The Multidimensional Politics of Inequality in the United States

Inequality by the Numbers Workshop

Stone Center on Socio-Economic Inequality
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Departments of Sociology & Political Science Stone Center on Socio-Economic Inequality The Graduate Center, CUNY Americans believe that everyone has an equal chance to rise through hard work, and, as a result, individuals are responsible for their own destinies, market outcomes are fair, and government redistribution is unnecessary.

Data, Methods, and Interpretation

Data come mainly from highest quality probability-based representative samples, such as the General Social Survey (GSS), International Social Survey Program (ISSP), American National Election Studies (ANES), and the Time-Sharing Experiments in the Social Sciences (TESS) and other panels. Polls only used when no other available option and they are repeated over time to assess reliability. Anecdotal data is also used (e.g., on social movements, state and local policy initiatives).

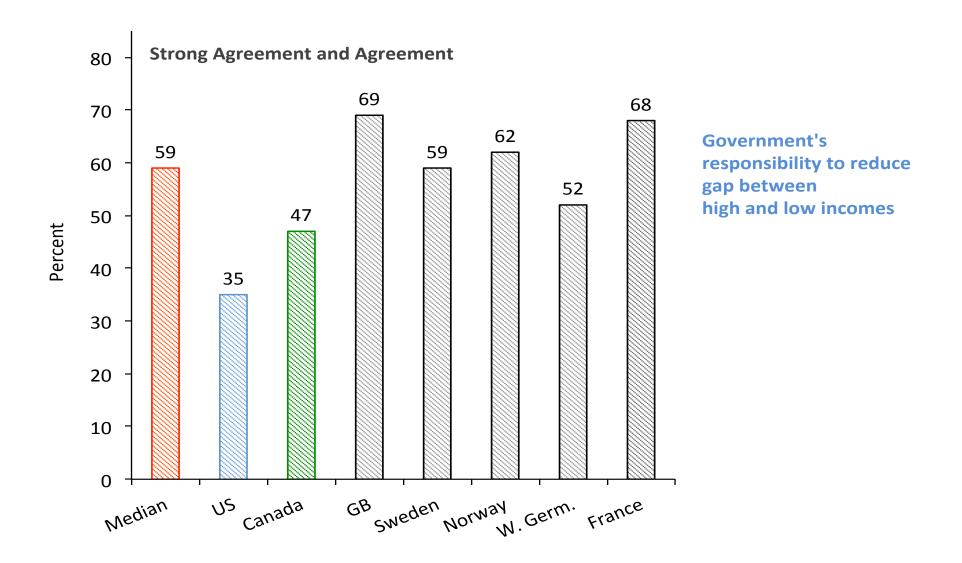
Methods are mostly simple and descriptive but backed up by more extensive analyses. I also use survey experiments conducted with collaborators.

Interpretation of public opinion data should be cautious. Such data are perhaps the most accurate way to gauge public sentiment but can be misused or misleading and also fail to capture latent or inchoate views.

A typical example of misleading use of public opinion: Public opinion is often reported for Republicans and Democrats separately as if the public is evenly split between the two, but self-identified Republicans are roughly 34%, Democrats 45%, and Independents 19% of the population, and Independents usually lean more toward Democrats on issues related to inequality (Source: GSS).

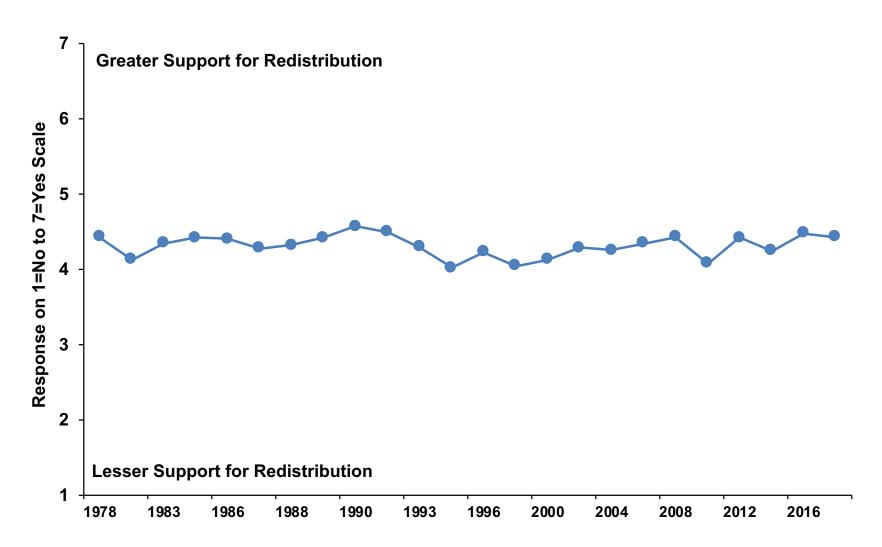
1. Preferences for explicit government redistribution as the primary indicator of preferences about inequality.

Comparatively Low Support for Government Redistribution in US (ISSP 2000)



No Increase in Support for Government Redistribution

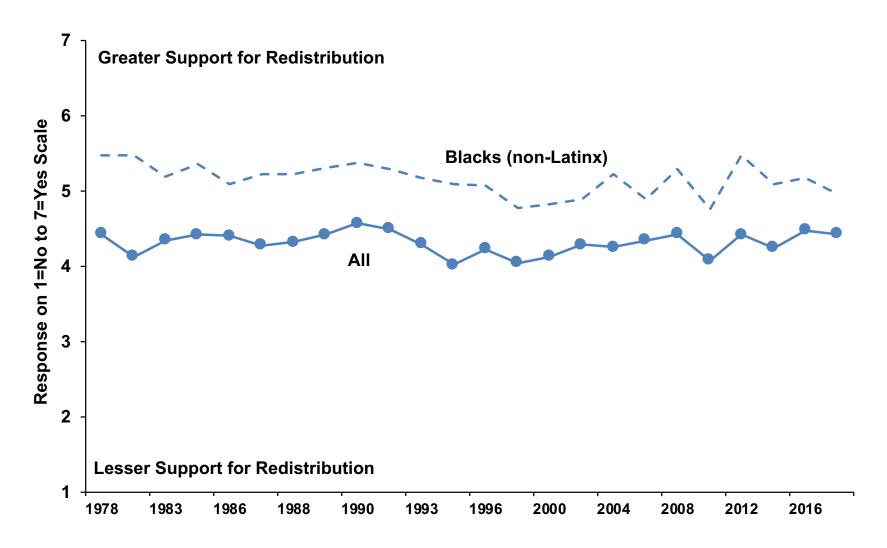
Should Government Reduce Income Differences Between the Rich and Poor?



(Updated from McCall & Kenworthy, Perspectives on Politics, 2009.)

No Increase in Support for Government Redistribution

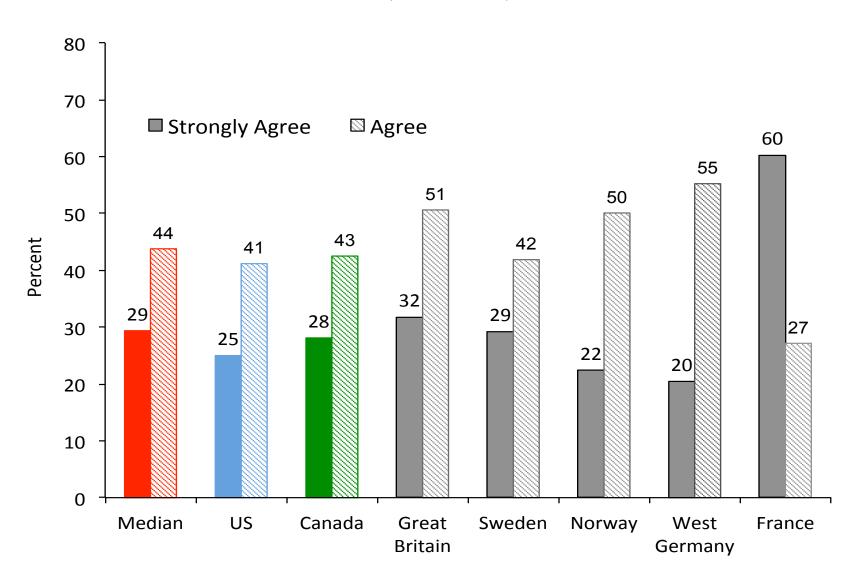
Should Government Reduce Income Differences Between the Rich and Poor?



(Updated from McCall & Kenworthy, Perspectives on Politics, 2009; see also Ashok et al. BPEA, 2015.)

2. Preferences directly about inequality without reference to government policies.

Yet Median Opposition to Inequality: "Income differences are too large" (ISSP 2000)



Longstanding Perceptions of Excessive Executive Pay

(Roper Poll): Now here is a list of people in different kinds of occupations...tell me whether it is your impression that [they] are generally overpaid, or underpaid, or paid about right for what they do: **Presidents of major business corporations**.

1976, OVERPAID: 73% 1979, OVERPAID: 71%

(Business Week/Harris Poll): Do you think **top corporate executives** are worth what they are paid, or are they overpaid?

1984, OVERPAID: 76%

(Washington Post Poll): Do you think that **top corporate executives** in this country are paid too much, too little, or about the right amount?

1992, OVERPAID: 74%

(Gallup for Marlin company, Attitudes in the American Workplace II Survey): When compared with most employees at major corporations, would you say that **chief exec officers at major corporations** are paid...

1996, FAR/A LITTLE TOO MUCH: 64%

(Time/CNN/Harris Poll; LA Times/Bloomberg): In your opinion, are most CEO's of major American Corporations paid too much, about right, or not enough?

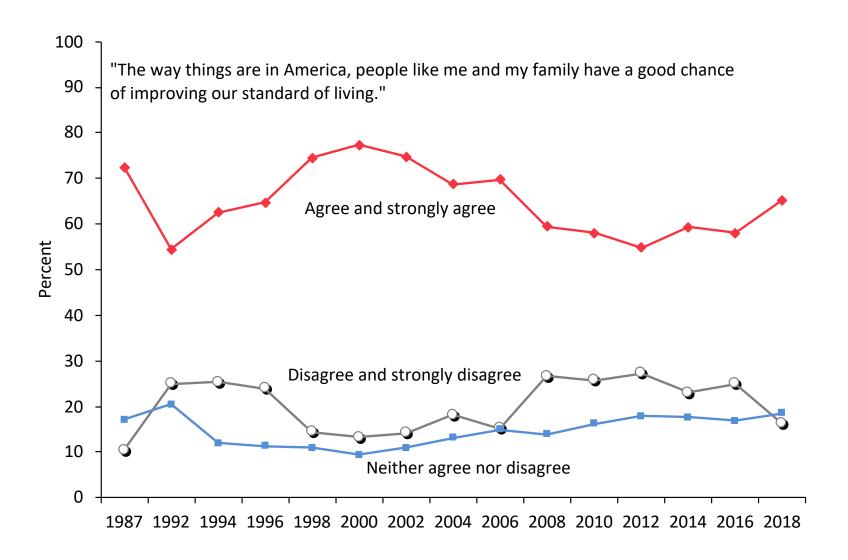
2002, TOO MUCH: 70%

2007, TOO MUCH: 81%, 86%

(McCall, The Undeserving Rich, 2013.)

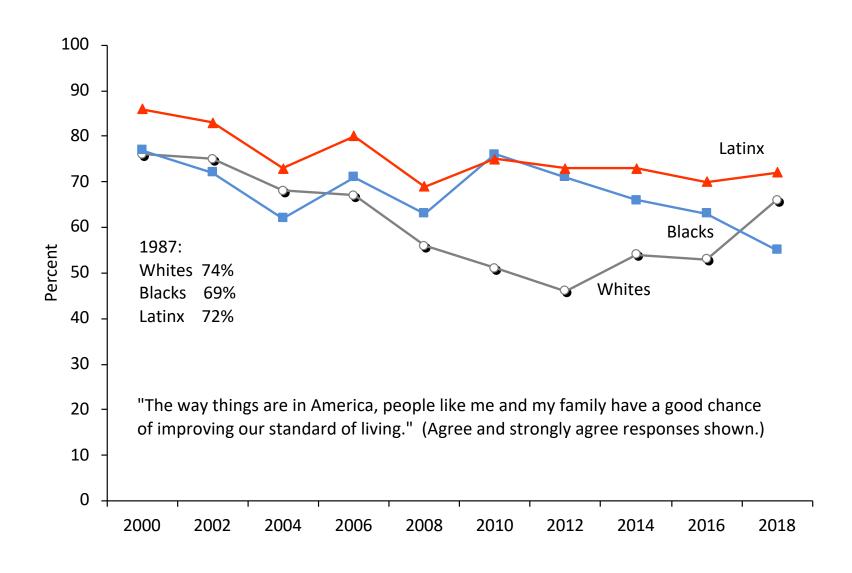
3. Preferences directly about economic opportunity (e.g., social mobility) without reference to government policies.

Nonlinear Trends in Optimism about Upward Mobility



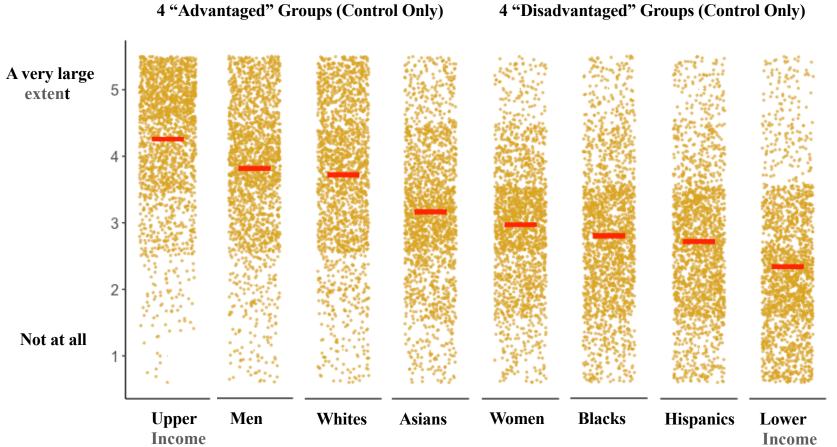
(Updated from McCall, Chapter in Dynamics of Opportunity in America, 2016.)

Trends in Optimism about Upward Mobility by Race/Ethnicity (Agreement)



We have some questions about opportunities for getting ahead. Specifically, the questions are about advantages that might provide opportunities for some people to get ahead. Please indicate to what extent the following groups have advantages in terms of getting ahead using the scale provided.

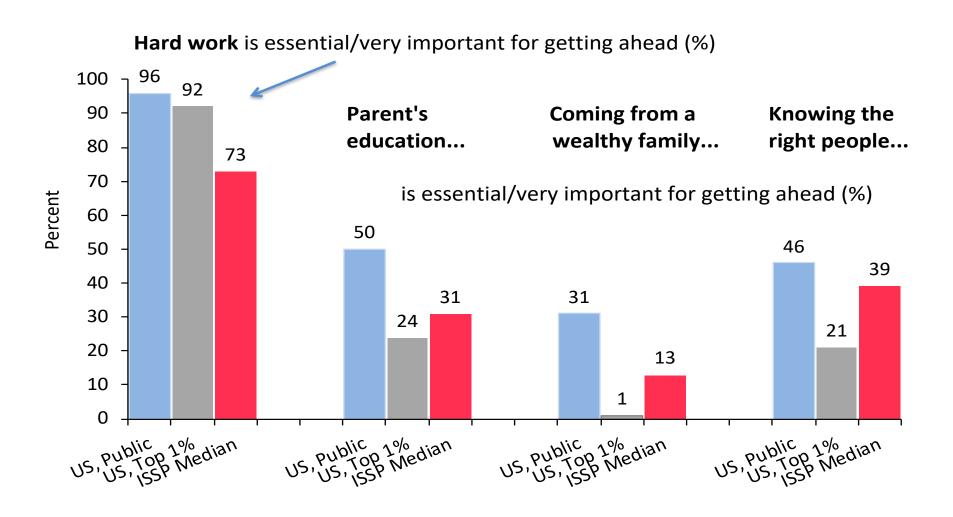
To what extent do _____ have advantages in getting ahead?



3 Bovitz Studies 2018 & 2019 N=2,608

(Dietze, McCall, Craig & Richeson, Working Paper, 2020.)

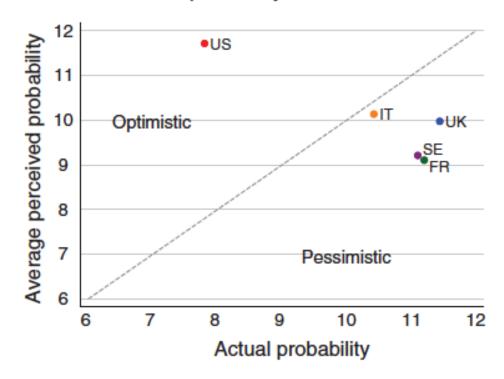
And Median (or Greater) Perception of Structural Barriers to Opportunity (ISSP 2010)



(McCall, Chapter in Dynamics of Opportunity in America, 2016.)

Optimism or Pessimism about Intergenerational Persistence?

Panel B. Q1 to Q5 probability



Upward mobility of poor children is **overestimated:** actual share from bottom quintile to top quintile is 7.8% whereas perceived share is 11.7%.

How big of a difference is this?

p. 532: "... Americans vastly overestimate the probability" of going from bottom to top quintile.

versus...

p. 533: "... average perceptions are not unreasonably distant from reality."

(Alesina, Stancheva & Teso, American Economic Review, 2018.)

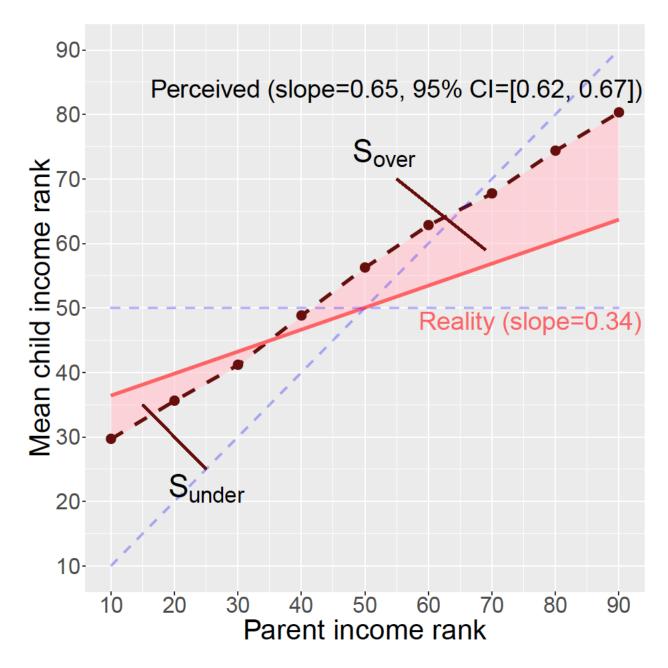


Fig. 3. Rank-rank relationship in perception and in reality.

However, this study finds:

... upward mobility of poor children is underestimated, and

... downward mobility of affluent children is underestimated.

Rich and poor children are perceived to stay in place as adults more than in reality.

(Cheng & Wen, Proceedings of the National Academy of Sciences, 2019)

4. The relationship between perceptions of economic inequality and perceptions of economic opportunity.

Opportunity Model of Beliefs about Inequality & Redistribution

Rising/high levels of inequality are salient when they are perceived as restricting economic opportunity (shared prosperity; good jobs/benefits/pay; educational access):

H1: Inequality should reduce belief in equal opportunity.

H1A: Inequality should motivate hard work (AD/SJT/BJW).

Concerns about restricted opportunities in turn prompt demands for opportunity-enhancing policies:

H2: Support of educational and employment policies that promote labor market redistribution.

H2A: Support of government redistribution alone; free-market ideology rejects social interventions in the market.

Survey Experiments to Test the Opportunity Model: Part I

Manipulations

Treatment: Short, realistic article on trends in inequality (from CBO).

Control: Similar format article on trends in MLB All-Star game wins.

First set of DVs (opportunity perceptions)

Individualism: Importance of hard work and ambition in getting ahead.

Structuralism: Importance of coming from a wealthy family and having well-

educated parents.

Second set of DVs (redistributive preferences)

Labor market: Business should reduce earnings inequality.

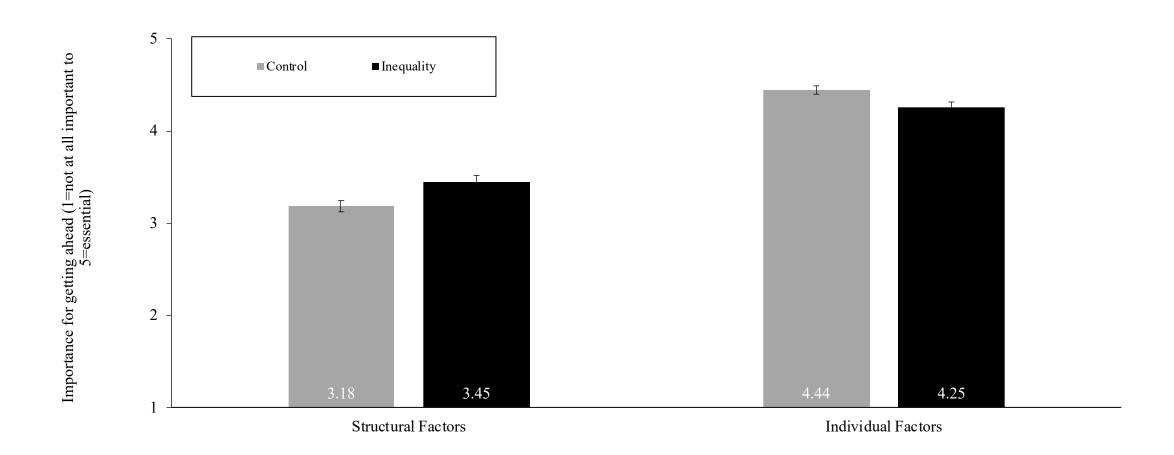
Government: Government should reduce post-tax and transfer income

inequality.

(McCall, Burk, Laperriere & Richeson, Proceedings of the National Academy of Sciences, 2017.)

Treatment Effect on Opportunity Beliefs

(TESS, 2015)



(McCall, Burk, Laperriere & Richeson, Proceedings of the National Academy of Sciences, 2017.)

"But, finally, you see a lot of people paying attention. Maybe because there's less distraction... It took a pandemic for people to finally *focus* on this one fact: black lives matter."

Tennille Newbold

Medical assistant, Manhattan (Remnick, *The New Yorker*, 6/20/20)

Structural Explanations of Black/White Inequality (GSS)

	2000	(Obama) 2008-14	(Trump) 2016-18
All Groups		_	
Discrimination	37%	35%	44%
Lack of equal education	45%	45%	51%
Whites/Non-Hispanic, No college degree	}		
Discrimination	30%	28%	35%
Lack of equal education	38%	37%	44%
Blacks/Non-Hispanic, No college degree			
Discrimination	59%	54%	62%
Lack of equal education	54%	49%	54%

(See Hunt, ASR, 2007; Smith & Hunt, Social Problems, 2020.)

Perceptions of Police, Black Lives Matter, Protests

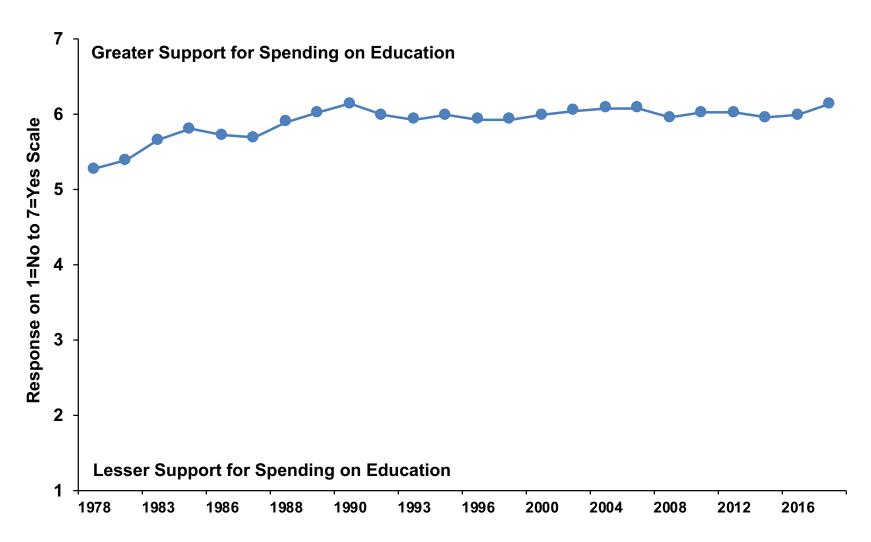
(Various Polls)

Police killings of Blacks Broader problem Isolated incident	2014	2016	6/2020
	43%	60%	69%
	51%	39%	29%
Black Lives Matter Support Oppose Neither	4/2017	6/2019	6/2020
	37%	41%	53%
	42%	34%	26%
	19%	23%	19%
Protests Fully or partially justified Strongly or somewhat support		6/1/2020 54%	6/7/2020 74%

5. Preferences for government and other policies to expand economic opportunity, i.e., educational and labor market opportunities.

High and Rising Support for Government Spending on Education

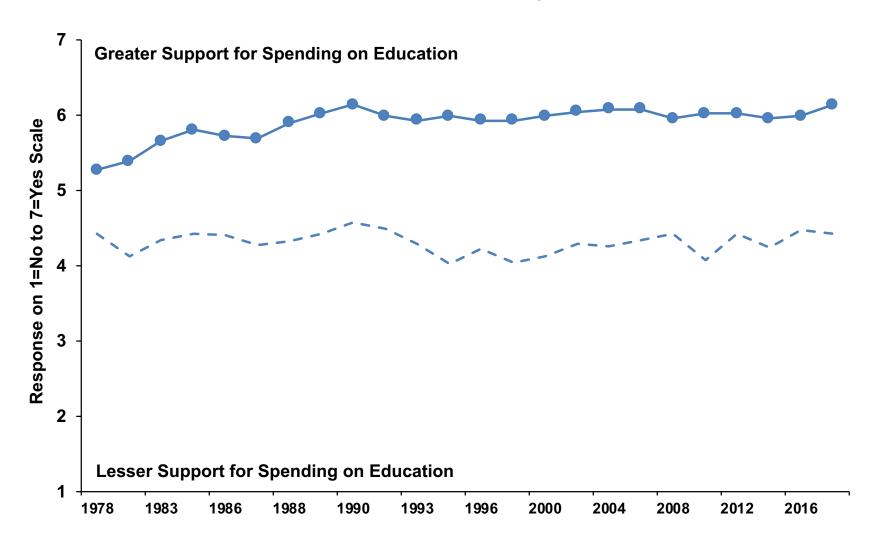
Should Government Increase Spending on Education?



(Updated from McCall & Kenworthy, Perspectives on Politics, 2009.)

High and Rising Support for Government Spending on Education

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Expanding Educational Opportunities: Anecdotal Evidence

"Raises tax on household income at and above \$250,000 (and \$125,000 for individual filers). Reduces income taxes on unemployment benefits in 2009. Provides funds currently budgeted for education, health care, public safety, other services."

Oregon Ballot Measure 66/67 Passed, 54% of vote, January, 2010

"Temporary Taxes to Fund Education. Guaranteed Local Public Safety Funding. Initiative Constitutional Amendment."

California Proposition 30
Passed, 55% of vote, November, 2012

Mayor Di Blasio's 2013 campaign to raise taxes on rich to fund universal pre-K; recent teachers' strikes in red states; and now CUNY!!

(See also Vanessa Williamson, Read My Lips (2017), and her Brookings Institution reports on local ballot measures on taxes.)

Expanding Labor Market Opportunities: Anecdotal Evidence

Efforts to reduce top-end pay:

Say-on-pay laws (Switzerland, Dodd-Frank)
EU caps on banker bonuses
B Corp, CSR, and Inclusive Capitalism movements

Efforts to lift bottom-end pay:

Minimum/living wage/wage theft campaigns/Fight for \$15 Fast food worker strikes for higher pay

Anti-Wal-Mart campaigns (Ingram, Qingyuan & Rao)

State anti-deunionization battles (Ohio, Wisconsin)

Wage targeting: A Triple Mandate for the Fed

Employee Stock Ownership Plans (Blasi, Kruse & Freeman)

Efforts to expand employment opportunities:

Predictable scheduling campaigns
Family leave campaigns (Milkman & Appelbaum)
Ban-the-box and other anti-discrimination efforts

Protests against Amazon and meat processing plants for unsafe working conditions during pandemic.

Support for Various Labor Standards, i.e., Government Regulation

The government sets various standards to protect workers' rights. How important do you consider the following measures. Would you say they are very important, somewhat important, somewhat unimportant, or very unimportant for workers?

	% Very Important
Workplace safety regulations	85
Family and maternity leave	78
Minimum wage	70
Paid sick days	69
Time and a half pay for overtime work	69
Maximum hour limits	46
Right to join an union	43

(Smith & Kim, National Opinion Research Center, 2010, p. 9.)

Also: Percent non-union, non-supervisory workers who say they would vote for a union:

1977: 33% 1995: 32% 2017: 48%

(Kochan, Yang, Kimball & Kelly, Industrial and Labor Relations Review, 2019, p. 20.)

Support for Paid Sick and Family Medical Leave

(NORC and Public Welfare Foundation Survey; Smith & Kim, 2010): Now that you have heard these arguments for and against paid sick days...do you favor or oppose law that would guarantee all workers a minimum number of paid sick days to care for themselves or immediate family members?

2010, Favor... very strongly: 59%

2010, Favor.... not strongly: 15%

(CBS News/New York Times Poll): Do you favor or oppose requiring employers to offer **paid sick**leave to employees who are ill?

2015, Favor: 85%

(CBS News/New York Times Poll): Do you favor or oppose requiring employers to offer paid leave to parents of new children and employees caring for sick family members?

2015, Favor: 80%

(Data For Progress): Would you support or oppose the following provisions in a future legislative package to address the coronavirus pandemic: universal paid sick and family medical leave?

2020, Favor: 65%

2020, Favor (stricter wording): 58%

6. Beliefs about the free market, i.e., whether interventions in the market should be only profit-maximizing or also equitable.

New Policy Preference Measure

Existing Question on Government Redistribution

"Some people think that the **government** ought to reduce **income differences** between the **rich and the poor**, perhaps by **raising the taxes of wealthy families or by giving income assistance to the poor**. Others think the **government** should not concern itself with reducing this income difference between the rich and poor... What comes closest to the way you feel?"

- 7= **Government** should do something to reduce differences
- 1= **Government** should not concern itself with such differences

New Question on Labor Market Redistribution

"Some people think that major companies ought to reduce pay differences between employees with high pay and those with low pay, perhaps by reducing the pay of executives or by increasing the pay of unskilled workers. Others think that major companies should not concern themselves with reducing this pay difference ... What comes closest to the way you feel?"

- 7= Major companies should do something to reduce differences
- 1= **Major companies** should not concern themselves with such differences

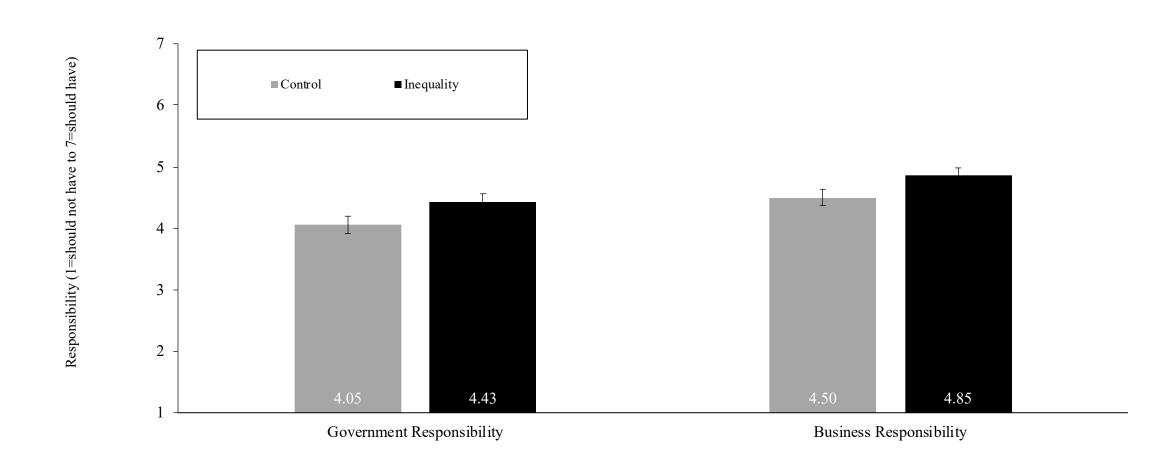
(Lindh & McCall, Working Paper, 2020.)

US Results in Comparison with Sweden

(GSS and ISSP, 2014)

	US	Sweden Diff	
Government Responsible: (top 3 of 7 categories)	47%	67%	20 pts
Major Companies Responsible: (top 3 of 7 categories)	56%	57%	1 pt
Government or Major Companies Responsible: (top 3 of 7 categories)	66%	75%	9 pts

Treatment Effect on Redistributive Preferences (TESS, 2015)

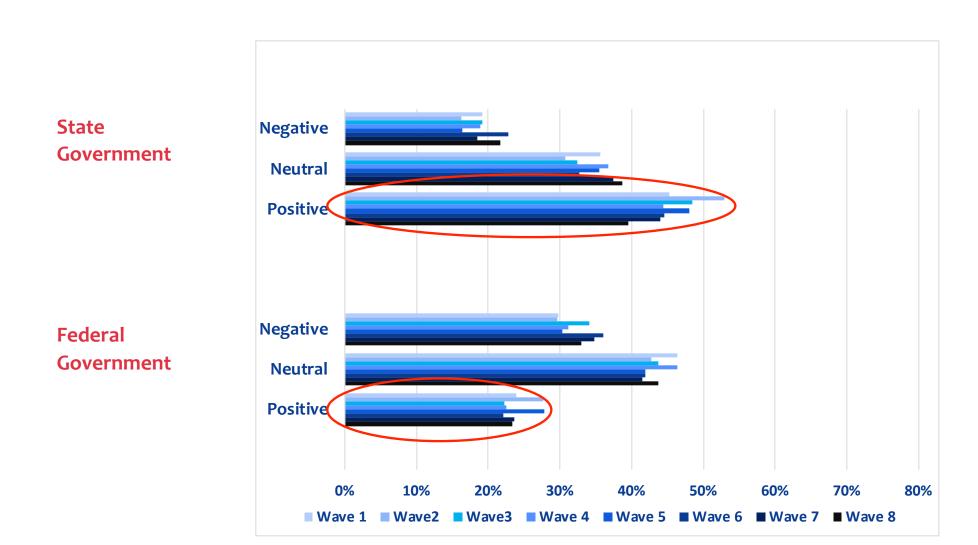


(McCall, Burk, Laperriere & Richeson, Proceedings of the National Academy of Sciences, 2017.)

7. Beliefs about and dis/trust of government.

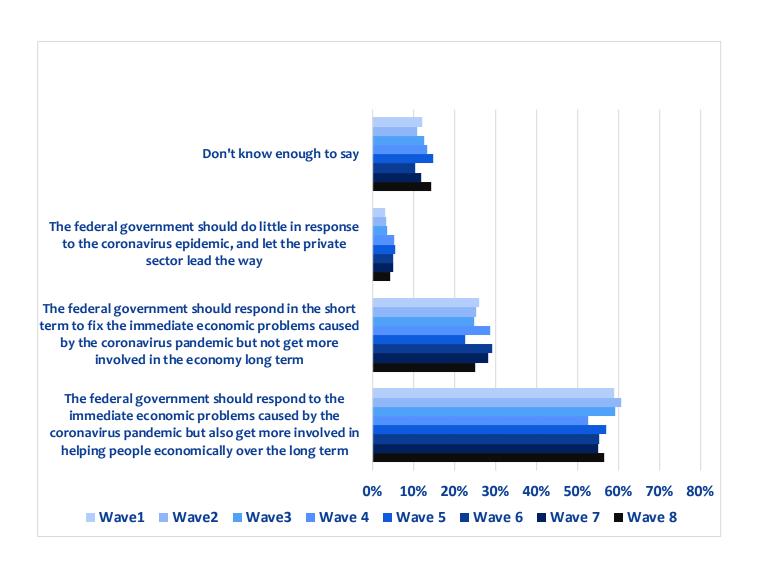
Positive Views of Federal versus State Government

(Data For Progress, Coronavirus Tracking Poll, Waves 1-8, 4/14/20 - 6/12/20)

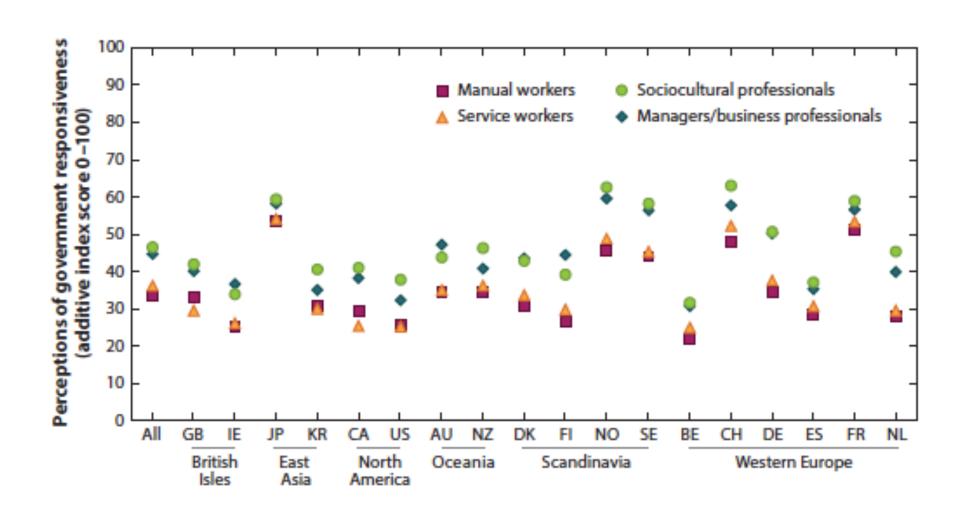


Support for Ongoing Economic Help from Fed. Govt.

(Data For Progress, Coronavirus Tracking Poll, Waves 1-8, 4/14/20 - 6/12/20)



Lack of Political Efficacy/Perception that Government is Responsive (ISSP 2004, 2016)



(Lindh & McCall, Annual Review of Sociology, 2020.)

"People don't participate, not because they're ignorant and they don't know enough. It's because they know too much. They live it every day."

Ayanna Pressley

U.S. House of Representatives
Massachusetts, District 7

Conclusion

- (1) Question American exceptionalism with data showing that it is inconsistent with public positions on multiple issues related to inequality, opportunity, and government policy.
- Offer an alternative (or additional) reason for inequality, which is the failure of political institutions (e.g., Congress; Electoral College; Supreme Court; the Media) to better represent the public interest (e.g., Gilens 2012; Taylor 2016). This failure is so longstanding and deep-seated that it has spawned multiple protest movements.
- (3) Propose a multidimensional framework for understanding public views of inequality rooted in desires for substantive economic and educational opportunity through a broad set of civil rights, employment protections and support, and redistribution of pay (not just redistribution of post-tax/post-transfer income).