have had considerable impact on the state’s economy as well as potentially leading to pressure on other major Atlanta based corporations like Delta, Home Depot, and Coca-Cola to consider relocation of their corporate headquarters. The controversy was resolved because a federal judge struck down the law as unconstitutional, but it gives an indication of the potential power of major industries in America, that have progressive values, in shaping political decisions in otherwise conservative states.

In 2021, in reaction to a new law passed by the Georgia legislature which restricts voting rights in the state and is seen as being targeted at minorities, both Delta and Coca-Cola come out against the new voting law as did a group of other corporations which saw the impending demographic shift as their future market.

This battle is far from over since Georgia has some leverage over these companies. Coca-Cola could make a symbolic gesture and move its corporate headquarters out of Atlanta but it would be impossible for Delta to shift its major hub of operations from Atlanta airport to another city. Georgia also decided to play hard ball with Delta by stripping it of the jet fuel tax break it enjoyed courtesy of the state.

### **Texas Abortion Law**

Another issue that will see a clash between progressives and conservatives is the recent Texas Abortion law that makes medical terminations of pregnancy illegal after six weeks and also permits the novel approach of allowing vigilantes or bounty hunters to turn in suspected abortion receivers for a reward. The law is draconian as it leads to, “...a near-total ban on abortions, includes several provisions that experts say tilt the scale toward plaintiffs, including protecting serial plaintiffs who could file dozens or hundreds of cases, incentivizing civilians to sue with a \$10,000 cash reward if successful and removing defendants’ ability to recoup their legal fees. If survivors of rape become pregnant and seek

<sup>23</sup> 19-1392 *Dobbs v. Jackson Women’s Health Organization* (06/24/2022) (supremecourt.gov)

<sup>24</sup> Aine Cain, Avery Hartmans, and Marguerite Ward, “Uber, Nike, Lyft, Disney, JP Morgan and others vow to help employees access abortions after Supreme Court overturns *Roe v. Wade*: “We must keep up the fight.” *Business Insider*, June 30, 2022.

<sup>25</sup> *Ibid*.

an abortion, those procedures could become the object of lawsuits.”<sup>26</sup> Conservative states across America are looking to adopt versions of the Texas law especially since the US supreme court has overturned the *Roe v. Wade*.

Unlike the Texas voting law, corporate response to the new abortion law has been mixed with smaller companies like Uber, Lyft, dating sites like Match and Bumble, and the web-site provider Go Daddy providing relief measures.<sup>27</sup> The largest companies in Texas like Dell, Pizza Hut, AT&T, ExxonMobil, Hewlett-Packard, and American Airlines have remained silent as have the major defense corporations like Lockheed that have a sizable physical presence in the state.<sup>28</sup> The reason the major companies have remained silent is the favorable business environment in Texas which is difficult to replicate in other conservative states that do not have as diversified economies as Texas, which combines energy, defense production, and high-technology, making it an impressive industrial hub for which it is not easy to find an alternative.

Yet time is on the side of the progressives since they are unlikely to shift future investments to states that are socially and politically backward looking. More importantly, conservative states that are unwilling to change may find it hard to attract people to work in the knowledge economy sectors of their state—doctors, engineers, university faculty to name a few.

Pressure is even beginning to come from apolitical institutions like the military to bring about reform in the conservative states, particularly when it comes to issues like the provision of quality education. At Maxwell AFB in Montgomery, Alabama, for instance, the poor education system has become a critical issue since airmen are leaving their families behind when being assigned to the base because of the poor educational institutions in the city and the fact that employment opportunities for well-educated spouses are limited. As the former commander of the base, General Anthony Michael Cotton, publicly lamented, “I’m having a hard time getting folks to apply to be faculty members here as I’m trying to lure them away from schools in the Northeast, schools in Washington, D.C., schools in the Midwest, schools from San Jose — Silicon Valley — and once again the feedback I get is pretty simple: It’s about the school system.”<sup>29</sup> When institutions like the Air Force, which traditionally do not engage in political or social controversy, begin to take a position on such issues it means that the old ways of business as usual cannot continue.

Another serious problem that is likely to strike home in the coming decades, with the aging of the population, is the willingness of doctors and medical personnel to go to states where education is poor, economic opportunities are less, and social values are different from those of the affluent states. Obviously three of the heavily populated states of the future are Texas, Georgia, and Florida and all of them have traditionally been conservative, red states. But in 2020, Georgia flipped because of the influx of liberal professionals into the Atlanta area and Texas, while having a traditional oil and gas sector and a ranching economy, continues to see an influx of skilled professionals from other states and they come with a different set of political and social values.

One could go further and ask if the present level of industrialization in states with an aging workforce, which ranges from automobile manufacturing to aircraft and other high technologies, can continue to

---

<sup>26</sup> Erin Douglas and Carla Astudillo, “We annotated Texas’ near-total abortion ban. Here’s what the law says about enforcement,” *Texas Tribune*, September 10, 2021.

<sup>27</sup> Karl-Evers Hillstrom, “Texas abortion law roils businesses,” *The Hill*, September 7, 2021.

<sup>28</sup> Lauren Aratani, Texas’s largest companies stay silent on state abortion ban despite outrage, *The Guardian*, September 15, 2021.

<sup>29</sup> Christi Ham, “Quality education for children is a military readiness issue,” *Military Times*, March 31, 2019.

survive if these states do not bring about serious political and social changes? Companies like BMW in South Carolina and Mercedes in Alabama may well have to reassess their positions on investing in these areas.

### **The Rise of Economic Progressivism**

Lastly, while there may be deep social and cultural divides in America, one issue that may bring the country together is economic progressivism and the quest for wage equality. Florida gave Trump a solid victory but, at the same time, passed a referendum to have a \$15 minimum wage. According to academic and pollster Stanley Greenberg, such a trend is not surprising because we are seeing the rise of “Biden Republicans.” He argues: “I don’t think the Republicans are as disillusioned with Trump as polls suggest, but I do think there’s huge support for the relief package. Trump voters, a large portion of them, want a welfare state that is dependable for working people. The Reagan Democrats and these white working-class voters are incredibly pro-Medicaid expansion. Look at what happened in any of these Senate races in ’18 in states [with initiatives on] on the minimum wage or Medicaid expansion. The minimum wage and Medicaid expansion won by much bigger numbers [than the incumbents]. I mean, it won in *Utah*.”<sup>30</sup> If the demand for economic progressivism resonates in the conservative states, the demand for other types of workers’ rights may follow. One should add a cautionary note here that it will be hard to break the patterns of the past as the failed attempt to unionize Amazon workers at the warehouse in Bessemer, Alabama showed. There, the wages that Amazon paid were attractive enough to stave off the demand for unionization.

To sum up, America’s election system may be archaic for political functioning in the 21<sup>st</sup> century economy and polity and it may well lead to political outcomes where the skewing of the electoral college leads to less populated states choosing the president but this is, at best, a pyrrhic victory. As wealth and talent continue to spatially concentrate in America, it is the centers of such dynamism that will have considerable leverage in shaping their relationship with the political power centers of the country. Economics will determine federalism.

---

<sup>30</sup> Zack Stanton, “The Rise of the Biden Republicans,” *Politico Magazine*, 3/4/2021.



**Author**

**Amit Gupta** was an Associate Professor in the USAF Air War College, Culture and Language Center, Alabama and is now a Senior Advisor to the Forum of Federations. His recent writings have focused on Diaspora politics, popular culture and politics, the U.S.-China rivalry, and the impact of demography on U.S. foreign and domestic policy. His articles have appeared in *Orbis*, *Asian Survey*, *Security Dialogue*, *The Round Table*, *Mediterranean Quarterly*, *The International Journal of the History of Sport*, and *Sport in Society*. He is also the author or editor of eight books. Amit can be contacted at [agupta1856@gmail.com](mailto:agupta1856@gmail.com)

Cover design by Olakunle Adeniran

ISSN: 1922-558X (online ISSN 1922-5598)



Forum of Federations  
75 Albert Street, Suite 411 Ottawa, Ontario  
Canada K1P 5E7

**forumfed.org**

The Occasional Paper Series is financed in part by the following countries: Brazil, Canada, Ethiopia, Germany, India, and Switzerland