

Americans' Social Policy Preferences in the Era of Rising Inequality

Forthcoming in *Perspectives on Politics*.

Leslie McCall
Associate Professor of Sociology
Northwestern University
1810 Chicago Avenue
Evanston, IL 60208
l-mccall@northwestern.edu
Tel.: 847-467-1327
Fax: 847-491-9907

Lane Kenworthy
Professor of Sociology and Political Science
University of Arizona
Tucson, AZ 85721
lane.kenworthy@arizona.edu
Tel.: 520-991-2529
Fax: 520-621-9875

August 18, 2008

Word Count: 9,937 (text); 2,470 (notes); 1,450 (references).

We gratefully acknowledge the financial support of the Russell Sage Foundation and Demos: A Network of Action and Ideas, as well as the research assistance of Julian Brash.

Americans' Social Policy Preferences in the Era of Rising Inequality

ABSTRACT

Rising income inequality has been a defining trend of the past generation, yet we know little about its impact on social policy formation. We evaluate two dominant views about public opinion on rising inequality: that Americans do not care much about inequality of outcomes, and that a rise in inequality will lead to an increase in demand for government redistribution. Using time series data on views about income inequality and social policy preferences in the 1980s and 1990s from the GSS/ISSP, we find little support for these views. Instead, Americans do tend to object to inequality and to believe government should act to redress it, but not via traditional redistributive programs. We examine several alternative possibilities and provide a broad analytical framework for reinterpreting social policy preferences in the era of rising inequality. Our evidence suggests that Americans may be unsure or uninformed about how to address rising inequality and thus swayed by contemporaneous debates. However, we also find that Americans favor expanding education spending in response to their increasing concerns about inequality. This suggests that equal opportunity may be more germane than income redistribution to our understanding of the politics of inequality.

Americans' Social Policy Preferences in the Era of Rising Inequality

Rising income inequality has been a defining trend of the past generation, yet we know little about its impact on social policy formation. The American Political Science Association's recent Task Force on Inequality and American Democracy emphasized the importance of this question in its summary report and subsequent book. For example, that report captured well what we know about enduring attitudes toward inequality, opportunity, and government redistribution. However, because of gaps in existing research, the report could not document whether these had changed in any significant respect in response to the rise in income inequality over the past several decades.¹ We address this question directly by examining changes in attitudes about income inequality, changes in social policy preferences, and the link between them during the 1980s and 1990s.

Although the APSA Task Force report identified data limitations as the primary reason for our lack of progress on this question — a claim with which we agree and discuss further below — we think there are theoretical limitations at play as well. There is a rich and nuanced literature on American views about inequality, opportunity, and government redistribution, but only two views are on display in the discussion of public opinion on rising inequality, and both have led to dead ends. One is that Americans do not care much about inequality of outcomes (as opposed to inequality of opportunity), and hence rising inequality should not produce a change in preferences for government policy. The other, identified with median-voter models of the political process, is that a rise in inequality will lead to an increase in demand for government redistribution. Our examination of the best available evidence in the 1980s and 1990s suggests little support for these views, at least for this particular period of rising inequality. Instead, Americans do object to inequality and do believe government should act to redress it, but not

necessarily via traditional redistributive programs. We examine several alternative possibilities and discuss others that ought to be considered in future research but that cannot be evaluated at this time with available data.

We begin by presenting a broad analytical framework for understanding how Americans think about income inequality and about how to address it. The breadth of our framework is necessitated by new social conditions — the era of rising inequality — as well as the need to bring theoretical perspectives on beliefs about inequality into conversation with more recent research on social policy preference formation. Our framework encompasses social policies that scholars typically associate with direct reductions in income inequality (e.g., transfers of income from the rich to the poor) as well as social policies that they do not (e.g., education, health care, and social security). In addition to organizing our analysis and discussion here, this framework should prove useful in guiding future data collection and research on the political dimensions of rising income inequality. Next, we describe the data sources we use in assessing public opinion and briefly document the rise in inequality in recent decades. We then proceed to empirically investigate the various paths specified by our framework.

Analytical Framework

Figure 1 outlines our analytical framework, consisting of a series of possible responses to an increase in income inequality (the theoretical rationale for each response is discussed later when we evaluate the evidence for or against it). The first possible response is one we have already alluded to: that Americans do not care about rising inequality and therefore do not alter their policy preferences in the presence of rising inequality (path 1.0). The second response is that they *are* concerned about it (path 2.0), in which case we suggest three potential reactions. One is

a rise in support for traditional redistributive policies (2.1), such as greater transfers to the poor (2.1.1) and higher tax rates for the rich (2.1.2). A second possibility is that there is no change in desire for government action; rising inequality is worrisome to Americans, but they do not think government should or can attempt to address it (2.2). A third is that Americans object to rising inequality and want government to do something about it, but not (or not mainly) via traditional redistributive strategies (2.3).

[Figure 1 about here.]

If Americans do not favor direct redistributive transfers of income, what type of government action do they favor? Here we distinguish five potential reactions. First, people may interpret rising inequality of outcomes as an indication of excessively unequal opportunities (2.3.1). This may elicit support for government action to expand opportunity, for example through greater spending on education. The second and third possible reactions follow from trends in earnings and employer-provided benefits during the era of rising inequality. For most Americans without a college degree, earnings and benefits have declined, stagnated, or grown only modestly. To keep up with the costs of living, Americans may desire greater assistance from government, either through increased spending on services such as medical care or child care (2.3.2) or via increased generosity of social insurance programs such as social security and unemployment compensation (2.3.3). Since these programs benefit people in need but are not targeted to the poor and do not involve transfers of income without contributions, they are not typically viewed as redistribution even though in practice they have a strong redistributive component.

Fourth, rather than programs that involve government expenditures, Americans may prefer that government impose or heighten regulations on employers that help to ameliorate

inequality (2.3.4). Examples include increasing the statutory minimum wage, protecting and expanding compensation and employment bargaining rights, reducing immigrant employment, and limiting CEO pay (or penalizing "excessive" pay). Finally, Americans may be concerned about a rise in inequality but at a loss as to what government should do in response (2.3.5). As a result, they may gravitate toward whatever seemingly-relevant policy solution is currently at the forefront of political and/or media discussion.

Public Opinion Data

To explore these possibilities, we use data from the General Social Survey (GSS) and the International Social Survey Programme (ISSP). These data are the best available to assess the responses of Americans to rising income inequality, for three reasons. First, they are the only data set that contains questions on multiple dimensions of *income* inequality (see Appendix Table 1 for a list of all questions). The American National Election Study (ANES) contains a battery of questions on attitudes about equality, but those questions do not reference income differences explicitly.² This is problematic because responses might reflect attitudes about racial or gender inequality, which in most respects have been declining in recent decades, rather than income inequality. This is a concrete instance of the kind of data limitations that the APSA Task Force encountered, and an enduring legacy of the 1970s and early 1980s when many survey items were first developed and yet income inequality was not considered a social problem (income inequality decreased between World War II and the mid-1970s). Second, the GSS/ISSP data include questions on social policy preferences as well as attitudes about income inequality. And third, questions on both income inequality and social policy preferences have been replicated over the time period in which income inequality was rising.³

While these three features of the GSS/ISSP data are necessary to draw inferences about the relationship over time between American views of income inequality and social policy preferences, these data do have limitations. They suffer, in fact, from the same lack of attention to the issue of income inequality among survey designers in the 1970s and 1980s that we discussed above. Because replication of questions is (justifiably) prized above the introduction of new questions, questions on income inequality were not introduced into the GSS/ISSP until 1987, when they were included as a special module. They were then replicated in three additional years — 1992, 1996, and 2000 — as an initiative of the ISSP. Among these four years of data on attitudes about inequality, we have at least three years of data for all of the social policy responses that are represented in the GSS/ISSP. Fortunately, every social policy question was asked in 1987 and all but one was asked in 1996, spanning a key period of rising inequality (as we discuss further below). However, several of the social policies that we identify as potentially associated with reducing inequality by the American public — such as the minimum wage, protection of wage bargaining rights, and unemployment insurance — are not represented in the GSS/ISSP time series at all. Nonetheless, for theoretical completeness, we maintain them in our framework and include them in our discussion.

Although our central concern and contribution is to analyze the mechanism by which rising income inequality is transformed into policy preferences — via attitudes toward income inequality — we supplement our core analyses with a longer time series of descriptive data on our social policy questions. Several of these have been asked in every year of the GSS as part of its core modules. We also utilize public opinion surveys on social policy preferences from polling organizations, such as Pew and Gallup, to obtain trends over a longer time period. Finally, we report (in the end notes) corroborating evidence from the ANES time series of

questions on social policy preferences. Although we would prefer additional years of data, more detailed coverage of each policy domain, and coverage of a wider array of policy domains, the volume of data we analyze is substantial, and the overall patterns we observe allow us to draw several important conclusions about the consequences of rising inequality for public policy preferences.

The Rise in Inequality

To document the trend in actual income inequality, we use data from the March Current Population Survey (CPS). The survey asks approximately 50,000 American households about their earnings and income during the previous year. The Census Bureau uses these data to calculate the degree of income inequality among households, which is by far the most widely referenced measure in political discussion and debate and by journalists and scholars.⁴ Since our aim is to examine the American public's response to changes in inequality and this is the measure they are most likely to be aware of during the period of our analysis, we focus on it here.⁵ Figure 2 shows the trend in income inequality from the early 1970s to the most recent year of data in 2006. Inequality is measured by the Gini coefficient, which is the portion of total household income that would need to be redistributed from high-income households to low-income ones in order to have a completely equal distribution. The diamond markers highlight the years for which we have attitudinal data: 1987, 1992, 1996, and 2000.

[Figure 2 about here.]

Inequality according to this measure increased between the late 1970s and the early 1990s, jumped between 1992 and 1993 because of a change in the Census Bureau's data collection methods, and then continued to increase through the end of the 1990s. Although not

immediately apparent from the figure, the rate of increase was greater in the 1980s than in the 1990s. This is true for other measures of inequality as well, which all began to rise in the 1970s or 1980s and continued to rise for some part of the early to mid-1990s.⁶ Developments in the second half of the 1990s are less straightforward, as different measures followed different trajectories. The Census Bureau's Gini measure increased moderately, but the share of income going to the top 1% of taxpayers grew sharply while the 90th/10th percentile ratio of individual hourly earnings declined.⁷ Moreover, due at least in some part to these shifts in the actual trend, media coverage of inequality dropped off in the latter part of the 1990s after a marked increase in the early and middle part of the decade.⁸

Because of this complexity, we make a few simplifying assumptions to guide our analytic approach in this paper. First, the general trend toward rising inequality was, according to all measures, well underway by the first year of GSS/ISSP public opinion data in 1987. But, second, public awareness of the trend most likely grew over the 1990s as income inequality continued to grow beyond a temporary blip, and the issue became more widely acknowledged by experts and discussed by the media and politicians.⁹ Accordingly, we expect the first year of data on attitudes about income inequality, 1987, to be a reasonable baseline year against which to measure shifts in attitudes about inequality and related social policy preferences during the early and mid-1990s (1992 and 1996). Given the ambiguity in the trend in inequality in the second half of the 1990s coupled with a decline in media coverage during these years, we are open as to the likely trajectory of attitudes and preferences over the late 1990s (2000).

Impact on Concerns about Inequality and Preferences for Government Action

No Change in Dissatisfaction with the Level of Inequality?

Perhaps the most commonly held view about American beliefs about inequality is that they do not care about it, or at least do not care about it very deeply. This view is often depicted in the media but is also held by a wide variety of public opinion experts and scholars. In a 2006 cover story on American inequality in *The Economist*, for example, the lead paragraph declared that "Americans do not go in for envy.... The gap between the rich and poor is bigger than in any other advanced country, but most people are unconcerned."¹⁰ This comparative perspective is often cited by scholars as well, who see Americans as accepting of "considerable disparities of income and wealth — much more than their European counterparts do," and concerned more with equality of opportunity than equality of outcomes.¹¹ Regarding the particular issue of rising inequality, we see the same conclusions. For example, the co-author of a nuanced study of American attitudes about inequality found "little evidence that rising income inequality ever captured the public's imagination."¹² Scholars have also expressed doubts based on the prima facie evidence that "no popular movement has arisen to challenge inegalitarian trends."¹³

Over-time changes in attitudes about inequality in the United States, however, do not square with this hypothesis. Figure 3 shows trends in the share of GSS/ISSP respondents agreeing with the statement that "differences in income are too large." Respondents were allowed five choices: strongly agree, agree, neither agree nor disagree, disagree, and strongly disagree. The lower line in the chart shows the share choosing strongly agree; the upper line shows the share responding either strongly agree or agree. Both suggest a substantial rise in the share of Americans feeling income differences are too large between the late 1980s and the early 1990s and then a slight decline, though they differ regarding the timing of the decline (note also the

high absolute level of agreement across time, ranging from 58 to 77 percent). The peak of concern is either in 1992 or 1996, followed in order by 2000 and 1987.

[Figure 3 about here.]

The GSS and ISSP include two other items that help to tap Americans' attitudes regarding income inequality: "Large disparities in income are unnecessary for America's prosperity" and "Inequality continues to exist because it benefits the rich and powerful."¹⁴ Both show even stronger trends toward increasingly intense dissatisfaction with inequality in the mid-1990s, with strong agreement and total agreement both peaking in 1996 and then returning to near 1987 levels in 2000. During the high point of intense opposition in 1996, more than half of Americans strongly agreed or agreed to each of the three questions (from 58 percent to 67 percent, as compared to a range of 38 to 58 percent in 1987). The magnitude of these shifts is unusually large when compared to many other public opinion shifts.¹⁵

We have combined responses to the three questions into a single index to facilitate the main purpose of our analysis, which is to determine whether this shift in concern about inequality affected policy preferences.¹⁶ To confirm that the trend for this index is robust to changes over time in compositional shifts in the population, Figure 4 shows the full distribution of the "attitudes about inequality index" adjusted for a variety of sociodemographic factors and political attitudes. The full set of variables used to control for compositional shifts over time are described in Appendix Table 2 and include age, gender, race, region of the country, size of place, employment status, marital status, household size, presence of children, years of education, family income, subjective class position, subjective chances for mobility, political ideology, and political party identification. The predicted values of the index adjusted for these factors suggests once again that dissatisfaction with inequality increased significantly between the late 1980s and the early-to-mid-1990s. It then declined in 2000 but remained higher than in 1987.

[Figure 4 about here.]

Based on these trends, we use three criteria in assessing whether rising concerns about income inequality had an impact on social policy preferences over the same time period. First, consistent with trends in concerns about inequality, support for the particular social policy (e.g., spending on welfare, redistribution from rich to poor) should have increased in the 1990s relative to 1987. Second, attitudes about income inequality, as measured by the index, ought to have a positive effect on support for the social policy. Third, the shift in attitudes toward inequality — either in terms of the growing number of dissatisfied individuals (a compositional shift) or a change in their policy preferences (a behavioral shift) — should account for some of the trend toward increasing support among the general public for the social policy in the 1990s.¹⁷

We have two additional expectations regarding these analyses. First, all of these patterns we expect to occur net of the sociodemographic and political controls mentioned above. That is, given the shift in mass public opinion that we observe in attitudes toward inequality, our objective is to gauge shifts in mass public opinion in policy preferences. Although there is growing interest in the extent to which public opinion is shaped by economic status or political ideology, our contribution is to introduce variation in policy preferences across attitudes toward inequality, controlling for other factors that are more commonly singled out for subgroup analysis.¹⁸ We leave further extensions of this kind to future research.

Second, based on the greater spread and intensity of opposition to inequality in 1992 and 1996 than in 2000 and the divergence of trends in income inequality in the late 1990s, we have higher expectations for a policy preference response to rising inequality in 1992 and 1996 than in 2000. We also explored the role of a number of potentially confounding factors—including the recession of the early 1990s, the boom of the late 1990s, the anti-welfare reform campaign of the

mid-1990s, three presidential elections, and the actual trend in income inequality—and we concluded that the ground was most fertile in 1992 and 1996. Thus given the replication of all but one of the policy preference questions in both 1987 and 1996, the 1987/1996 shift will be the most critical yardstick for assessing the public's policy orientation in addressing excessively high levels of income inequality. The 1987/1992 and 1987/2000 shifts will provide additional leverage.

Increase in Desire for Government Redistribution?

With inequality on the rise, and concerns about inequality on the rise, we might expect support for redistribution to have increased among Americans. A long line of research considers egalitarianism to be "the value dimension that is most relevant to policy debates over social welfare."¹⁹ Individuals with egalitarian sentiments are more likely to support government intervention in redistributive matters,²⁰ and it is frequently implied that support for social welfare programs is itself an indicator of the degree or depth of egalitarian sentiment in a society.²¹ In addition, median-voter models predict this type of response.²² A higher level of market inequality implies a greater distance between mean and median (pretransfer-pretax) income, with the latter further below the former. The lower the median relative to the mean, the more the median income person or household is likely to benefit from government redistribution, in the sense that the transfers she receives will exceed her share of the tax burden. Hence the greater the amount of redistribution she will favor. This hypothesis implies that increases in egalitarian sentiments should result in increases in support for redistributive policies. Yet we know of no research that has analyzed these relationships over time.

The two main redistributive policies that we examine involve direct transfers of income that reduce posttransfer-posttax inequality: transfers to the poor and taxation of the rich. Figures

5 and 6 show trends in public opinion toward these two redistributive strategies using data from both the GSS/ISSP and the Gallup Poll. We begin with preferences regarding transfers to the poor, the type of program that is perhaps most widely associated with the U.S. welfare state. The GSS has regularly asked whether government assistance to the poor and spending on welfare are too little, about right, or too much. Trends in the share responding too little are shown in the first chart in Figure 5. Here there is no indication of an increase in support for redistribution during the period of rising inequality. The over-time correlation between the Census Bureau's Gini coefficient in Figure 2 and the question about welfare is just 0.02. A similar trend (not shown here) is evident in responses to a question asked by the Pew Research Center since 1987: "The government should help more needy people even if it means going deeper in debt."²³ A more extensive analysis of over time trends in support for welfare policies also shows no increase in support over the course of several decades.²⁴

The second chart in Figure 5 explores the relationship between dissatisfaction with inequality and transfers to the poor. Since it is well-known that Americans are peculiarly hostile to welfare,²⁵ we focus on the question that asks about assistance to the poor and does not mention welfare. In the chart, the "attitudes about inequality" index is on the horizontal axis, and the lines in the chart represent predicted probabilities that a person at a particular point on the attitudes about inequality index will respond that spending on assistance to the poor is too little, controlling for the various sociodemographic and political attitudinal factors noted earlier (see Appendix Table 2). There is one line for each of the three years for which GSS/ISSP data are available for questions on both attitudes toward inequality and assistance to the poor: 1987, 1996, and 2000. The positively sloped lines indicate that those who are dissatisfied with the level of inequality are more likely to say that government assistance is too low ($p < .01$ in all years),²⁶

but at all points along the index, this likelihood was *lower* in 1996 and 2000 than in 1987. We therefore see no evidence that the population at large became more likely to support transfers to the poor (first chart in Figure 5), or that those most concerned about inequality increased their support for these policies (second chart). We observe this same pattern for other questions about helping the poor and redistributing income from the rich to the poor (see Appendix Table 3, Panel I for further details).²⁷

[Figure 5 about here.]

Patterns of support for progressive taxation fluctuate over the 1990s, and therefore our conclusions are more mixed. Our evaluation is based on questions that ask whether taxes are too low for high income groups and whether taxes should be larger on high income groups than on low income groups. (We also see similar patterns in questions that ask about whether taxes are too high for middle and low income groups; see Appendix Table 3, Panel 2.) The data begin only in the late 1980s and are available for a limited number of years, but even so, they suggest no sustained rise in support over time for heavier taxes on the well-to-do (the correlation with the Gini coefficient is negative). As shown in the first chart of Figure 6, support is heightened in 1992 but then plummets later in the decade, including in 1996, one of the peaks of dissatisfaction with inequality.

The second chart in Figure 6 explores the relationship over time between dissatisfaction with inequality and attitudes toward heavier taxation on high incomes. In each year people less tolerant of inequality were more likely to favor higher taxes on the well-to-do, as indicated by the positive slope of the lines ($p < .01$ in each year). However, both the slope and the level of the line are *lower* in 1996 than in 1987 or 1992. This suggests a significant reduction in the degree to which those dissatisfied with inequality were inclined to favor stiffer taxation of the affluent as a

policy response ($p < .10$ for the interaction term), as well as a more general decline in support for taxing high incomes among all Americans in 1996. On the other hand, the reverse is true for 1992 ($p < .05$ for the interaction term), a year when dissatisfaction with inequality was also high. The increasing share of individuals concerned about inequality, coupled with their increasing likelihood to support higher taxation on high incomes, accounts for some of the higher level of support among the general public in 1992.

[Figure 6 about here.]

There is an additional question on progressive taxation that offers some corroborating evidence for these patterns. The question asks whether taxes on high incomes should be larger than on low incomes. Responses to this question show the same pattern of increased support in 1992. This question was not asked in 1996, so we cannot confirm the results for that year. In 2000, overall public support was neither greater nor lesser, but support increased among those concerned about income inequality ($p < .01$ for the interaction term). Although not consistent across years, these data do indicate that concerns about inequality can be expressed as demands for higher progressive taxation, and to such an extent that they affect population-level shifts in preferences. However, as Larry Bartels shows in his analysis of the 2002 tax cuts, this may not necessarily result in support for a *particular* tax policy.²⁸

No Change in Desire for Government Action?

If Americans have noticed the rise in inequality and are concerned about it but do not unequivocally favor expansion of traditional redistributive measures, perhaps they are unsure of whether government should or can do anything in response to the rise. This would be consistent with a well-known counter tendency to the egalitarian and/or pragmatic strain in American culture that we examined in the previous section, as well as the self-interested behavior predicted

by the median-voter model. This counter tendency involves both a preference for limited government and an expectation that individuals will be responsible for supporting themselves and their families. Americans look to the market system rather than to the government to deliver opportunities for upward mobility, and they believe that inequality plays a crucial role in rewarding (handsomely but appropriately) private contributions to the public good of economic growth and prosperity. This perspective goes by many names — the American Dream, economic individualism, meritocracy, liberalism — and has been found to be more deeply held than the norm of egalitarianism.²⁹

We test this hypothesis about support for government intervention with a simply-worded question about government's responsibility to "reduce differences in income between people with high incomes and those with low incomes." This question does not mention taxation, welfare, or the poor (as does a similarly worded question that we examined in the previous section) and therefore avoids associations with these traditional redistributive policies. Given such a low bar, this question should provide a sense of whether Americans support *any* redistributive role for government *at all*. The first chart in Figure 7 shows over-time trends in the share of GSS/ISSP respondents strongly agreeing and/or agreeing with the statement for all four years. Consistent with the trends in inequality and in dissatisfaction with inequality, the shares increase over time. When we control for compositional shifts in the population, we find that this increase remains statistically significant (see Appendix Table 4, Panel A).

[Figure 7 about here.]

As shown in the second chart in Figure 7, this increase over time is virtually eliminated once we add the index of attitudes about inequality to the equation (i.e., the curves are overlapping). This means that increasing support for redistribution between income groups

among the general public is accounted for by the increase in individuals who are dissatisfied with levels of inequality, since these individuals are more likely to support a government hand in reducing disparities ($p < .01$ in all years). The second chart in Figure 7 also shows the strong relationship between attitudes about inequality and preference for government action to reduce income differences. In all four years those opposed to high inequality are much more likely to believe it is government's responsibility to reduce such differences. The over-time pattern in the first chart in Figure 7 is thus largely a function of changes in concern about inequality.

According to these results, all three criteria for establishing a relationship between growing concerns about inequality and social policy preferences have been met: support for inequality reduction between income groups increased over time, those who were concerned about inequality were more likely to support inequality reduction, and the increase in concerns about inequality accounts for the over-time trend. Thus rising inequality *did* appear to produce an increase in desire for some kind of government response to reduce income differences. In subsequent sections we examine whether increasing inequality and dissatisfaction with inequality may have prompted changes in preferences for specific kinds of government action other than direct transfers of income from rich to poor.

Increase in Desire to Reduce Inequality of Opportunity?

Although Americans tend to be ideologically conservative, in the sense that at a general level they prefer solutions that do not involve government, they also tend to be programmatically liberal. If particular programs seem likely to work, Americans are happy to endorse increased spending on them.³⁰ One such program is education. Education has an ambiguous status in the menu of policy tools aimed at reducing income inequality, however. On the one hand, historically education has been viewed as a key social leveler, and it occupied a central place in

Lyndon Johnson's "Great Society" programs.³¹ Education is commonly thought to help equalize opportunity, and Americans tend to view equality of opportunity as more important than equality of outcomes. For instance, polls conducted by the Pew Research Center since the mid-1980s have consistently found more than 90% agreeing that "our society should do what is necessary to make sure that everyone has an equal opportunity to succeed."³²

On the other hand, since the "Coleman Report" released in the mid-1960s, many scholars and policy makers have been skeptical about the capacity of schools and school reform to make much of a difference in the life chances of children from disadvantaged families and neighborhoods.³³ And scholars of the welfare state virtually never include education as a component of social policy or redistributive effort.³⁴ As Harold Wilensky put it in 1975:

"A nation's health and welfare effort is clearly and directly a contribution to absolute equality, the reduction of differences between rich and poor, young and old, minority groups and majorities; it is only a secondary contribution to equality of opportunity. In contrast, a nation's educational effort, especially at the higher levels, is chiefly a contribution to equality of opportunity — enhanced mobility for those judged to be potentially able or skilled; it is only a peripheral contribution to absolute equality."³⁵

Education enhances meritocracy, but meritocracy produces inequalities in outcomes.

Nevertheless, during the era of rising inequality, inequality of opportunity and inequality of outcomes may be more closely intertwined than we are accustomed to thinking. Working backwards from the idea that Americans "accept economic inequalities only when they are sure that everyone has an equal chance to get ahead,"³⁶ it may be that concerns about income inequality arose in the 1990s because of growing concerns about opportunity for upward mobility.³⁷ More specifically, when Americans observe rising inequality of outcomes, they may

infer from this that opportunity is excessively unequal. As a consequence, they may simultaneously express heightened dissatisfaction with inequality of outcomes and favor government action to reduce inequality of opportunity. Moreover, analyses of growing U.S. earnings and income inequality often stress education as a key axis of division; since the late 1970s those with a four-year college degree or better have experienced rising real earnings, while those with less schooling have faced stagnation or decline. Americans seem to be aware of this "college divide."³⁸ Based on focus groups conducted in the mid-1990s (at the same time as we observe a peak in dissatisfaction with inequality), Stanley Greenberg argued that "[i]t is hard to overestimate how important education and skills training are to these noncollege voters — perhaps the most important strategy for people to gain an advantage in this stagnant economy."³⁹

The first chart in Figure 8 shows over-time developments in public opinion about government expenditures on education. There are two relevant GSS questions. One asks about "spending on improving the nation's education system" and the other about "spending on education." The trends for the two are similar. They indicate a sharp increase in support for greater spending from the late 1970s through the end of the 1980s, followed by a smaller increase in the 1990s. This trend in preferences for government action on schooling correlates very closely ($r = 0.90$) with the trend in income inequality shown in Figure 2 above. This is consistent with the hypothesis that rising inequality has prompted growing support for measures to address unequal opportunity.

[Figure 8 about here.]

In some respects the second chart in Figure 8 supports this interpretation, while in other respects it suggests reason to be more cautious. The chart shows predicted probabilities of support for increased spending on education at various levels of dissatisfaction with inequality,

once again controlling for sociodemographic and political attitudinal factors. We are able to do this for three years: 1987, 1996, and 2000. In 1987 and again in 2000 there is *no association* between attitudes toward inequality and desire for more education spending; the lines are flat (though levels are significantly higher in 2000 than in 1987, as shown in Appendix Table 4, Panels B and C). Only in 1996 do we observe a sharp positive slope indicating that those more dissatisfied with inequality are more likely to favor increased government spending on "improving the nation's education system."⁴⁰ But this shift in preferences among those concerned about inequality is influential: it accounts for the lion's share of increased support for education spending among the general public in 1996. Moreover, the second question on education spending shows some evidence that this pattern continued into 2000 (when we graph this version of the question, the curve for 2000 overlaps the curve for 1996 almost exactly).

Table 1 uses the results from Figure 8 to further illustrate the relationship between growing concern about inequality and support for education spending. It presents the average predicted probability of supporting increased spending on education if the respondent scores in the top third of the inequality attitudes index (expressing the lowest tolerance for inequality), middle third (moderate tolerance), or bottom third (highest tolerance). In 1987, roughly two-thirds of each group supported increased spending, exhibiting little differentiation across the spectrum of views about inequality. But in 1996, support for increased spending on education grew by 17 percentage points among those most concerned about inequality and 9 percentage points among those with moderate concern, whereas it fell by 5 percentage points among those with the least concern. This polarization in views gave way to consensus once again in 2000, when support for increased spending was 8 to 10 percentage points higher for all three groups

than in 1987. Little of this change over time was due simply to compositional shifts; rather it was a function of changes in policy preferences within groups in 1996 and across groups in 2000.

According to these results, all three criteria have been met for 1996 and, with less certainty, for 2000: support for education spending increased over time, those who were concerned about inequality became more likely to support educational spending over time, and this shift accounts for much of the general trend. It may be, however, that the hypothesized causal path of rising inequality → heightened dissatisfaction with inequality → heightened desire for government action to equalize opportunity was either temporary (applying only to the mid-1990s) or simply more redolent during the mid-1990s than in later years. Unfortunately, in the absence of further information on the differences in results in 2000 from the two different education questions, we cannot draw firm conclusions about these longer term trends.

Increase in Desire for Other Government Programs?

An important component of the rise in earnings and income inequality over the past two decades has consisted of those at the very top of the distribution pulling away from everyone else.⁴¹ If Americans view this as the defining characteristic of inequality, they may favor an increase in government transfers on programs that tend to benefit not only the poor but also the middle class. Alternatively, or in addition, Americans may have seen their real earnings and compensation fall, stagnate, or grow at only a slow or moderate pace, and view this as the defining characteristic of inequality.⁴² This too could lead to a desire for government to provide a wide range of essential services that assist low-income and middle-income Americans alike. We therefore consider whether the rise in support for education spending actually reflects a more general increase in support for broad-based government assistance of many kinds.

The most visible of such programs are social insurance programs such as Social Security (old-age pensions), health insurance, and unemployment compensation. Given the design of these programs, heightened spending on them also might be favored because recipients are viewed as more deserving since they must pay into the system while working. (Unemployment insurance contributions are paid by employers, but it is widely assumed that this indirectly taxes employees in the sense that their wages would otherwise be higher.) On the other hand, we should note that, according to Karl Ove Moene and Michael Wallerstein (2003), median-voter logic could predict that an increase in inequality will *reduce* support for social insurance spending. Citizens are likely to conceive of public pensions and unemployment insurance as government pooling of risk rather than redistribution from rich to poor, and as programs for which they themselves have a nontrivial likelihood of becoming a beneficiary. The demand for insurance rises with income: those with more income tend to be willing to pay more to safeguard their living standards in the event of job loss, illness, old age, and so on. Hence, the higher the level of inequality, and therefore the lower the earnings or income of the median voter, the less the median voter will favor expenditures on these types of programs.

We first consider health care. The first chart in Figure 9 shows trends in public support for more government spending on "health" as measured by two questions in the GSS/ISSP. The over-time trend is up, yet the timing does not correlate particularly well with the trend in inequality in parts of the 1980s and 1990s (though the long-term correlation with the Gini coefficient is 0.73). Support for heightened government spending on health jumped sharply in the late 1980s and increased steadily in the early 2000s, but for much of the 1980s and the 1990s it was flat.

In the second chart of Figure 9, we can assess the relationship between dissatisfaction with inequality and support for a larger dose of spending on health. In each of the three years the lines are positively sloped, indicating a greater likelihood of support for more government expenditures among those who are dissatisfied with the existing level of inequality ($p < .01$). The increase in the share of individuals who are concerned about inequality and prefer more spending on health also accounts for some of the trend over time in support for more spending on health.⁴³ However, these relationships are weak and inconsistent across the two questions. Moreover, there is a slightly *lower* level of support for spending on health across the board in 1996 (but not in 2000). As the first chart in Figure 9 indicates, that year marked the low point in a slight dip that occurred in the early and mid-1990s. While suggestive, these data do not allow us to conclude that heightened concern about inequality in the mid-1990s led to greater demands for government to alleviate the costs of health care.

[Figure 9 about here.]

The GSS/ISSP does not have a question on attitudes about unemployment insurance, but since 1984 it has asked whether government expenditures on social security are too little, about right, or too much. The first chart in Figure 10 shows the share responding "too little". The trend does not match particularly well with that of inequality. Most noticeably, the share saying too little fell in the late 1980s and early 1990s before rising in the mid-1990s. By 2000 the share was no higher than it had been in 1987. The year-by-year correlation with the Gini coefficient is positive but relatively weak: $r = 0.32$. The second chart shows that those more concerned about inequality were more likely to favor more government spending on social security in each year ($p < .01$). Yet at all levels of dissatisfaction with inequality, this view was less common in 1996 than in 1987 and 2000. While support for greater spending on health and social security is

generally very high (from half to three-quarters of Americans, as shown in Appendix Table 1, Panel IV), it does not appear that Americans were looking for assistance of this kind — and thus for government services more generally (beyond education) — as a remedy for their growing dissatisfaction with the level of inequality in American society.⁴⁴

[Figure 10 about here.]

Increase in Desire for Regulation of Employer Pay Practices?

Rather than action that involves higher taxes and/or greater government spending, Americans may want government to respond to rising inequality by changing what it mandates of private employers or by intervening in the private economy in other ways that they think will ultimately reduce inequality. There may, for example, be increased support for raising the statutory minimum wage, protecting wage bargaining agreements and institutions, or restricting the pay of those at the top of the distribution. Research has found that the decline in the real value of the minimum wage and the fall in union membership have contributed to reductions in real wages in the bottom and middle of the distribution.⁴⁵ At the same time, soaring executive pay has increased earnings at the top.⁴⁶ Moreover, during the time frame of our study, we find periods of heightened media scrutiny of executive pay, particularly during the recession and slow recovery of the early and mid 1990s.⁴⁷ As earlier studies of inequality have noted, then, Americans may favor regulation rather than redistribution in rectifying earnings disparities that are viewed as unfair.⁴⁸

The GSS/ISSP does not have questions that can be used to carefully assess the impact of rising concern about inequality on public attitudes toward regulation of employer pay practices. Regarding the minimum wage, Gallup has asked a semi-regular question since the late 1980s on whether Congress and the president should raise the minimum wage. The choices are favor or

oppose, and Figure 11 shows the trend over time. The share supporting a higher minimum wage increased between the late 1980s and the mid-to-late 1990s. The amount of the increase was small, but the level of support was already so high in the late 1980s, at around 78 percent, that a ceiling effect may have constrained the degree of increase. Americans also tend to think that corporate chief executive officers (CEOs) are overpaid⁴⁹, but to our knowledge there are no over-time data on attitudes about restricting maximum compensation levels for CEOs or others at the high end of the earnings distribution. Similarly, while Americans are more supportive of worker associations than many would think⁵⁰, we do not have over-time data on whether this support has shifted during the period of rising inequality.

[Figure 11 about here.]

In terms of other kinds of interventions in the private economy, much attention has focused on immigration and international trade. There is a large volume of research on this subject by economists showing that increasing immigration and international trade have reduced the relative wages of unskilled workers, but these factors are generally agreed to have "not been the major force driving wage [inequality] movements."⁵¹ Kenneth Scheve and Matthew Slaughter have examined public opinion on these matters in detail. They find that "though people acknowledge benefits, both economic and otherwise, they appear to worry more about costs — especially labor market costs — such that they opt for policies of less immigration [and less trade]".⁵² Low-skilled workers are especially opposed to immigration and trade, implying that they are aware of their unique exposure to the costs of economic integration in lost jobs and lower wages. Scheve and Slaughter suggest that this should lead to greater support for social insurance and redistributive spending (though they do not analyze this issue). We do not find such an increase over the time period of our study among the general public, but there may have

been one among individuals concerned about immigration and trade (these questions are not available over time in the GSS/ISSP). Based on our findings above, we find it more plausible that concerned Americans would support targeted protections for dislocated workers (e.g., retraining grants) rather than traditional social insurance and redistribution.⁵³

Increase in Desire for Not-Sure-What?

A final possibility worth considering is that Americans have grown increasingly dissatisfied with the level of inequality and would like government to do something about it, but they are not sure what type of action they favor. In this view there is limited desire for traditional redistributive methods as the response, but preferences for other options that may alleviate this new set of concerns are not yet well developed. Analyses of public opinion have accumulated considerable evidence that, aside from a minority of individuals who are politically knowledgeable and consistent in their ideological views, Americans' policy preferences tend to be weakly formed and based on limited information and misconstrued interests.⁵⁴ This may be especially true for those who are most likely to benefit from redistributive policies — less educated and lower income Americans.⁵⁵

On the other side of the ledger from the mass public, the larger political culture — politicians, parties, the media, social organizations, and so on — has not helped matters. It has failed to transmit a coherent, consistent, or highly visible message about rising income inequality and what should be done about it. A thorough discourse analysis is beyond the scope of this paper, but our hypothesis is that to the extent that income inequality has been politicized, the solutions put forward have been defined in primarily two ways: first, as the need for higher education and technical skills to compete successfully in the new "knowledge" economy, and second, as the need for greater protections from foreign competition, in the form of trade barriers

and curbs on immigration, as we discussed above.⁵⁶ This represents a relatively narrow rendering of the solutions that could potentially come into play in reducing inequality, crowding out other possibilities that might enjoy some measure of popular support. Progressive taxation, for example, is a contentious subject *not* because the majority of Americans oppose it, but because it tends to be upstaged by anti-government rhetoric against higher taxes *tout court*, for which there *is* sympathy.⁵⁷ Thus, the menu of policy options available to the public is highly circumscribed and inconsistent, which fosters inconsistencies in policy preferences.⁵⁸

As a consequence of this vacuum in political culture, the responses we have catalogued could reflect localized reactions to current events, a tendency that can be more pronounced among the large share of Americans with weak ideological leanings and little information.⁵⁹ This interpretation is consistent with the dip in support for more government spending on health that coincided with controversies over health care reform in the mid-1990s. It could also help account for patterns of support for government assistance to the poor and spending on welfare, which also declined in the mid-1990s. Arguably, this development was heavily influenced by the aggressive and highly visible campaign by Republicans prior to and after their success in the 1994 congressional elections, to prioritize welfare reform and hold President Clinton to his 1992 campaign pledge to "end welfare as we know it."⁶⁰ Finally, anti-tax rhetoric appears to have achieved a local maxima in the mid-1990s, which coincides with the decline in support for high taxes on the rich that we observe in 1996.⁶¹

That the intensity of dissatisfaction with income inequality peaked at this same time — when anti-welfare, anti-tax, and anti-government rhetoric of all kinds (e.g., on health care and social security) was reaching a crescendo — reassures us not only that concerns about inequality are real, but that they are (or at least can be) distinct from preferences for a core group of social

welfare policies traditionally associated with egalitarian, humanitarian, and pragmatic norms, or with self interest. We are less sure whether the strong but temporary support in 1996 for more education spending among those dissatisfied with inequality, which may have carried into 2000, is a genuinely new, if inchoate, response to concerns about income inequality. This could reflect a historically novel coupling of inequality of outcomes (the problem) with equality of opportunities (the solution). Alternatively, it could reflect the policy preferences of visible and vocal elites at that time for solutions emphasizing private educational initiative and achievement. These elite preferences may have trickled down to the general public — or the general public may have been more receptive to them — at a time of heightened anxiety over rising inequality during the mid-1990s. Which of these two explanations is the more accurate one is a critical question for future researchers to examine.

Conclusion

Rising inequality is a signature characteristic of the past generation.⁶² What effect, if any, this has had on Americans' policy preferences is a key question for scholars and policy makers. Data limitations have impeded our understanding of this question, but to push forward, we have taken advantage of a unique combination of data on both attitudes toward income inequality and social policy preferences at multiple time points during the recent era of rising inequality. We have identified a wide range of conventional and unconventional perspectives on American views of inequality and tested as many as possible with the available data. We draw two conclusions from our analysis and then discuss two potential implications of our findings for future research on the politics of rising income inequality.

Our two conclusions address the two views that currently dominate thinking about responses to rising inequality. The first view is that rising income inequality is likely to have no impact at all because Americans are tolerant of income inequality in general and of rising income inequality in particular. In our examination of questions that ask directly about income inequality, we found that Americans *did* become increasingly concerned about income disparities over the 1990s, with a peak in concern occurring during the early and mid-1990s. Our time series ends in 2000, but based on data collected in the 2002 ANES, Bartels (2005) also finds evidence of opposition to rising inequality (40 percent said that "differences in income between rich people and poor people" were larger than 20 years ago and that this was a "bad thing"). Although we cannot compare these ANES responses to any other year, the message from both studies taken together is clear: There is a high degree of dissatisfaction with inequality at any given point in time, and this dissatisfaction can fluctuate significantly over time. Our understanding of this process in the future will depend crucially, therefore, on the availability of more and better time series data on views specifically about *income* inequality.

The second view that dominates thinking about responses to rising inequality is that it is likely to produce an increase in support for traditional redistributive policies that transfer income from the rich to the poor, making the posttransfer-posttax income distribution more equal. While we find that Americans have become increasingly concerned about inequality, and that their support for government action to address it has risen, the action they have tended to favor is not traditional redistributive programs. For a variety of reasons explored by other scholars, dissatisfaction with assistance to the poor and with higher taxes on the rich was especially strong in the mid-1990s (less so in the early 1990s). Increasing concerns about income inequality had little effect on these anti-poverty and anti-tax sentiments. While those who are concerned about

income inequality are more likely to support progressive taxation and assistance to the poor at any given point in time — something we think important to keep in mind with respect to progressive taxation in particular, which has received limited scholarly attention — this is not a formula that seems to have had strong political traction in the era of rising inequality that we study.⁶³

If the GSS/ISSP data suggest that neither of the dominant views is correct for the contemporary United States, what do they suggest as an alternative? We see two possibilities that ought to be pursued in future research. The first is that rising income inequality has prompted greater concern about inequality of opportunity, which in turn has prompted greater demand for increased spending on education. In contrast to the widespread anti-spending sentiment we observed in the mid-1990s, Americans who were concerned about inequality became more likely to support education spending. This increased likelihood accounted for most of the increasing support among Americans in general for spending on education (in 1996 for both questions on education and in 2000 for one of the questions). This shift is all the more notable given the lack of any connection between views on income inequality and education spending in our baseline year (1987), a pattern that is consistent with the longstanding absence of education in political models of social welfare spending. Furthermore, we observe similar increases in support for spending on education in the mid-1990s in the ANES (in contrast to spending on child care, social security, and health), and a strong correlation between the trend in actual inequality and support for education spending over the longer term. These shifts suggest the need for new research that bridges the study of inequality of opportunity and inequality of outcomes, both in terms of how Americans perceive the connection between the two and in terms of how policies

that are meant to expand opportunities — preschool, K-12, and higher education — operate to foster or mitigate *actual* inequalities.

The second possibility raised by our findings is that Americans favor some sort of government action but are uncertain about exactly what that action should be (as opposed to what it should *not* be). One reason for this uncertainty may be that the issues involved are complicated: even many scholars and policy makers are uncertain as to how to best address the increase in income inequality. Indeed, researchers are sharply divided about the causes of its development. As a relatively new "social problem," then, and one that receives only episodic media and political attention, it is not surprising that both attitudes toward inequality and corresponding policy preferences would be weakly developed and sensitive to contemporaneous debates, including those that may have emphasized education instead of traditional redistributive policies as a cure. This possibility is all the more likely given the ambivalence and uncertainty that characterizes public attitudes about inequality and a wide array of other political issues.

Having said this, however, we do not think our findings imply that the complexities are insurmountable, leaving no room whatsoever for Americans to make rational connections between income inequality and the social policies that might address it. In fact, at any given point in time, dissatisfaction with inequality is almost uniformly associated with significantly greater support for all of the equalizing social policies that we examined, after controlling for sociodemographic characteristics and political partisanship and ideology. And while broad-based support for a wide array of spending programs was down in 1996 (except for education), it was up in 2000 for government services that were not targeted to the poor — education, health, and social security. If our surveys contained questions about other kinds of policies that would make a dent in income inequality, such as government regulation of employer pay practices (e.g., via

the minimum wage or limits on executive pay), we might have found additional avenues of redress favored by Americans. But until the collection of data on inequality catches up with the reality of inequality, we will not know. The highest priority for future research, then, is to take American public opinion about inequality seriously enough to find out exactly what it is.

We conclude with a few general principles, rather than detailed suggestions, to guide the collection of new data. Our analysis suggests a need to analytically and empirically divorce the study of public opinion on inequality from that of poverty and poverty-reducing social programs. This is not to say that there is *no* relationship between views of inequality and poverty, or that public opinion research on inequality should assume a higher priority than public opinion research on poverty. It is only to say that the relationship between inequality and poverty needs to be understood as a social phenomenon in need of empirical examination in its own right (again, as a public opinion issue). We should fashion surveys and studies that are as in-depth as the now classic studies of income inequality in the 1970s and 1980s — by Kluegal and Smith (1986), Hochschild (1981), Verba and Orren (1985), and McCloskey and Zaller (1984) — and that also take into account new economic (e.g., rising CEO pay and falling minimum wages), demographic (e.g., rising immigration), and political (e.g., declining faith in government action) conditions. Finally, given the complexity of the issue, replication of questions and experimentation with question wording is imperative. Only then can we fully test the validity and durability of the new patterns that we have described here.

Notes

¹ Jacobs and Skocpol (2005, 217-218) concluded that the study of "changes in political behavior and public opinion [will be] essential to evaluate the impact of rising economic inequality. This will require assembling over-time data on a comprehensive set of critical indicators—from public opinion and political behavior to trends in economic distribution and organizational activity."

² The ANES times series of six questions on equalitarianism is skewed toward questions about equality of opportunity (e.g., equal chances) and formal equality (e.g., equal rights and treatment) and not equality of outcomes (e.g., income disparities). Substitutions proposed in a 1987 Pilot Study would have moved the scale "away from equality of opportunity [and] toward equality of outcomes" with questions that mentioned "the distribution of wealth" and "economic differences," but the changes were not adopted because there was not much improvement in the reliability coefficient (Feldman 1987, 3). Feldman (1987) provides a psychometric evaluation of the pilot questions that raises potentially important empirical and conceptual differences between equality of opportunity and outcomes. By contrast to the ANES questions on equality, the GSS/ISSP questions mention "differences in income", "large disparities in income" and "inequality" that benefits the "rich and powerful."

³ Over time studies of changes in attitudes about income inequality and social policy preferences in recent decades have focused on societies under going rapid social change, such as Eastern Europe (e.g., Kluegal, Mason, and Wegener 1995), whereas recent empirical research on this topic in the United States has focused on a single point in time (e.g., Bartels 2005, 2008).

⁴ This is because this information is disseminated by the Census Bureau in its annual Current Population Report on *Income, Poverty, and Health Insurance*, which is widely read by journalists covering economic issues.

⁵ Note, for example, that the now widely reported measure of income held by the top percentiles and fractiles of the income distribution using tax data was not available until the early 2000s (Piketty and Saez 2003), after the period of our study.

⁶ Gottschalk and Danziger 2005

⁷ Piketty and Saez 2007; Mishel et al. 2007

⁸ Authors 2008.

⁹ This issue is explored in detail in other work of ours (Authors 2008). There are three indications of greater awareness of rising inequality in the 1990s as compared to the 1980s. First, consensus among academics and experts that rising inequality was more than just a temporary blip probably did not emerge until the early 1990s (e.g., Levy and Murnane 1992; Katz and Murphy 1992). Second, a media analysis of articles on inequality-related subjects (including economic insecurity, class, and inequality) in *Newsweek*, *Time*, and *US News & World Report* between 1980 and 2000 showed that the number of articles was greatest in 1982 (during the deep recession), 1992, and 1996. A poisson regression confirmed these results. Third, several books by scholars during the mid-1990s noted the rise in negative media coverage of inequality in the US, including Lipset (1996), Jacoby (1997), and Ladd and Bowman (1997).

¹⁰ *Economist* 2006, 28.

¹¹ APSA Task Force 2004, 654. See also Alesina, Di Tella, and MacCulloch 2004.

¹² Bowman 2000.

¹³ Mead 2004, 671.

¹⁴ To be consistent across questions, we inverted the responses to the "prosperity" question so that a positive score indicates concern about inequality. The original wording is that inequality is *necessary* for prosperity. Note also that this indicates some variation in the direction of question wording among the three questions, with two questions worded in a positive direction (so that agreement indicates support for greater equality) and one worded in a negative direction.

¹⁵ Page and Shapiro 1992.

¹⁶ The index is a simple addition of the responses on each question for cases with responses to all three questions (and the resulting scale ranges from -3 to 3, as the items were scaled for analysis to range from -1 to 1). Given the small number of items and the reversed direction of one item (i.e., the "prosperity" question), the alpha reliability coefficient is 0.46 with corrected item-total correlations of 0.43 (for the "too large" question), 0.29 (for the "benefits" question), and 0.16 (for the "prosperity" question). We could improve the reliability to 0.56 if we removed the prosperity item, but given the similarity of mean trends over time in these questions and the conceptual importance of this dimension of inequality of outcomes, we retained the item. We have analyzed these data extensively with individual items, a two-item index, and the three-item index, and we do not find differences in our results based on this decision.

¹⁷ We use ordered logistic regression for these analyses given the categorical nature of the outcome variables. The results are shown in Appendix Tables 3 and 4. We pool the data across years for our main analyses but also show the results for separate regressions for each year. The first criterion is met if the coefficients on dummy variables for each year of data after 1987 (i.e., 1987 is the excluded category) are positive and significant in the pooled regressions (Models 1 and 2 in Appendix Tables 3 and 4). The second criterion is met if the coefficient on the inequality attitudes index is positive and significant in the pooled regressions (as indicated in the

parentheses of Model 3 in Appendix Tables 3 and 4) and in the year-by-year regressions in the 1990s. We further test for whether policy preferences among those concerned with inequality *shifted* over the 1990s, which is indicated by the year-by-year coefficients and an interaction term between the index and the year dummies in the pooled regressions (Model 4 and the year-by-year regressions in Appendix Tables 3 and 4). The third criterion is met if the general trend over time toward increasing support/spending is affected by the shifts occurring in the number of individuals concerned about inequality (a compositional effect, shown in Model 3 of Appendix Tables 3 and 4) or in their policy preferences (a behavioral shift, shown in Model 4 and in the year-by-year regressions).

¹⁸ On growing polarization of views, see McCarty, Poole, and Rosenthal (2006) and Bartels (2008). Regarding our data, in other research, we did not find a strong effect of either income, education, or broad occupational category on views of income inequality, though more detailed measures may reveal a greater impact (e.g., Scheve and Slaughter, 2006, use detailed occupational wages from census data to identify unskilled and skilled workers).

¹⁹ Feldman and Zaller 1992, 288.

²⁰ There have been many extensive studies of the relationship between egalitarian norms (or humanitarian and pragmatic concerns) and policy preferences, with most exploring the conflicts and ambivalence that egalitarian sentiments produce within a culture that emphasizes individual responsibility for one's economic status (Hochschild 1981; McCloskey and Zaller 1985; Verba and Orren 1985; Kluegal and Smith 1986; Feldman 1988; Feldman and Zaller 1992; Feldman and Steenbergen 2001). For evidence of little ambivalence on a scale measuring support for social welfare policies, see Steenbergen and Brewer (2004).

²¹ Tolerance for inequality of outcomes, in particular, is often inferred from lack of support for redistributive policies: "To recapitulate, although most Americans support a high level of equality among social groups and favor equality of opportunity, they appear to be less concerned about inequality in economic outcomes. For example, there is little public support for a massive redistribution of income or wealth" (Schlozman et al. 2005, 28).

²² Meltzer and Richard 1981.

²³ Pew Research Center 2007, 89-90.

²⁴ Schram and Soss 2007.

²⁵ Katz 1989; Gilens 1999.

²⁶ See the year-by-year regression coefficients for the inequality index in Appendix Table 3, Panel I.D as well as the *p*-value of the coefficient for the inequality index in the pooled regression, which is in parentheses for Model 3.

²⁷ Indeed, the evidence points toward a smaller positive effect of inequality attitudes on support for *every* traditional redistributive policy shown in Appendix Table 3 (i.e., a smaller coefficient on the index in the year-by-year equations). Although these are not always significantly smaller in 1996, the uniformity of the results is striking. Note that the sample sizes are relatively small given the split-ballot design of the GSS/ISSP for the policy questions ($N \approx 350$), so the standard errors of the estimates are larger.

²⁸ Bartels 2005.

²⁹ In addition to the citations above in note 20, see Lane (1986) and Hochschild (1995).

³⁰ Free and Cantril 1968.

³¹ Matusow 1984. Many economists also assume that "social programs such as job training and college tuition subsidies are central features of the modern welfare state" (Cunha, Heckman, and Navarro 2006, 295).

³² Pew Research Center 2007. In contrast, about two-thirds have tended to agree that "It is the responsibility of the government to take care of people who can't take care of themselves" and approximately half agree that "The government should help more needy people even if it means going deeper in debt."

³³ Bowles and Gintis 1976; Jencks et al. 1979; Wolff 2006.

³⁴ Korpi 1983; Hicks 1999; Huber and Stephens 2001.

³⁵ Wilensky 1975, 6.

³⁶ APSA Task Force 2004, 654.

³⁷ Pessimism about upward mobility did increase from 1987 to 1992 and 1996 (from 10.5 percent of respondents in 1987 strongly disagreeing or disagreeing that "people like me and my family have a good chance of improving our standard of living" to 25.1 and 24.3 percent in 1992 and 1996, respectively) but then fell again in 2000 (to 14.1 percent). This variable is included among the control variables (see Appendix Table 2)

³⁸ Teixeira and Rogers 2000.

³⁹ Greenberg 1996. Similarly, in trying to explain why self-interest is only weakly connected to political outcomes, Stanley Feldman argues that "the vast majority of Americans believe that economic mobility is in fact a function of personal initiative" rather than political action (Feldman 1982, 464). Feldman finds that Americans do not fault social conditions for their personal situation, whereas Greenberg argues that Americans fault social conditions but do not expect them to change and are therefore left to their own devices. More recently, in the 2002

ANES, Americans responded that the most important explanation for income differences was that "some people don't have a chance to get a good education" (55 percent of Americans), above "some people just don't work hard" (45 percent) (Bartels 2005, 18). However, a quarter of respondents also mentioned discrimination and government policies that favor high income workers.

⁴⁰ For both questions about education spending, the coefficient on the inequality attitudes index is not significant in 1987 and is significant in 1996 in the separate regressions for each year. The interaction term (between the 1996 dummy and the inequality attitudes index) is significant for both questions on education spending (see Model 4 of Appendix Table 4, Panels B and C). For the more simply worded question on support for education spending, there is also a significant coefficient on the inequality attitudes index in 2000, but the interaction term is significant only at the $p < .10$ level.

⁴¹ Piketty and Saez 2007.

⁴² Hacker 2006.

⁴³ The year dummy for 1996 becomes more significantly negative and the year dummy for 2000 becomes more positive when the inequality attitudes index is added to the equations (i.e., in Model 3 of Appendix Table 4, Panel E), indicating that the growing number of individuals concerned about inequality stemmed the decline in support for health care spending in 1996 and augmented the increase in support in 2000.

⁴⁴ Data from the 1948-2004 Cumulative ANES support these diverging trends on education and other government services. Using 1988 as the excluded category, to correspond with the base year of 1987 in our analysis of GSS/ISSP data, we found that support for increased spending on public schools (VCF0890) and financial aid for college students (VCF0891) was significantly

greater in the mid-1990s (in 1994, 1996, and 2000 for the former and in 1992 and 1996 for the latter, with the only exception being an insignificant coefficient in 1992 for the former). In contrast, support for increased spending on government services "such as health and education" (VCF0839), child care (VCF0887), and social security (VCF9049) was either the same or significantly lower in 1992-1996. Support for government health insurance (VCF0806) was significantly greater in 1992 but significantly lower or the same in 1994 and 1996, relative to 1988. No other controls were included in these regression equations.

⁴⁵ Dinardo, Fortin, and Lemieux 1996.

⁴⁶ Piketty and Saez 2003.

⁴⁷ For example, looking back at the early 1990s, Kevin J. Murphy, an economist and expert on executive compensation, argued that "[c]onsistent with *Time* Magazines's labeling of CEO pay as the 'populist issue that no politician can resist,' high CEO salaries emerged as a bipartisan campaign issue among the leading candidates in the 1992 presidential election" (Murphy 1997, 418).

⁴⁸ McCloskey and Zaller 1984.

⁴⁹ Kluegal and Smith 1986; Verba and Orren 1985.

⁵⁰ Freeman and Rogers 1999.

⁵¹ Scheve and Slaughter 2006, 227.

⁵² Scheve and Slaughter 2006, 224.

⁵³ Data from the 1948-2004 Cumulative ANES show some weak support for government guarantees of "a job and a good standard of living" (VCF0809) in 1992 and 1994 but not in 1996, relative to 1988 (for further details of the ANES analysis, see end note 39).

⁵⁴ This literature stretches back far and is the subject of much current debate. See Saris and Sniderman (2004) for a recent review and collection of relevant essays. On misconstrued interests related to the George W. Bush tax cuts, see Bartels (2005).

⁵⁵ Berensky 2002.

⁵⁶ Regarding the issues of immigration and trade, Scheve and Slaughter (2006, 251) note that "only limited attention has been paid to the role of information and elites in influencing how individuals evaluate policy alternatives and their interests."

⁵⁷ Morgan 2005; Campbell 2007. But see Bartels (2005), who argues that expressed support for higher taxes on the rich does not result in support for specific policies that propose to do so (or opposition to policies that cut taxes on the rich).

⁵⁸ Sniderman and Bullock 2004.

⁵⁹ Zaller 1992, 2004.

⁶⁰ Schneider and Jacoby 2005. Mettler (2007) argues that there was a material basis for public opposition to programs such as AFDC, Food Stamps, and unemployment compensation as well: their benefit and coverage levels had been declining since the 1970s, reducing the constituency of supportive beneficiaries.

⁶¹ Campbell 2007.

⁶² Kenworthy and Pontusson 2005; McCarty, Poole, and Rosenthal 2006; Krugman 2007; Bartels 2008.

⁶³ Beyond a general rise in anti-welfare and anti-tax sentiment during the time period of our study, we have not sought to theoretically explain why rising inequality would *not* result in rising support for traditional redistributive policies, *contra* median-voter theories. Moffitt, Ribar, and Wilhelm (1998, 429) offer an alternative median-voter model based on median-voter responses

to a drop in unskilled wages (an aspect of rising inequality). They argue that support for welfare state benefits will fall if "(i) falling wages induce greater caseloads and hence drive up the cost of a marginal increase in benefits; (ii) associated with the increase in caseload is an increase in work disincentives, which voters may dislike; and (iii) falling wages may create a gap between welfare and nonwelfare working poor which voters may wish to reduce by benefit reductions".

References

- Alesina, Alberto, Rafael Di Tella, and Robert MacCulloch. 2004. "Inequality and Happiness: Are Europeans and Americans Different?" *Journal of Public Economics* 88: 2009-2042.
- APSA Task Force. 2004. "American Democracy in an Age of Rising Inequality." *Perspectives on Politics* 2(4): 651-666.
- Bartels, Larry M. 2005. "Homer Gets a Tax Cut: Inequality and Public Policy in the American Mind." *Perspectives on Politics* 3(1): 15-31.
- Bartels, Larry M. 2008. *Unequal Democracy: The Political Economy of the Gilded Age*. Princeton University Press and Russell Sage Foundation.
- Berensky, Adam J. 2002. "Silent Voices: Social Welfare Policy Opinions and Political Equality in America." *American Journal of Political Science* 46: 276-287.
- Bowles, Samuel and Herbert Gintis. 1976. *Schooling in Capitalist America*. New York: Basic Books.
- Bowman, Karlyn H. 2000. "No Din over Dollar Divide." *The Chicago Sun-Times* 7/31/00: 31.
- Campbell, Andrea Louise. 2007. "What Americans Think of Taxes." Paper presented at the Northwestern University conference on Taxation in Comparative and Historical Perspective.
- Congressional Budget Office. 2007. "Historical Effective Federal Tax Rates: 1979 to 2005." Available at: <http://www.cbo.gov/ftpdoc.cfm?index=8885&type=2>.
- Cunha, Flavio, James Heckman, and Salvador Navarro. 2006. "Counterfactual Analysis of Inequality and Social Mobility." Pp. 290-346 in S. Morgan, D. Grusky, and G. Fields, eds., *Mobility and Inequality*. Stanford, CA: Stanford University Press.
- DiNardo, John, Nicole M. Fortin and Thomas Lemieux. 1996. "Labor Market Institutions and the Distribution of Wages, 1973-1992: A Semiparametric Approach." *Econometrica* 64: 1001-1044.
- The Economist*. 2006. "Inequality and the American Dream." 6/17-23/06: 28-30.
- Feldman, Stanley. 1982. "Economic Self-Interest and Political Behavior." *American Journal of Political Science* 26: 446-466.
- Feldman, Stanley. 1987. "Evaluation of New Inequality Items." 1987 NES Pilot Study Report.
- Feldman, Stanley. 1988. "Structure and Consistency in Public Opinion: the Role of Core Beliefs and Values." *American Journal of Political Science* 32: 416-440.

Feldman, Stanley and Marco R. Steenbergen. 2001. *American Journal of Political Science* 45: 658-677.

Feldman, Stanley and John Zaller. 1992. "The Political Culture of Ambivalence: Ideological Responses to the Welfare State." *American Journal of Political Science* 36: 268-307.

Free, Lloyd and Hadley Cantril. 1968. *The Political Beliefs of Americans*. Simon and Schuster.

Freeman, Richard B. and Joel Rogers. 1999. *What Workers Want*. Ithaca, NY: Cornell University Press and the Russell Sage Foundation.

Gilens, Martin. 1999. *Why Americans Hate Welfare: Race, Media, and the Politics of Antipoverty Policy*. Chicago: University of Chicago Press.

Gottschalk, Peter and Sheldon Danziger. 2005. "Inequality of Wage Rates, Earnings, and Family Income in the United States, 1975-2002." *Review of Income and Wealth* 51: 231-24.

Greenberg, Stanley B. 1996. "Private Heroism and Public Purpose." *The American Prospect* 7(28).

Hacker, Jacob. 2006. *The Great Risk Shift*. New York: Oxford University Press.

Hicks, Alexander. 1999. *Social Democracy and Welfare Capitalism*. Ithaca, NY: Cornell University Press.

Huber, Evelyne and John D. Stephens. 2001. *Development and Crisis of the Welfare State*. Chicago: University of Chicago Press.

Hochschild, Jennifer. 1981. *What's Fair? American Beliefs about Distributive Justice*. Cambridge, MA: Harvard University Press.

Hochschild, Jennifer. 1995. *Facing Up to the American Dream*. Princeton, NJ: Princeton University Press.

Jacobs, Lawrence, and Theda Skocpol. 2005. *Inequality and American Democracy: What We Know and What We Need to Learn*. New York: Russell Sage Foundation.

Jacoby, Sanford. 1997. *Modern Manors: Welfare Capitalism Since the New Deal*. Princeton, NJ: Princeton University Press.

Jencks, Christopher, Susan Bartlett, Mary Corcoran, James Crouse, David Eaglesfield, Gregory Jackson, Kent McClelland, Peter Mueser, Michael Olneck, Joseph Schwartz, Sherry Ward, and Jill Williams. 1979. *Who Gets Ahead? The Determinants of Economic Success in America*. New York: Basic Books.

Katz, Lawrence F. and David Autor. 1999. "Changes in the Wage Structure and Earnings Inequality." In *Handbook of Labor Economics*, vol. 3A, edited by Orley Ashenfelter and David Card. Amsterdam: Elsevier.

Katz, Michael. 1989. *The Undeserving Poor: From the War on Poverty to the War on Welfare*. New York: Pantheon Books.

Kenworthy, Lane and Jonas Pontusson. 2005. "Rising Inequality and the Politics of Redistribution in Affluent Countries." *Perspectives on Politics* 3: 449-71.

Kluegel, James R. and Eliot R. Smith. 1986. *Beliefs about Inequality: Americans' Views about What Is and What Ought To Be*. New York: Aldine De Gruyter.

Kluegal, James R., David S. Mason, and Bernd Wegener, eds. 1995. *Social Justice and Political Change: Public Opinion in Capitalist and Post-Communist States*. New York: Aldine De Gruyter.

Korpi, Walter. 1983. *The Democratic Class Struggle*. London: Routledge and Kegan Paul.

Krugman, Paul. 2007. *The Conscience of a Liberal*. New York: W.W. Norton.

Ladd, Carll Everett and Karlyn H. Bowman. 1998. *Attitudes Toward Economic Inequality*. Washington, DC: American Enterprise Institute.

Lane, Robert E. 1962. *Political Ideology: Why the American Common Man Believes What He Does*. New York: Free Press.

Lane, Robert E. 1986. "Market Justice, Political Justice." *American Political Science Review* 80: 383-402.

Levy, Frank and Richard Murnane. 1992. "U.S. Earnings Levels and Earnings Inequality: A Review of Recent Trends and Proposed Explanations." *Journal of Economic Literature* XXX: 1333-1381.

Lipset, Seymour Martin. 1996. *American Exceptionalism: A Double Edged Sword*. New York: W.W. Norton.

Matusow, Allen J. 1984. *The Unraveling of America: A History of Liberalism in the 1960s*. New York: Harper and Row.

McCarty, Nolan, Keith T. Poole, and Howard Rosenthal. 2006. *Polarized America*. Cambridge, MA: MIT Press.

McClosky, Herbert and John Zaller. 1984. *The American Ethos: Public Attitudes Toward Capitalism and Democracy*. Cambridge, MA: Harvard University Press.

- Mead, Lawrence M. 2004. "The Great Passivity." *Perspectives on Politics* 2: 671-675.
- Meltzer, Allan H. and Scott F. Richard. 1981. "A Rational Theory of the Size of Government." *Journal of Political Economy* 89: 914-27.
- Mettler, Suzanne. 2007. "The Transformed Welfare State and the Redistribution of Political Voice." Pp. 191-222 in P. Pierson and T. Skocpol, eds., *The Transformation of American Politics*. Princeton, NJ: Princeton University Press.
- Mishel, Lawrence, Jared Bernstein, and Sylvia Allegretto. 2007. *The State of Working America, 2006/2007*. Ithaca, NY: ILR Press.
- Moene, Karl Ove and Michael Wallerstein. 2001. "Inequality, Social Insurance, and Redistribution." *American Political Science Review* 95(4):859-874.
- Moffitt, Robert, David Ribar, and Mark Wilhelm. 1998. "The Decline of Welfare Benefits in the U.S.: The Role of Wage Inequality." *Journal of Public Economics* 68: 421-452.
- Morgan, Kimberly J. 2005. "Financing the Welfare State: US Tax Politics in Comparative Perspective." Unpublished manuscript, Department of Political Science, George Washington University.
- Murphy, Kevin J. 1997. "Executive Compensation and Modern Industrial Revolution." *International Journal of Industrial Organization* 15: 417-425.
- Page, Benjamin I. and Robert Y. Shapiro. 1992. *The Rational Public: Fifty Years of Trends in Americans' Policy Preferences*. Chicago: University of Chicago Press.
- Pew Research Center. 2007. "Trends in Political Values and Core Attitudes: 1987-2007." Available at: www.people-press.org.
- Piketty, Thomas and Emmanuel Saez. 2003. "Income Inequality in the United States: 1911-1998." *Quarterly Journal of Economics* CXVII: 1-39.
- Piketty, Thomas and Emmanuel Saez. 2007. "Income and Wage Inequality in the United States, 1913-2002." Pp. 141-225 in *Top Incomes over the Twentieth Century*, edited by Anthony B. Atkinson and Thomas Piketty. Oxford: Oxford University Press.
- Saris, Willem E. and Paul M. Sniderman, eds. 2004. *Studies in Public Opinion: Attitudes, Nonattitudes, Measurement Error, and Change*. Princeton, NJ: Princeton University Press.
- Scheve, Kenneth and Matthew Slaughter. 2006. "Public Opinion, International Economic Integration, and the Welfare State." Pp. 217-260 in S. Bowles, P. Bardhan, and M. Wallerstein, eds., *Globalization and Egalitarian Redistribution*. Princeton, NJ: Princeton University Press.

- Schlozman, Kay L., Benjamin I. Page, Sidney Verba, and Morris Fiorina. 2005. "Inequalities of Political Voice." Pp. 18-87 in L. Jacobs and T. Skocpol, eds., *Inequality and American Democracy: What We Know and What We Need to Learn*. New York: Russell Sage Foundation.
- Schneider, Sandra K. and William G. Jacoby. 2005. "Elite Discourse and American Public Opinion: The Case of Welfare Spending." *Political Research Quarterly* 58: 367-379.
- Sniderman, Paul M. and John Bullock. 2004. "A Consistency Theory of Public Opinion and Political Choice: The Hypothesis of Menu Dependence." Pp. 337-357 in W. Saris and P. Sniderman, eds., *Studies in Public Opinion*. Princeton, NJ: Princeton University Press.
- Soss, Joe and Sanford F. Schram. 2007. "A Public Transformed? Welfare Reform as Policy Feedback." *American Political Science Review* 101: 111-127.
- Steenbergen, Marco R. and Paul R. Brewer. 2004. "The Not-So-Ambivalent Public: Policy Attitudes in the Political Culture of Ambivalence." Pp. 93-129 in W. Saris and P. Sniderman, eds., *Studies in Public Opinion*. Princeton, NJ: Princeton University Press.
- Verba, Sidney and Gary Orren. 1985. *Equality in America: The View from the Top*. Cambridge, MA: Harvard University Press.
- Wilensky, Harold. 1975. *The Welfare State and Equality: Structural and Ideological Roots of Public Expenditures*. Berkeley: University of California Press.
- Wolff, Edward N. 2006. *Does Education Really Help?* Oxford: Oxford University Press.
- Zaller, John R. 1992. *The Nature and Origins of Mass Opinion*. New York: Cambridge University Press.
- Zaller, John R. 2004. "Floating Voters in U.S. Presidential Elections, 1948-2000." Pp. 166-212 in W. Saris and P. Sniderman, eds., *Studies in Public Opinion*. Princeton, NJ: Princeton University Press.

Table 1
Education Spending "Too Little" by Inequality Attitudes Index
Predicted Probabilities from Ordered Logistic Regression, Interaction Model

	1987		1996		2000	
	Mean (Range)	N	Mean (Range)	N	Mean(Range)	N
Predicted Probability by Inequality Attitudes Index						
Top third: low tolerance	0.670 (0.66-0.69)	80	0.836 (0.79-0.88)	154	0.748 (0.74-0.76)	84
Middle third: moderate tolerance	0.650 (0.65-0.66)	125	0.736 (0.72-0.76)	94	0.738 (0.74-0.74)	119
Bottom third: high tolerance	0.628 (0.58-0.64)	133	0.578 (0.36-0.67)	99	0.727 (0.70-0.73)	110
Overall Predicted Probability						
Behavioral and Compositional Shift						
Weighted Sum of Group Means	0.646		0.735		0.737	
Behavioral Shift Only (Fixed 1987 Composition)						
Sum of Group Means						
Weighted by 1987 Distribution	0.646		0.697		0.736	
% Explained by Behavioral Shift Only			57.7		99.2	
Compositional Shift Only (Fixed 1987 Group Means)						
Sum of 1987 Group Means						
Weighted by Each Year's Distribution	0.646		0.653		0.648	
% Explained by Compositional Shift Only			7.4		1.8	

Source: The General Social Survey for 1987, 1996, and 2000, and the International Social Survey Program for 1992.

Notes: Predicted probabilities are calculated from Appendix Table 4, Panel B, Model 4. This is the same model shown in Figure 8. All control variables are held constant at their cross-year means while year and the inequality attitudes index varies. Distribution of inequality attitudes index is broken into thirds based on cross-year distribution of values (maintaining original values). The index is coded from -3.0 to +3.0, from high tolerance to low tolerance, based on a sum of the individual items coded -1.0 (strongly disagree), -0.5, 0.0, +0.5, +1.0 (strongly agree). The top third includes values from 1.5 to 3.0; the middle third includes values from 0.5 to 1.0; the bottom third includes values from -3.0 to 0.0. N refers to the number of observations in the analysis.

Figure 1. Possible Reactions to Rising Inequality

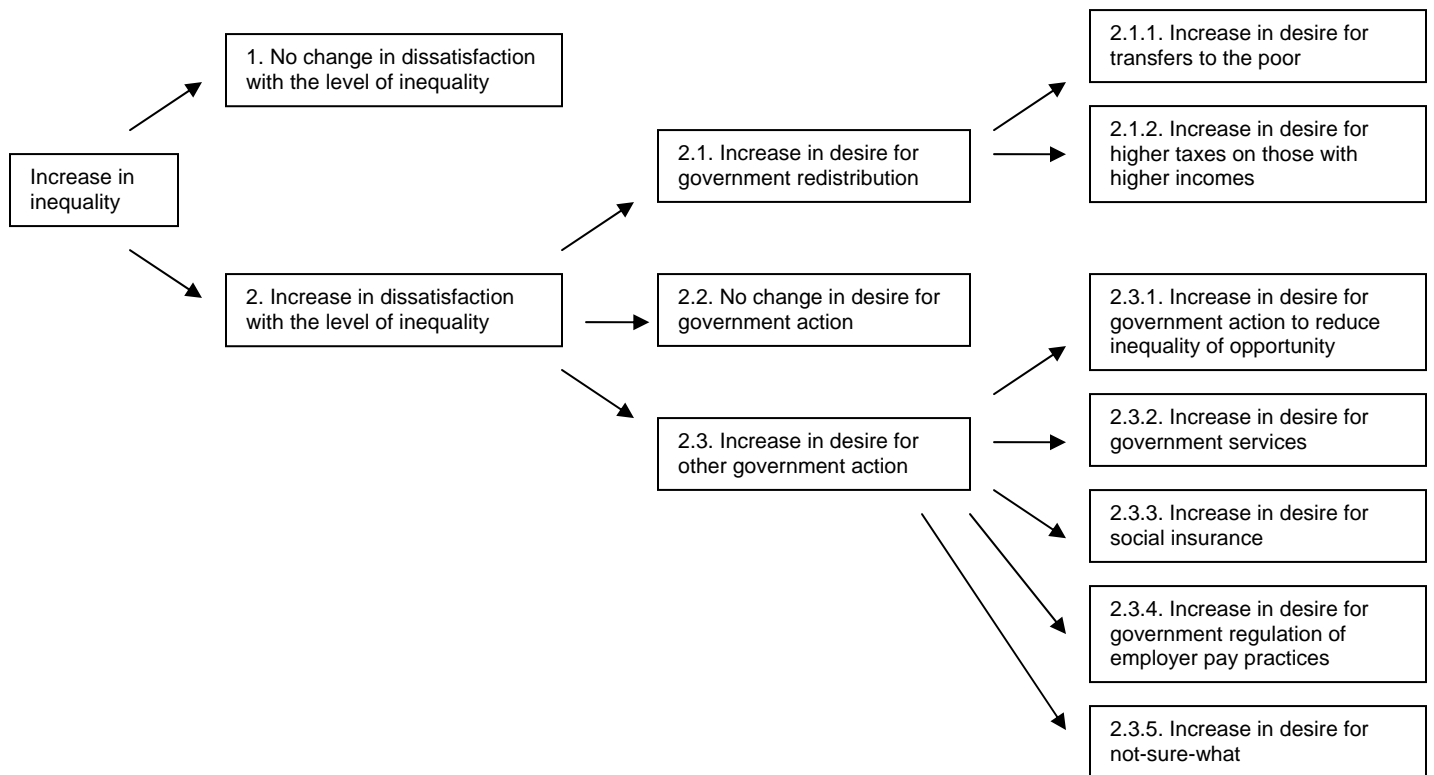
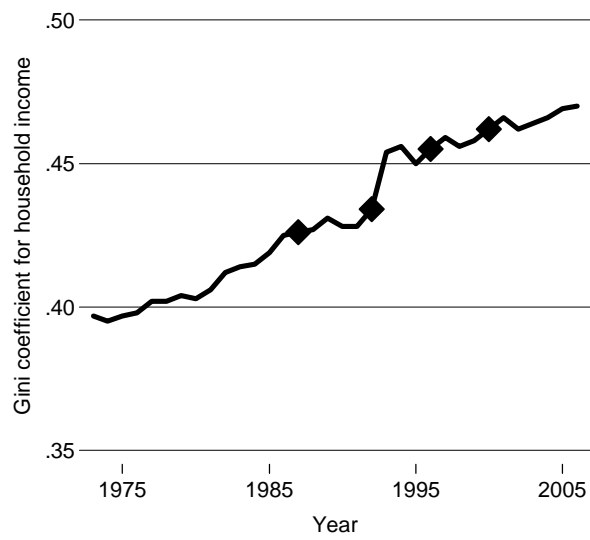
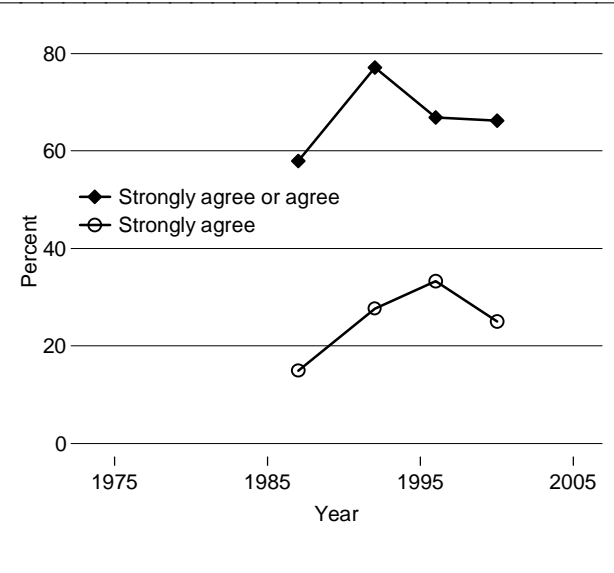


Figure 2. Income Inequality



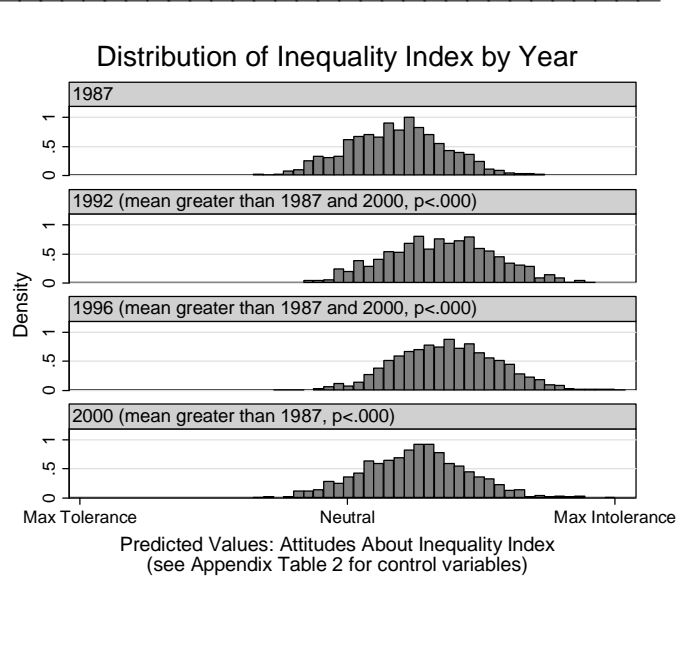
Note: Vertical axis is truncated. Years for which data on attitudes toward inequality are available — 1987, 1992, 1996, and 2000 — are highlighted with the diamond markers. The unit is households. The income measure is posttransfer-pretax. The Gini coefficient ranges from zero to one, with larger numbers indicating greater inequality. Source: U.S. Census Bureau, www.census.gov/hhes/www/income/histinc/h04.html.

Figure 3. Public Opinion: Income Differences in America Are Too Large



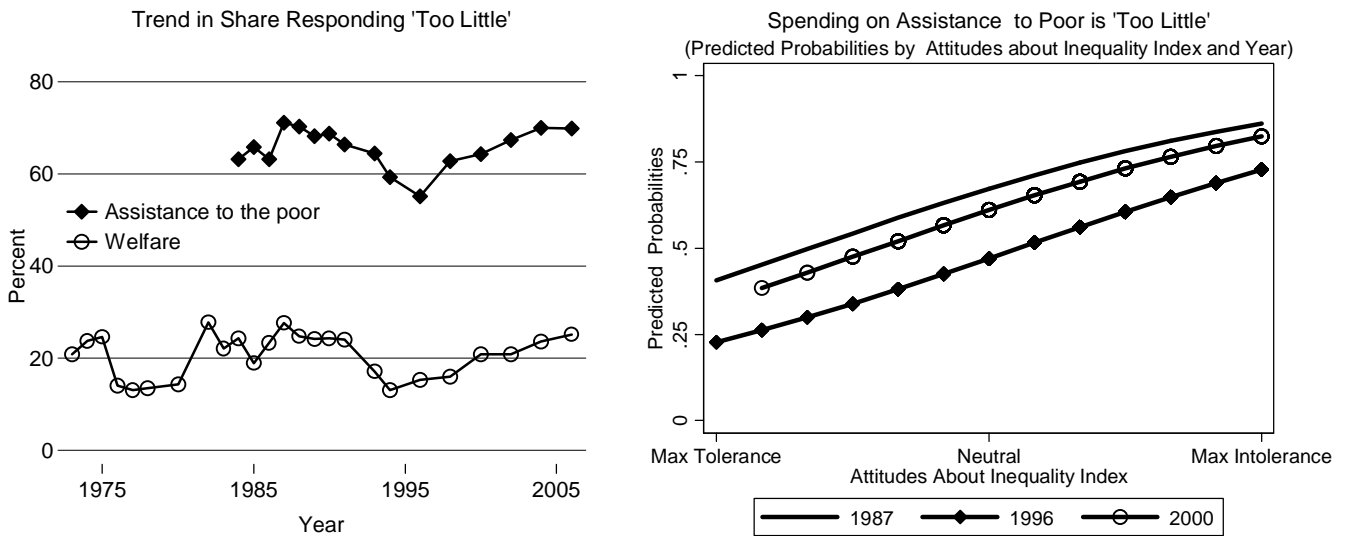
Note: For data definitions and sources, see Appendix Table 1.

Figure 4. Distribution of Inequality Index by Year



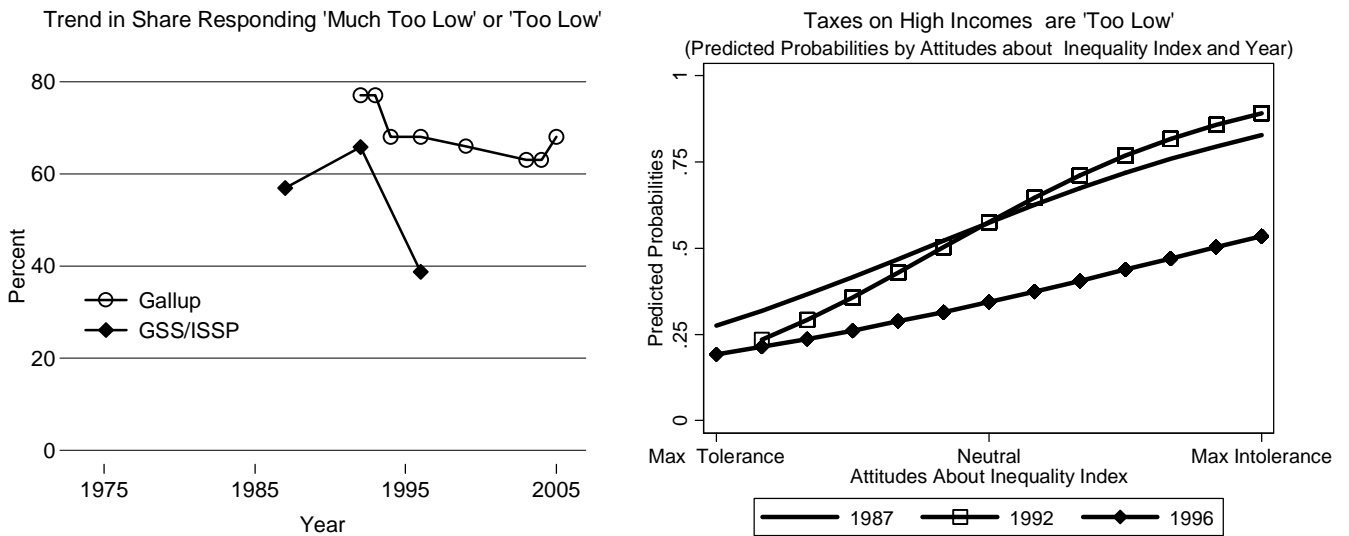
Note: For data definitions and sources, see Appendix Tables 1 and 2. Probability values refer to the coefficient for each year (relative to the others listed) in a pooled regression.

Figure 5. Public Opinion: Government Assistance to the Poor and Government Spending on Welfare



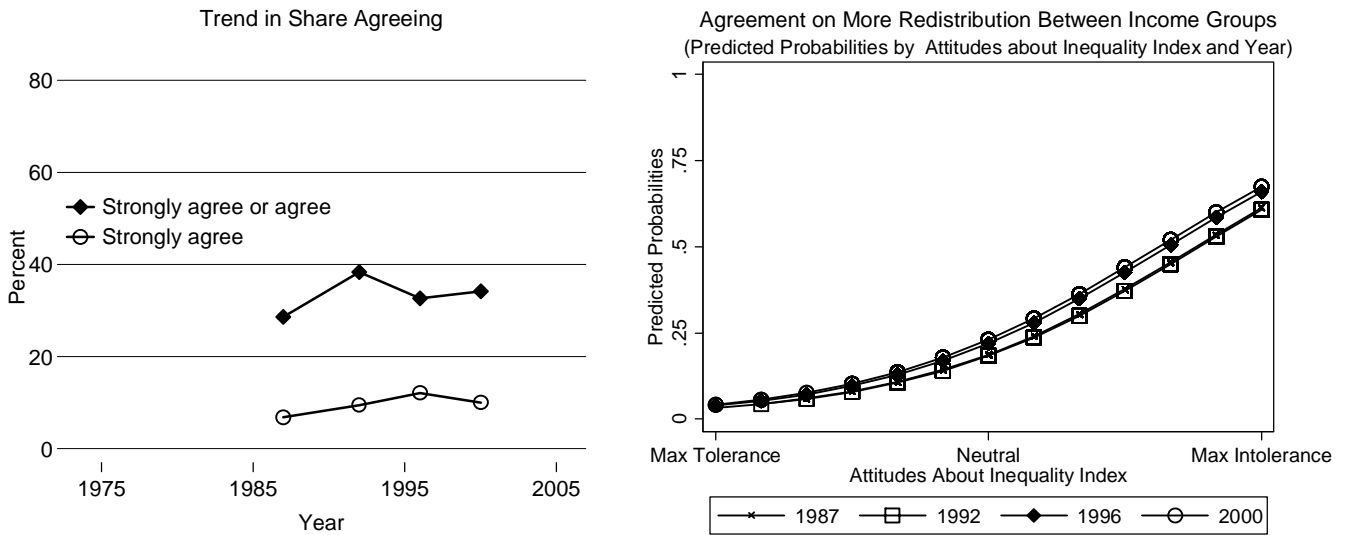
Note: Probabilities are calculated from Appendix Table 3, Panel I.D, Model 3 for the question on whether to spend more on assistance to the poor with all control variables held constant at their cross-year mean. Outcome categories include "too little" spending, "about right" spending, and "too much" spending. Only probabilities for the "too little" spending category are shown here. The effect of the inequality index is not significantly different across years (i.e., the year-by-inequality index terms are not significant).

Figure 6. Public Opinion: Taxes for Those with High Incomes



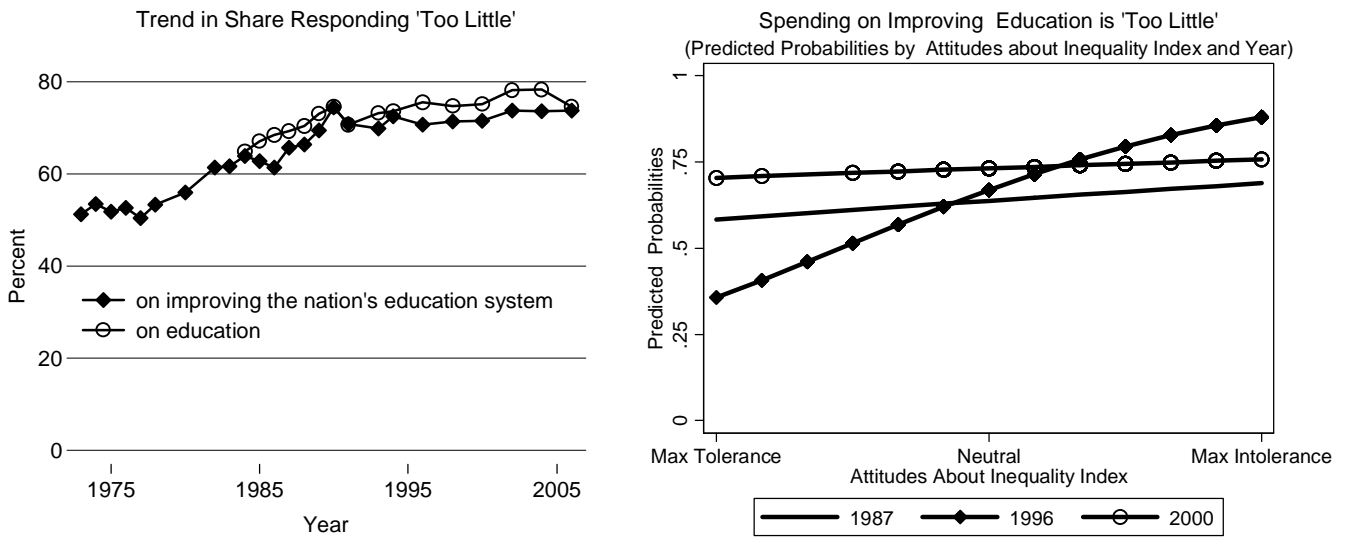
Note: Probabilities are calculated from the same model as in Appendix Table 3, Panel II.A, Model 4 for the question on taxes on high incomes, except that the outcomes were collapsed from five to three to be consistent with other figures. Outcome categories include "much too low"/"too low", "about right", and "too high"/"much too high". Only probabilities for the combined "much too low" and "too low" categories are shown here. All control variables are held constant at their cross-year mean. The effect of the inequality index is significantly lower in 1996 at $p < .10$ and higher in 1992 at $p < .05$.

Figure 7. Public Opinion: It Is the Responsibility of Government to Reduce Differences in Income between People with High Incomes and Those with Low Incomes



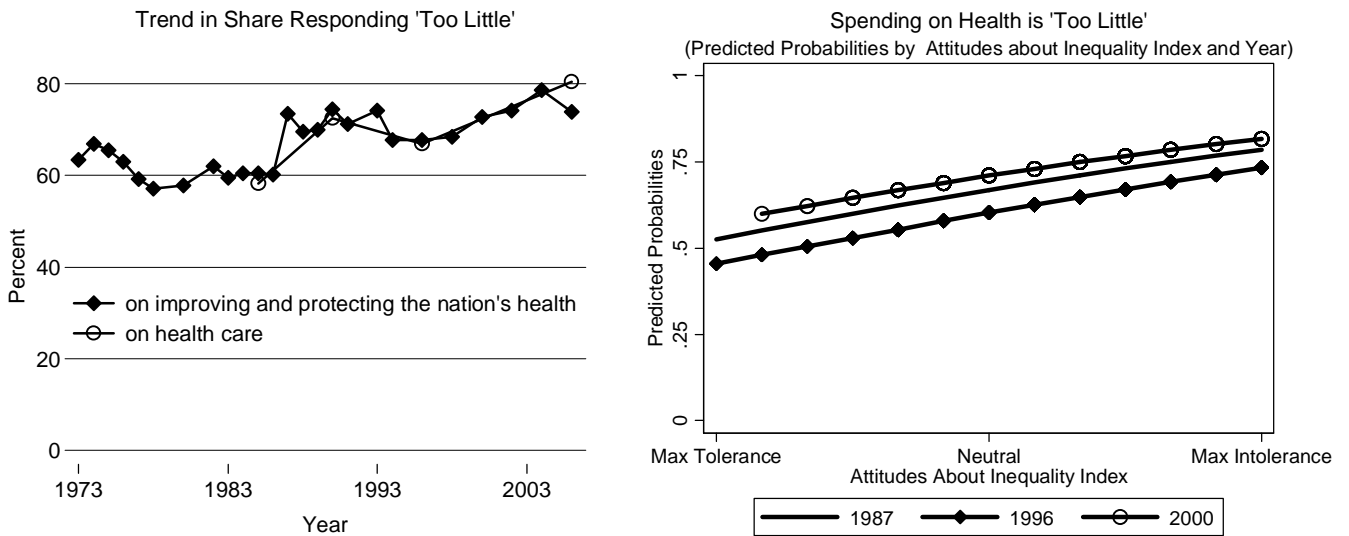
Note: Probabilities are calculated from Appendix Table 4, Panel A, Model 3 for the question on whether to redistribute income between high and low income groups with all control variables held constant at their cross-year mean. Outcome categories include five categories from "strong agreement" to "strong disagreement". In this graph, strong agreement and agreement are combined. Only probabilities for total agreement are shown here. The effect of the inequality index is not significantly different across years (i.e., the year-by-inequality index term is not significant). This graph does not indicate differences across years in the mean value of the inequality index. When mean changes are taken into consideration (and all other variables are held constant at their means), the predicted probability of agreeing to this question is highest in 1996 (.335), followed by 2000 (.311), 1992 (.282), and 1987 (.236).

Figure 8. Public Opinion: Government Spending on Education



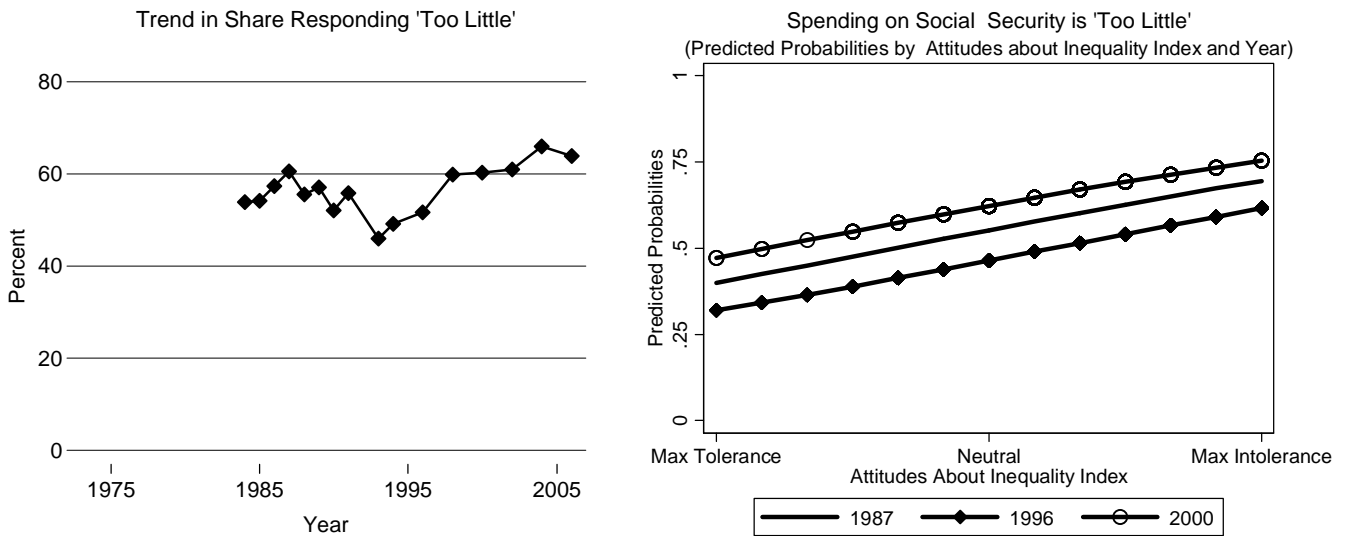
Note: Probabilities are calculated from Appendix Table 4, Panel B, Model 4 for the question on whether to spend more on improving the nation's education system with all control variables held constant at their cross-year mean. Outcome categories include "too little" spending, "about right" spending, and "too much" spending. Only probabilities for the "too little" spending category are shown here. The effect of the inequality index is significantly greater in 1996 at $p = .014$.

Figure 9. Public Opinion: Government Spending on Health



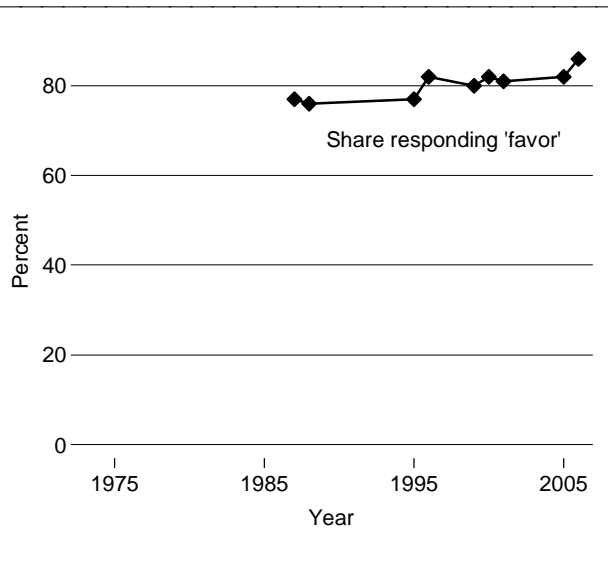
Note: Probabilities are calculated from Appendix Table 4, Panel E, Model 3 for the question on whether to spend more on health with all control variables held constant at their cross-year mean. Outcome categories include "too little" spending, "about right" spending, and "too much" spending. Only probabilities for the "too little" spending category are shown here. The effect of the inequality index is not significantly different across years (i.e., the year-by-inequality index terms are not significant).

Figure 10. Public Opinion: Government Spending on Social Security



Note: Probabilities are calculated from Appendix Table 4, Panel F, Model 3 for the question on whether to spend more on social security with all control variables held constant at their cross-year mean. Outcome categories include "too little" spending, "about right" spending, and "too much" spending. Only probabilities for the "too little" spending category are shown here. The effect of the inequality index is not significantly different across years (i.e., the year-by-inequality index terms are not significant).

Figure 11. Public Opinion: Should the Minimum Wage be Increased?



Appendix Table 1. Questions in the GSS/ISSP on Inequality and Support for Redistributive Policies and Government Spending

Questions	Percent Distribution				
	1987	1992	1996	2000	
I. Attitudes about inequality					
Do you agree or disagree: Differences in income in America are too large? (INCGAP, 1=strongly agree)	Strongly Agree	14.9	27.7	33.3	25.0
	Agree	43.1	49.4	33.5	41.2
	Neither	22.4	11.4	12.8	21.5
	Disagree	16.3	9.7	12.1	9.2
	Strongly Disagree	3.3	1.7	8.4	3.2
	Mean	2.50	2.08	2.29	2.24
Do you agree or disagree: Large differences in income are <i>unnecessary</i> for America's prosperity? (INEQUAL5, 1=strongly agree)*	Strongly Agree	5.6	12.8	26.3	8.7
	Agree	32.6	38.0	31.6	34.0
	Neither	29.3	22.9	12.9	29.9
	Disagree	26.9	22.2	20.9	22.4
	Strongly Disagree	5.6	4.2	8.3	4.9
	Mean	2.94	2.67	2.53	2.81
Do you agree or disagree: Inequality continues to exist because it benefits the rich and powerful? (INEQUAL3, 1=strongly agree)	Strongly Agree	13.8	17.8	28.5	13.8
	Agree	35.6	40.6	34.9	36.3
	Neither	27.1	18.8	13.7	27.2
	Disagree	19.2	18.7	14.3	17.8
	Strongly Disagree	4.3	4.2	8.6	4.9
	Mean	2.64	2.51	2.40	2.64
II. Government's responsibility toward the poor					
Should the government do everything possible to improve the standard of living of all poor Americans, or should each person take care of himself? (HELPPOOR, 1=govt should...)	Govt. Should	17.5	1992	1996	2000
		12.3		13.4	14.4
	Both	45.7		12.5	13.0
		13.7		47.1	43.1
	People Should	10.8		16.1	17.0
Mean	2.88		2.99	3.00	
Should the government reduce income differences between the rich and poor, perhaps by raising taxes of wealthy families or by giving income assistance to the poor, or should the government not concern itself with reducing differences? (EQWLTH, 7 categories, 1=govt should reduce...)					
	Mean	3.76		3.76	3.83

We are faced with many problems in this country, none of which can be solved easily or inexpensively. Are we spending too much money, too little money, or about the right amount on welfare? (NATFARE, 1=too little)	Too Little	21.7	15.6	21.2
	About Right	32.1	26.8	39.9
	Too Much	46.2	57.7	38.9
	Mean	2.25	2.42	2.18

We are faced with many problems in this country, none of which can be solved easily or inexpensively. Are we spending too much money, too little money, or about the right amount on assistance to the poor? (NATFAREY, 1=too little)	Too Little	67.3	56.2	64.0
	About Right	23.5	25.8	24.9
	Too Much	9.1	18.0	11.1
	Mean	1.42	1.62	1.47

III. Government's responsibility to redistribute income**

		1987	1992	1996	2000
Do you agree or disagree that it is the responsibility of the government to reduce differences in income between people with high incomes and those with low incomes? (GOVEQINC, 1=strongly agree)	Strongly Agree	6.8	9.5	12.1	10.1
	Agree	21.9	28.8	20.5	24.1
	Neither	24.2	19.8	24.5	25.4
	Disagree	34.6	29.3	24.0	25.5
	Strongly Disagree	12.6	12.7	19.0	15.0
	Mean	3.24	3.07	3.17	3.11

IV. Government spending not restricted to the poor

		1987	1992	1996	2000
We are faced with many problems in this country, none of which can be solved easily or inexpensively. Are we spending too much money, too little money, or about the right amount on improving and protecting the nation's health? (NATHEAL, 1=too little)	Too Little	69.4		68.2	73.2
	About Right	26.5		23.7	23.1
	Too Much	4.0		8.1	3.6
	Mean	1.35		1.40	1.30

We are faced with many problems in this country, none of which can be solved easily or inexpensively. Are we spending too much money, too little money, or about the right amount on health? (NATHEALY, 1=too little)	Too Little	65.6		64.1	71.4
	About Right	28.1		24.9	22.4
	Too Much	6.4		11.1	6.2
	Mean	1.41		1.47	1.35

We are faced with many problems in this country, none of which can be solved easily or inexpensively. Are we spending too much money, too little money, or about the right amount on improving the nation's education system? (NATEDUC, 1=too little)	Too Little	63.5	70.2	72.0
	About Right	30.7	23.5	23.2
	Too Much	5.8	6.4	4.8
	Mean	1.42	1.36	1.33
We are faced with many problems in this country, none of which can be solved easily or inexpensively. Are we spending too much money, too little money, or about the right amount on education? (NATEDUCY, 1=too little)	Too Little	66.8	76.1	75.9
	About Right	28.4	18.9	19.7
	Too Much	4.7	5.0	4.5
	Mean	1.38	1.29	1.29
We are faced with many problems in this country, none of which can be solved easily or inexpensively. Are we spending too much money, too little money, or about the right amount on social security? (NATSOC, 1=too little)	Too Little	57.1	51.8	61.3
	About Right	36.3	39.8	33.8
	Too Much	6.6	8.4	4.9
	Mean	1.49	1.57	1.44

V. Taxes

		1987	1992	1996	2000
Generally, how would describe taxes in American today, meaning all taxes together, including social security, income tax, sales tax, and all the rest: First, for those with high incomes? (TAXRICH, 1=much too high)	Much Too High	6.3	7.5	11.5	
	Too High	12.0	10.2	25.5	
	About Right	22.7	16.5	24.3	
	Too Low	39.9	39.9	29.6	
	Much Too Low	19.1	25.9	9.2	
	Mean	3.54	3.67	3.00	
....Second, for those with middle incomes? (TAXMID, 1=much too high)	Much Too High	16.5	25.4	16.7	
	Too High	53.7	52.7	49.4	
	About Right	27.5	19.8	31.6	
	Too Low	2.1	1.6	2.2	
	Much Too Low	0.2	0.4	0.2	
	Mean	2.16	1.99	2.20	
....Lastly, for those with low incomes? (TAXPOOR, 1=much too high)	Much Too High	29.4	30.7	24.2	
	Too High	40.3	44.0	40.9	
	About Right	27.0	22.9	30.5	
	Too Low	2.7	1.3	3.8	
	Much Too Low	0.6	1.3	0.6	
	Mean	2.05	1.98	2.16	

Do you think that people with high incomes should pay a larger share of their incomes in taxes than those with low incomes, the same share, or a smaller share? (TAXSHARE, 1=much larger)	Much Larger	22.0	26.7	22.2
	Larger	45.4	47.3	42.8
	Same Share	30.6	24.4	32.7
	Smaller	1.6	1.0	1.4
	Much Smaller	0.5	0.5	0.9
	Mean	2.13	2.01	2.16

* The original wording was "are large differences in income *necessary* for America's prosperity" so that strong agreement was an expression of tolerance of inequality.

** Since this question was not asked in 1996, a similarly worded question was substituted for the missing value in this year. The question is: What is your opinion of the following statement? It is the responsibility of the government to reduce differences in income between people with high incomes and those with low incomes. (EQINCOME, 5 categories, 1=strongly agree)

Appendix Table 2
Descriptive Statistics for Three Question Index and All Control Variables

	1987	1992	1996	2000	
	Yearly Means				Cross-Year Means
Sex (Male=1, Female=2) ^a	1.53	1.54	1.53	1.55	1.54
Race (White=1) ^c	0.86	0.84	0.80	0.80	0.83
Age (18-89) ^a	43.7	44.5	43.4	44.3	44.0
Marital Status (married to never married, 1-5) ^a	2.16	2.15	2.35	2.50	2.27
Household Size (1-13) ^a	2.70	2.78	2.51	2.56	2.64
Children (any under 18yrs=1) ^c	0.39	0.42	0.39	0.37	0.39
South (=1) ^c	0.32	0.29	0.33	0.35	0.32
Location Size (1-6, large to small) ^a	4.56	4.46	4.46	4.52	4.50
Employed (=1) ^c	0.68	0.66	0.70	0.67	0.68
Subjective Class (lower to upper, 1-4) ^a	2.51	2.55	2.48	2.53	2.52
Standard of Living Will Improve (strongly disagree to strongly agree, 1-5) ^a	3.80	3.38	3.56	3.85	3.66
Political Ideology (extreme liberal to extreme conservative, 1-7) ^a	4.05	4.26	4.19	4.12	4.15
Partisan Identification (strong Democrat to strong Republican and other party, 1-8) ^a	3.75	4.05	3.93	3.92	3.90
Family Income (2000\$) ^b	46849	50817	48595	48010	48419
Education (years, 2-20) ^a	13.0	13.6	13.7	13.6	13.4
Three Question Index (-3 to +3)	0.46	0.88	0.91	0.64	0.70
N ^d	1014	716	714	613	3057

Source: 1987, 1996, and 2000 GSS and 1992 ISSP.

Notes: ^a Original values. ^b Values converted to midpoint of category. ^c Coded as dummy variables for analysis. ^d Observations included in the pooled cross-year regression with the three question index as the outcome. In-sample means will vary slightly depending on outcome variables.

Appendix Table 3
Trends in Support for Transfers to Poor and Progressive Taxation
Ordered Logistic Regression Coefficients

	Year Coefficients, except where noted			
	1987	1992	1996	2000
I. Government's responsibility toward the poor				
I.A: To improve the living standards of the poor (helppoor; Model 3 N=2295)				
Model 1: Without controls	----	NA	-0.17** (0.06)	-0.19** (0.07)
Model 2: With controls	----	NA	-0.16* (0.07)	-0.17* (0.08)
Model 3: Plus inequality index ($p < .01$)	----	NA	-0.30** (0.09)	-0.21* (0.10)
Year-by-year eqs.: Inequality index coef.	0.39** (0.06)	NA	0.35** (0.06)	0.39** (0.08)
I.B: To reduce income differences between rich and poor (eqwlth; Model 3 N=2317)				
Model 1: Without controls	----	NA	-0.01 (0.06)	-0.07 (0.06)
Model 2: With controls	----	NA	0.06 (0.07)	0.03 (0.07)
Model 3: Plus inequality index ($p < .01$)	----	NA	-0.14 (0.09)	-0.01 (0.09)
Year-by-year eqs.: Inequality index coef.	0.61** (0.06)	NA	0.56** (0.06)	0.72** (0.08)
I.C: To spend more on welfare (natfare; Model 3 N=988)				
Model 1: Without controls	----	NA	-0.46** (0.10)	0.19 [†] (0.10)
Model 2: With controls	----	NA	-0.51** (0.13)	0.25 [†] (0.12)
Model 3: Plus inequality index ($p < .01$)	----	NA	-0.57** (0.16)	0.29 [†] (0.15)
Year-by-year eqs.: Inequality index coef.	0.28** (0.11)	NA	0.11 (0.09)	0.13 (0.12)
I.D: To spend more on assistance to the poor (natfarey; Model 3 N=1296)				
Model 1: Without controls	----	NA	-0.53** (0.09)	-0.15 [†] (0.09)
Model 2: With controls	----	NA	-0.60** (0.11)	-0.19 [†] (0.11)
Model 3: Plus inequality index ($p < .01$)	----	NA	-0.84** (0.15)	-0.27 [†] (0.16)
Year-by-year eqs.: Inequality index coef.	0.39** (0.09)	NA	0.23** (0.09)	0.62** (0.15)
II. Progressive Taxation				
II.A: Taxes too low on high incomes (taxrich; Model 3 N=2288)				
Model 1: Without controls	----	0.28** (0.07)	-0.82** (0.07)	NA
Model 2: With controls	----	0.35** (0.09)	-0.81** (0.09)	NA
Model 3: Plus inequality index ($p < .01$)	----	0.18 [†] (0.10)	-1.01** (0.10)	NA
Model 4: Plus interactions with year	----	0.03 (0.11)	-0.91** (0.11)	NA
Year-by-inequality index coef.	----	0.17* (0.09)	-0.13 [†] (0.07)	NA
Year-by-year eqs.: Inequality index coef.	0.44** (0.06)	0.56** (0.08)	0.26** (0.06)	NA
II.B: Taxes too much on middle incomes (taxmid; Model 3 N=2336)				
Model 1: Without controls	----	0.46** (0.08)	-0.12 (0.08)	NA
Model 2: With controls	----	0.39** (0.09)	-0.12 (0.10)	NA
Model 3: Plus inequality index ($p < .10$)	----	0.39** (0.10)	-0.12 (0.10)	NA
Model 4: Plus interactions with year	----	0.44** (0.12)	0.06 (0.11)	NA
Year-by-inequality index coef.	----	-0.12 (0.09)	-0.28** (0.08)	NA
Year-by-year eqs.: inequality index coef.	0.23** (0.06)	0.02 (0.08)	0.00 (0.06)	NA

	Year Coefficients, except where noted			
	1987	1992	1996	2000
II.C: Taxes too much on low incomes (taxpoor; Model 3 N=2285)				
Model 1: Without controls	----	0.15* (0.08)	-0.24** (0.08)	NA
Model 2: With controls	----	0.12 (0.09)	-0.28** (0.09)	NA
Model 3: Plus inequality index ($p < .01$)	----	0.05 (0.10)	-0.35** (0.10)	NA
Model 4: Plus interactions with year	----	0.08 (0.11)	-0.24* (0.11)	NA
Year-by-inequality index coef.	----	-0.07 (0.09)	-0.16* (0.08)	NA
Year-by-year eqs.: Inequality index coef.	0.26** (0.06)	0.20** (0.08)	0.11 [†] (0.06)	NA
II.D: Larger taxes for high incomes than for low incomes (taxshare; Model 3 N=2266)				
Model 1: Without controls	----	0.29** (0.08)	NA	-0.06 (0.08)
Model 2: With controls	----	0.22* (0.09)	NA	0.00 (0.10)
Model 3: Plus inequality index ($p < .01$)	----	0.09 (0.10)	NA	-0.09 (0.10)
Model 4: Plus interactions with year	----	0.17 (0.12)	NA	-0.28* (0.12)
Year-by-inequality index coef.	----	-0.08 (0.09)	NA	0.30** (0.10)
Year-by-year eqs.: Inequality index coef.	0.44** (0.06)	0.31** (0.08)	NA	0.68** (0.09)

Source: The General Social Survey for 1987, 1996, and 2000, and the International Social Survey Program for 1992.

Notes: All outcomes are coded so that a positive effect indicates greater support for redistributive programs and social policies. Models 1, 2, 3, and 4 are pooled regressions (across years). Models 2, 3, and 4 include the following variables: dummies for gender, race, region, employment status, children, size of place, marital status, age, household size, education, family income, subjective class location, subjective chances for mobility, political ideology, and political party identification. Model 3 provides the probability level of the inequality index coefficient in parentheses. Interactions of inequality index and year are only included when significant. Probability levels are indicated by **, $p \leq .01$; *, $p \leq .05$; [†], $p \leq .10$.

Appendix Table 4
Trends in Support for Social Policies Not Targeted to the Poor or Rich
Ordered Logistic Regression Coefficients

	Year Coefficients, except where noted			
	1987	1992	1996	2000
A: To reduce differences between those with high and low incomes (goveqinc; Model 3 N=2955)				
Model 1: Without controls	----	0.25** (0.07)	0.09 (0.07)	0.19** (0.06)
Model 2: With controls	----	0.18* (0.09)	0.33** (0.09)	0.26** (0.08)
Model 3: Plus inequality index ($p < .01$)	----	-0.09 (0.09)	0.06 (0.10)	0.16 [†] (0.09)
Year-by-year eqs.: Inequality index coef.	0.90** (0.07)	0.69** (0.08)	0.64** (0.06)	0.78** (0.09)
B: To spend more on improving the nation's education system (nateduc; Model 3 N=998)				
Model 1: Without controls	----	NA	0.27* (0.11)	0.37** (0.11)
Model 2: With controls	----	NA	0.39** (0.14)	0.43** (0.14)
Model 3: Plus inequality index ($p < .01$)	----	NA	0.32 [†] (0.17)	0.41* (0.18)
Model 4: Plus year interactions	----	NA	0.14 (0.19)	0.44* (0.20)
Year-by-inequality index coef.	----	NA	0.36** (0.14)	-0.03 (0.17)
Year-by-year eqs.: Inequality index coef.	0.09 (0.12)	NA	0.39** (0.10)	0.06 (0.14)
C: To spend more on education (nateducy; Model 3 N=1306)				
Model 1: Without controls	----	NA	0.42** (0.09)	0.42** (0.09)
Model 2: With controls	----	NA	0.28* (0.12)	0.32** (0.12)
Model 3: Plus inequality index ($p < .01$)	----	NA	0.35* (0.17)	0.38* (0.18)
Model 4: Plus year interactions	----	NA	0.21 (0.18)	0.27 (0.19)
Year-by-inequality index coef.	----	NA	0.31* (0.13)	0.27 [†] (0.16)
Year-by-year eqs.: Inequality index coef.	0.07 (0.09)	NA	0.38** (0.12)	0.37* (0.16)
D. To spend more on improving and protecting the nation's health (natheal; Model 3 N=998)				
Model 1: Without controls	----	NA	-0.11 (0.11)	0.18 (0.11)
Model 2: With controls	----	NA	-0.13 (0.14)	0.23 (0.15)
Model 3: Plus inequality index ($p < .01$)	----	NA	-0.28 (0.18)	0.08 (0.19)
Year-by-year eqs.: Inequality index coef.	0.27* (0.13)	NA	0.15 (0.10)	0.24 [†] (0.14)
E. To spend more on health (nathealy; Model 3 N=1297)				
Model 1: Without controls	----	NA	-0.13 (0.09)	0.24** (0.09)
Model 2: With controls	----	NA	-0.19 [†] (0.11)	0.27* (0.12)
Model 3: Plus inequality index ($p < .01$)	----	NA	-0.28* (0.15)	0.20 (0.16)
Year-by-year eqs.: Inequality index coef.	0.12 (0.09)	NA	0.24** (0.09)	0.18 (0.14)
F. To spend more on social security (natsoc; Model 3 N=2255)				
Model 1: Without controls	----	NA	-0.22** (0.07)	0.18** (0.07)
Model 2: With controls	----	NA	-0.19* (0.08)	0.25** (0.08)
Model 3: Plus inequality index ($p < .01$)	----	NA	-0.35** (0.10)	0.29** (0.11)
Year-by-year eqs.: Inequality index coef.	0.16* (0.07)	NA	0.20** (0.06)	0.28** (0.09)

Source: The General Social Survey for 1987, 1996, and 2000, and the International Social Survey Program for 1992.

Notes: All outcomes are coded so that a positive effect indicates greater support for redistributive programs and social policies. Models 1, 2, 3, and 4 are pooled regressions (across years). Models 2, 3, and 4 include the following variables: dummies for gender, race, region, employment status, and children, size of place, marital status, age, household size, education, family income, subjective class location, subjective chances for mobility, political ideology, and political party identification. Model 3 provides the probability level of the inequality index coefficient in parentheses. Interactions of inequality index and year are only included when significant. Probability levels are indicated by **, $p \leq .01$; *, $p \leq .05$; [†], $p \leq .10$.