Race, Partisanship, and the Rise of Income Inequality in the United States

13

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That there has been a massive increase in income inequality in the United States over the past generation is no longer news. Still, the transformation has been extraordinary in several respects. It is not just that the shift in relative economic resources has been very large; it is that the gains have been extremely concentrated at the very top of the income distribution. Occupy Wall Street's "We are the 99%" slogan was perhaps insufficiently inclusive—the largest gains have gone not just to the top 1%, but to the top .1% and top .01%. The latter group has seen its share of national income grow by roughly 600% in the past 40 years (Saez 2015). Equally striking is the distinctiveness of the American experience. Although there has been some growth of inequality in most affluent democracies, the United States is an outlier, both with respect to changes in broad measures of inequality and with respect to the hyper-concentration of gains at the very top of the income distribution (Piketty 2014).

Racially grounded conflict has always shaped the American experience, not least with respect to the distribution of economic opportunities and rewards. But where does race fit into the profound drift toward economic oligarchy we are experiencing? On the *effects* of rising inequality the case is clear: disadvantaged minorities have on the whole been big losers from the upward redistribution of national income. Most obviously, anything that makes existing wealth a bigger source of future economic well-being is going to be relatively disadvantageous to those who have little of it, as is true for historically disadvantaged minorities in the United States (Piketty 2014). There is also evidence of a "Great Gatsby curve" that suggests declining opportunities for upward mobility as a society's income distribution becomes more unequal (Krueger 2012). Because minorities are disproportionately located toward the bottom of the income distribution, they would likely be net losers from any decline in mobility associated with rising income inequality.

Finally, even the limited wealth that American minorities possessed turned out to be acutely vulnerable to the financial crisis (itself arguably a manifestation of winner-take-all inequality). During the Great Recession, the median white family lost 16% of its wealth, while the median black family lost just over half and the median Latino family lost two-thirds (Taylor, Kochar, and Fry 2011). This astonishing disparity reflects a history of disadvantage that left much of the limited wealth minorities had accumulated in the most precarious parts of the housing market. Just as "last hired, first fired" seniority systems worked against those seeking to break through systems of social exclusion, today's housing bubbles disproportionately damaged the last ones able to buy.

Rising inequality has a disparate impact on racial minorities, but what about racial conflict and inequities as a potential *causal* factor in generating the shift in income distribution? A fair amount of comparative evidence suggests that high levels of racial and ethnic heterogeneity are likely to retard redistributive efforts in general, and that these forces have probably played a role in limiting the scope of the welfare state in the United States in particular (Alesina and Glaeser 2004). Nonetheless, most treatments of the recent rise in inequality have downplayed the contribution of race.[1]

One possible reason for dismissing the causal significance of race is offered by Howard Rosenthal (2004, 868): "...it is hard to see racism as hardening in the last quarter of the twentieth century when inequality increased. Racism and racial tension seem to have been at least as rife when inequality fell." Yet even if we accept Rosenthal's assertion that racism and racial tension have not increased we are left with two possible conclusions. The first is

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Rosenthal's: race doesn't have much to do with the rise in inequality. The second possibility is that race matters, but that it does so through its *interaction* with changes in other factors within the social environment. As Soss, Fording, and Schram (2011, 55) have noted, with respect to the deep scars of race in the United States, too many analysts are drawn to "linear stories of progress that celebrate the enlightened present. By suggesting that race matters less today, such stories obscure the possibility that race now matters in new ways, and in ways that reflect the legacies of earlier eras."

It is this second possibility that I explore in this chapter. There is a good case to be made for the claim that racism and racial tension are in fact important sources of rising inequality, including rising top-end inequality. Of course, after one considers the possibility of interaction effects there might be many possible arguments one could construct about the role of race. I focus on only one: its connection to the American party system, and, in turn, the transformed party system's impact on inequality. The chapter takes up these two stages of the argument in reverse order. Drawing on previous work with Jacob Hacker, I briefly describe the impact of the current American party system (specifically the radicalization of the Republican Party, or GOP) on inequality, and then turn to the argument that race is likely a major factor in explaining why the GOP has radicalized around economic issues, and has been able to do so in a politically sustainable way.

AMERICAN POLITICAL PARTIES AND RISING INEQUALITY

It is, of course, widely recognized that the two parties have polarized over the past generation. There is more controversy about how to characterize the movement of the parties that produces this polarization. Many analysts either ignore the question, or suggest implicitly or explicitly that it reflects a relatively equal move of both parties away from the median voter (Fiorina 2005). Yet there is strong and mounting evidence that polarization is better characterized as asymmetric—that is, a result largely of the Republican Party's sharp turn to the right (Hacker and Pierson 2015; Mann and Ornstein 2012; Theriault 2013).

The Evidence of Asymmetric Polarization

The most obvious evidence of asymmetry lies in the DW-Nominate scores of congressional roll call votes that provided the core empirical observations of polarization. As the creators of these scores recently put it, "...the data are clear that this is a Republican-led phenomenon where very conservative Republicans have replaced moderate Republicans and Southern Democrats. ... Moreover, the rise of the 'Tea Party' will likely only move Congressional Republicans further away from the political center" (Hare, McCarty, Poole, and Rosenthal 2012). Extensions of DW-Nominate to presidential and to vice-presidential candidates show the same pattern (Hacker and Pierson 2015). So do—more weakly—data on state legislatures (Schorr 2013). Similar techniques recently used to place Supreme Court justices on a left-right scale showed that while Democratic appointees on the Court were moderate by modern standards, four of the then-current GOP appointees were among the six most conservative justices to serve on the Court in the last 75 years, while the fifth (Kennedy) was in the top 10 (Liptak 2010).

Other signs of asymmetry are more difficult to quantify, but increasingly difficult to ignore. Most important is the striking and intensifying pattern over the past 20 years of what Tushnet (2004) has called "constitutional hardball." In the past two decades—since asymmetric polarization entered a new and more intense phase with the rise to power of Newt Gingrich—the GOP has repeatedly violated established norms (without breaking legal restrictions) to gain partisan advantage. The instances of GOP-instigated hardball include extending the filibuster to block virtually all majority party initiatives, repeated government shut-downs, the impeachment of President Clinton, disabling established agencies by refusing to make any appointments to top posts, and "hostage-taking" related to debt ceiling increases. At the state level, Republicans have resorted to mid-decade reapportionments and engaged in systematic disenfranchisement of Democratic voting blocks.

This list is neither short nor are the items trivial. It is this set of practices that led Mann and Ornstein (2012), two of the most respected and moderate voices in the profession, to recently conclude: "The GOP has become an insurgent outlier in American politics. It is ideologically extreme; scornful of compromise; unmoved by conventional understanding of facts, evidence and science; and dismissive of the legitimacy of its political opposition."

Crucially for my argument, asymmetry is visible in policy stances as well. There is clear evidence that the Republican Party has moved sharply to the right on domestic policy issues most relevant to addressing inequality (Hacker and Pierson 2010; Hacker and Pierson 2016). Since 1990 it has essentially renounced tax increases under all circumstances. It has rejected progressivity as an important goal of the tax code, instead making tax cuts for the wealthiest Americans its highest priority. It has turned against financial regulation. It has rejected health-care

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reforms (like the Affordable Care Act) as socialist, even when they closely follow models that Republicans advocated not many years ago. While treading delicately because of the difficult politics involved, Republicans have taken increasingly critical stances on long-established social programs like Medicare, Social Security, and Medicaid. Unlike the Democrats' leftward movement on a few issues like gay marriage, there is little sign that the GOP's rightward shift on economic issues matches observed changes in public opinion.

Finally, and tellingly, there has been a marked rightward shift in the party's rhetoric concerning the role of government. Drawing a contrast between "makers and takers" has assumed a central place in the Republican rhetorical repertoire. GOP leaders have increasingly emphasized dependence on government as an existential threat to American society. In the words of recently elected Iowa senator Joni Ernst, "What we have fostered is really a generation of people that rely on the government to provide absolutely everything for them. ... [W]e're at a point where the government will just give away anything" (Kilgore 2014).

The most famous expression of the maker/taker dichotomy was, of course, Mitt Romney's "47%" analysis offered to fund-raisers during the 2012 presidential campaign. But Romney's maker/taker frame was not just a momentary private indiscretion—it is increasingly common in GOP rhetoric. The same sort of language has been central to major speeches of Paul Ryan, the man often seen as the leading idea guy in the modern Republican Party. Tellingly, Ryan was added to the 2012 ticket to provide "balance" to the insufficiently conservative Romney. Ryan's credibility with the Republican base was built around the "Ryan budgets" passed by the House GOP caucus. Even with more-than-typical levels of ambiguity, these budgets called for staggering cuts in future spending in Medicaid, Medicare, and other domestic programs. Ryan repeatedly warned of a "tipping point" in which the American way of life is "transformed into a soft despotism" keeping "everyone in a happy state of childhood." He accused the government of designing a "hammock, which lulls able-bodied people into lives of complacency and dependency" (Noah 2012). In an address to the American Enterprise Institute he referred to the "insidious moral turning point" when "we become a nation of net takers versus makers."

Denigration of half the electorate was just part of the new GOP framing of our political economy. The other side of the coin was the rapturous celebration of a tiny segment of Americans as the wellspring of prosperity. Here too, there was a new addition to our political lexicon: "job creators." The extent to which these heroic figures came to dominate Republican frames was revealed in the tweet GOP leader Eric Cantor chose to send out on Labor Day 2012: "Today, we celebrate those who have taken a risk, worked hard, built a business and earned their success."

It is important to recognize just how substantial a move to the right this rhetorical posture represents. Of course, Ronald Reagan's conservatism was tough on government. Still, his rhetoric was vastly more inclusive than that of the 2012 GOP presidential campaign. In depicting government-supported parasites, Reagan would typically focus on a tiny subset of the population: the "welfare cheats" who were exploiting the rest of us. "Makers and takers" dramatically widened the circle of "dependency" to include roughly half the population. Equally significant, the depiction of "job creators" radically narrowed the circle of the truly productive to embrace a tiny fraction of citizens. With respect to economic issues, only those at the fringes of the conservative movement in the 1980s and early 1990s would have embraced the combined rhetorical moves now common in the GOP.

The new framework was, in essence, an espousal of Ayn Rand's political economy. Her trilogy of "producers," "looters" (i.e., government), and "moochers" is here compressed to "makers" and "takers," but the vision of government remains that of a malignant force extracting from the former on behalf of the latter. Rand's world-view is not marginal to modern Republican politics. One leading light in the party is named after her. A second, Ryan, openly celebrated her centrality to his political vision—at least until it became unpopular to do so. He handed out copies of *Atlas Shrugged* to staffers as Christmas presents, and stated in 2005 that if he "had to credit one thinker, one person" for why he got involved in public service "it would be Ayn Rand" (Mayer 2012). Embracing Rand's unapologetic elitism is an astonishing move for a political party that must compete in mass elections, a move for which there is no parallel in any other rich democracy outside of fringe parties.

Asymmetric Polarization and Income Inequality

Hacker and I have argued that the GOP's profound shift to the right on economic issues has been a significant contributor to rising income inequality in the United States (Hacker and Pierson 2010). While it would be a mistake to absolve Democrats entirely of responsibility for inegalitarian policy initiatives in the United States, there have been stark differences between the parties on core policy issues. Repeatedly, the modern GOP has shown that it places an extraordinarily high priority on advancing and then protecting tax reductions for a remarkably narrow slice of American voters.

In some important areas, most notably high-end tax cuts, Republicans have successfully pushed for major legislation that has produced substantial increases in income inequality (Bartels 2008). Equally important, however, has been the role of GOP obstruction in promoting "policy drift" (Hacker 2004) that is highly favorable to the well-to-do. Governments have long played a central role in influencing the distribution of "private" incomes through their policy choices. Throughout the twentieth century, elected officials periodically updated policies to respond to the evolution of markets. In the past few decades, such updating has virtually ceased—at least in areas where it might counteract the explosion of earnings at the top. In areas as diverse as industrial relations, the minimum wage, financial regulation, and corporate governance (regarding executive pay), the GOP has consistently and effectively obstructed any governmental efforts to respond to the evolution of markets (Bonica, McCarty, Poole, and Rosenthal 2013; Hacker and Pierson 2010).

Over the past few decades, a homogeneously conservative GOP combined high levels of party unity with an expanded willingness to utilize the filibuster. The result has been unprecedented levels of minority obstruction. In turn, this obstruction has made it extremely difficult to adopt policies that might address mounting income inequality. It is no coincidence that the Affordable Care Act—the most significant downwardly redistributive policy of the past four decades—was passed during a brief window when GOP numbers in Congress were at their lowest level since the 1970s. It received zero Republican votes.

RACE AND ASYMMETRIC POLARIZATION

If the GOP's right turn has been a significant contributor to rising inequality, how do we explain that turn? To be clear, race is far from the only force pulling the GOP to the right. Other factors deserve emphasis. The increasing political power of American economic elites (operating only in part through campaign financing) cross-pressures Democrats but encourages Republican conservatism, especially regarding income distribution. The geographic biases of American institutions (which favor suburban and, especially, rural constituencies) have increasingly coincided with areas of GOP strength, insulating congressional Republicans from the nation's median voter. The political mobilization of white evangelicals into the GOP has provided the party with a vital source of mass support that demands little in the way of economically grounded appeals. Finally, the rise of a massive and highly politicized conservative media presence on both cable television and talk radio—a development that has no real parallel on the left—has empowered right-wing elements in the GOP while bolstering its electoral support (Hacker and Pierson 2016).

Race and Realignment

In addition to these forces, race has arguably been central to the long-term and continuing transformation of the Republican Party. Its impact has worked through at least two important mechanisms. The first linkage between race and the GOP's rightward march relates to partisan realignment, and specifically to the "Southernization" of the modern Republican Party. The sequence here is well-known but still deserves emphasis. A crucial trigger of partisan polarization was the rise of the civil rights movement, which led to a clearer ideological demarcation between the two parties. This in turn provoked a gradual movement of conservatives (at both the elite and mass level) into the Republican Party. Fatefully, it aligned what is by far the most conservative region of the country with the GOP (Carmines and Stimson 1989).

Despite some pushback (Shafer and Johnston 2009) there is ample evidence that racial attitudes among white southern conservatives were key to this political transformation. Partisan positioning around the civil rights movement was highly salient in the South. After showing some hesitation, Republican elites decisively signaled their more conservative stance on the cluster of issues associated with racial liberalism. As Larry Bartels has documented, long-term electoral realignment had a strikingly Southern flavor: "While it is true that white voters without college degrees have become more Republican in their presidential voting behavior over the past half-century, that trend is almost entirely confined to the South" (Bartels 2006).

Of course, it is possible that this had nothing to do with race—possible, but not likely. Evidence suggests that the shift away from the Democrats was especially dramatic

among racial conservatives and in locations where black voting was on the rise (Hood, Kidd, and Morris 2012; Valentino and Sears 2005). A recent careful study by Kuziemko and Washington concluded that:

> ...the entire 17 percentage-point decline in Democratic party identification [of Southern whites] between 1958 and 1980 is explained by the 19 percentage point decline among Southern whites with conservative racial views. Extending the post-period through 2000, 77% of the 20 percentage-point drop is explained by the differential drop among Southern whites with conservative racial views (Kuziemko and Washington 2015).

In short, the racial roots of the modern GOP are very clear.

The anchoring of the country's most conservative region to the country's more conservative party has helped push the entire party rightward, facilitating its contribution to rising income inequality. The long-term shift in the Senate is striking. In 1960 all of the 22 senators from the former confederacy were Democrats. Today, 19 of 22 are Republicans. The Southern contingent within the House Republican caucus has grown in size in every election save one since 1976. Given the strength of incumbency, the transformation has played out very gradually. After the 1994 "Republican Revolution" election that catapulted Newt Gingrich to the Speakership, Southerners held 69 of the 230 House Republican seats. After the 2012 election, Southerners held 98 of 233.

Arguably, the "weight" of the South in GOP politics was even greater than these raw numbers. Southerners have provided the majority of the party's congressional leadership (including Gingrich, McConnell, Armey, DeLay, Cantor, and Lott) over the past two decades. And unsurprisingly, Southern members in both House and Senate have been disproportionately represented in the party's most conservative and militant wing. They are far more likely to be members of the Tea Party caucus, and were significantly more likely to take the more radical position in recent fights that led to a government shutdown and a risky game of chicken over raising the debt ceiling.

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Race, the Right, and Redistribution

That Southern Republicans have played this prominent role in our recent polarized politics points to the second plausible link between racially grounded conflicts and the GOP's political radicalization: racial antipathies may have contributed to the hardening of the Republican Party's posture on economic policy. As I argued in the first part of this chapter, the GOP has moved far to the right on a host of economic issues as well as in its rhetorical framing around those issues. Increasingly, the GOP's rhetoric and, in many cases, its policy stances, seem built on a libertarian or "Randian" framing of politics in which government transfers represent illegitimate takings. The increasing prominence in Republican discourse of the maker/taker juxtaposition and the deployment of the term "job creators" as a way of referring to employers are consistent with its growing opposition to practices that entail some degree of redistribution—including practices that are long-established.[2]

For political scientists who expect parties to consider the demands of the median voter, the development of such a stark stance on political economy issues presents a puzzle (Hacker and Pierson 2015). The GOP's rhetorical and policy shifts contradict an elegant formalization of democratic politics, which suggests that increasing inequality should increase demand for redistribution that benefits the median voter (Meltzer and Richard 1981). It is one thing for a major political party to rhetorically target a small population stigmatized as "welfare cheats." It is quite another thing to disparage roughly half the population ("the 47%"), and to marginalize most of the rest of the electorate through rhetoric that lionizes a tiny sliver of entrepreneurs.

The GOP's sharp shift on distributional issues, which would seem to raise electoral challenges, thus represents a considerable puzzle. The question is how much, if at all, the presence of racial antipathies in the GOP contributes to GOP voters' support for, or acquiescence to, a fiercely anti-redistributive agenda—or, more accurately, an agenda that actually promotes redistribution toward a narrow group at the top. Theoretically, this provides one plausible account for why the Melzer/Richard model would not hold (Lee and Roemer 2006).

Again, I do not want to suggest that racial tensions are the only reason that Republican rhetoric and policy stances have come to so fiercely support policies favoring

top income groups. Other forces, such as the growing political organization of business and the wealthy, the rise of conservative media, the emergence of evangelical Christians as a potent political force, and the increasingly favorable alignment of the GOP coalition with geographic biases in American electoral politics, have clearly played important roles.

Moreover, the capacity to send racial messages without using openly racial language makes pinpointing the role of racial antipathy in electoral and partisan politics considerably more difficult. "Dog-whistle politics" is now an established art in conservative circles; its role in the development of the modern GOP is well-documented (Haney Lopez 2014; McAdam and Kloos 2014; Soss, Fording, and Schram 2011; Weaver 2007). Conservative Republicans vigorously denounce any suggestion that race is a factor in their intensifying rejection of large stretches of federal domestic policy.

Nonetheless, evidence suggests that race is in fact a significant ingredient in the cocktail of Republican hostility to the federal government and particularly to redistributive policies. The GOP's political stronghold is now located in the Deep South, which is simultaneously poorer, more racially heterogeneous, and more intensely conservative than other areas of GOP strength. Valentino and Sears (2006) find substantial evidence that in the South there is a strong, even growing linkage over time between racial conservatism and attachment to the GOP. This result is consistent with striking new research on the legacies of slavery in modern political behavior. In a detailed and careful study, Acharya, Blackwell, and Sen (2015) find that "whites who currently live in Southern counties that had high shares of slaves in 1860 are more likely to identify as a Republican, oppose affirmative action, and express racial resentment and colder feelings toward blacks."

The Revealing Case of the Affordable Care Act

The Affordable Care Act (ACA) presents a remarkably useful case study for examining the broader dynamics of GOP antipathy to redistribution. *NFIB v. Sebelius* (an unanticipated Supreme Court ruling in 2012) generated something of a natural experiment. States suddenly needed to decide whether to expand Medicaid enrollment. The expansion would have been supported by heavy subsidies from the federal government. Because the program would have largely benefitted low-income residents, the ensuing political dynamics were highly suggestive.

As written, the ACA was extremely redistributive toward heavily Republican "red" states. These states pay considerably lower federal taxes per capita. They pay an even lower share of the main tax sources for ACA expansion, which targeted affluent Americans. Even more important, low-income households are far more prevalent in red states (and especially Southern states), and existing Medicaid rules there were far more restrictive. Therefore, these states stood to receive huge inflows of money from the ACA's Medicaid expansion as well as its income-tested subsidies for private insurance. The Supreme Court's controversial decision on the ACA—ironically relying on five Republican appointees for its majority—gave states the option of rejecting Medicaid expansion. This development unexpectedly jeopardized much of that massive redistribution from Democratic "blue" states to red states.

It is difficult to exaggerate what a bad deal this new option is for the states. The individual states were being asked to make a very modest contribution to Medicaid expansion—in return, they would get a huge flow of resources. Moreover, much of the expected inflow would go not just to low-income households that would now hold insurance, but also—through that insurance—to health-care providers, including hospitals, which will be financially squeezed in the absence of these anticipated resources.

Despite these extremely powerful financial incentives, as of 2014, 24 states had rejected Medicaid expansion. The list of rejectionists included almost all the states that stood to gain the most financially. Acceptance would not only provide insurance coverage for more than 7 million people. It would also bring in an estimated $423 billion in federal funding over a decade, providing almost $170 billion in reimbursements to hospitals as well as increased state employment. Even though states would have to modestly increase Medicaid expenditures (one dollar for every 13.4 contributed by the federal government) the *net* effect on state budgets would have been positive (Dorn, McGrath, and Holahan 2014).

This opposition has been concentrated in the old states of the confederacy, only one of which (Arkansas) has accepted Medicaid expansion. Of course, there is a long history of Southern ambivalence about national redistributive programs. Substantial research has suggested the significance of racial antipathies in driving that resistance (Lieberman 2001). Yet even against that historical backdrop, the political opposition within red states to the ACA is stunning. While racism and the desire to sustain the Jim Crow racial order played a considerable role in the history of Southern resistance to the welfare state, a reasonable politico-economic logic was at work. Social policies like Aid to Families with Dependent Children, Social Security, or a higher minimum wage threatened to increase the reservation wage of the poor—that is, the lowest wage at which they would be willing to accept a

particular job. About the early 1970s proposal for a national minimum income, Louisiana senator Russell Long famously complained: "I can't get anyone to iron my shirts." Raising the reservation wage in low-wage states would make it harder for businesses in those states to gain a competitive advantage.

Yet this logic of wage competition hardly applies to the ACA. Providing access to health insurance is unlikely to have much impact on reservation wages. How do we explain why states like Texas, South Carolina, and Mississippi would turn down improved access to health care for millions of their residents as well as tens of billions of dollars for local hospitals and health-care providers, all paid for by taxpayers from other states? Indeed, it is hard to find a parallel, either historically or comparatively, for the current refusal of poor states to accept such a favorably-structured influx of funding. The puzzle is underscored by the presence of politically influential concentrated interests (doctors, hospitals, insurance companies) that have a large financial stake in expansion as well as substantial organizational capacity to make sure policymakers hear their concerns (Hertel-Fernandez and Skocpol 2016).

Understood as a matter of color-blind political economy, that refusal makes little sense. It is, however, consistent with an account that stresses the highly racialized politics in ACA-rejecting states. Even among red states, the most intense opposition to the ACA has been concentrated in areas with a large minority population.[3] States that are "red" but have smaller minority populations, such as Montana, Wyoming, Utah, and Indiana, have been much more likely to accept or at least seriously consider Medicaid expansion. In the states of the old confederacy, the Republican Party is an overwhelmingly white party, voting is more polarized on racial lines than it is in the rest of the country, and the parties have become increasingly racially polarized in recent years (Stewart, Persily, and Ansolabehere 2013). In the new political economy of many red states, subsidies perceived to benefit "other people" may be intrinsically objectionable. These sentiments may carry the day, even if millions of lower-income whites in the region would benefit directly from the program, and the entire state would gain from the fiscal flows that would accompany Medicaid expansion.

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Public opinion research supports the possibility that racial frames are fueling political resistance to the ACA (Tesler 2012). Racial antipathy seems to play a significant role in evaluation of the program, reinforced by the identification of health-care reform with President Obama. As Tesler argues, there is now strong evidence that if policies can be identified with particular groups, voters may transfer their evaluation of the groups to the policies. This can be true even if the actual association of the group with the policy is tenuous at best. The racial divide on health-care reform is not only far greater today than it was with Clinton's proposals in the 1990s; whites are more hostile to the *same* described proposal when it is attributed to Obama rather than Clinton.

CONCLUSION: RACE AND TOP-END INEQUALITY

Critics (e.g., the Soss and Weaver contribution to this taskforce) are correct. Investigations of rising inequality have too often downplayed the significance of racial divisions. In this brief analysis, I have sketched out two of the pathways through which racially grounded conflict very likely contributed to the startling shift of income to a relatively small cluster of very affluent Americans. Both pathways work through the GOP, whose sharp rightward movement on economic issues has been a key contributor to rising top-end inequality.

Evidence concerning the first pathway—race as a key driver of political realignment, consolidating the nation's most conservative elements in a single party—is strong. Evidence on the second pathway—racial antipathies as a key feature expanding the electoral base (and hence the political practicality) for extremely antiredistributionist policy stances in the GOP—is more circumstantial.

Indeed, the nature of dog-whistle politics may mean that such evidence is necessarily circumstantial—that the alternative hypothesis is essentially unfalsifiable. It will almost always be possible to posit "ideological" rather than racially grounded rationales for opposition to particular policies—even if those ideological positions are riddled with inconsistencies.

Nonetheless, the circumstantial evidence available is considerable. Much of it is grounded in behavioral research that has used innovative techniques to highlight the presence of racial antipathies in conservative white electorates, especially in the South. In this chapter I have sought first to draw a plausible connection between these sentiments and support within the GOP (including among those on relatively low incomes) for a "Randian" stance toward redistribution that is largely absent from partisan politics outside the United States. Second, I have deployed policy-grounded evidence derived from the case of the ACA's Medicaid expansion rules, post *NFIB v. Sebelius*. Comparative evidence bolsters the case for racial antipathy playing a role. I am unaware of any prior example of a poor region rejecting such huge transfers when they are packaged in a way that would not significantly raise reservation wages. ▪

NOTES

1. Including my work with Jacob Hacker (Hacker and Pierson 2010).
2. Of course such stances need not be philosophically consistent. Indeed, despite the popularity of such rhetoric in "red" states, those states actually contribute far less in federal taxes than they take out in benefits, while the reverse is true of "blue" states (Lacy 2009).
3. In this respect resistance to Medicaid expansion parallels recent GOP-led efforts to raise hurdles to voting. A recent study found evidence that these restrictions "are highly partisan, strategic, and racialized affairs." All other things being equal, new restrictions became considerably more likely where there was a large minority population, where minority turnout had increased, and where Republicans control legislatures. These findings, the authors conclude, "are consistent with a scenario in which the targeted demobilization of minority voters and African Americans is a central driver of legislative developments" (Bentele and O'Brien 2013).

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