The Undeserving Rich

American Beliefs about Inequality, Opportunity, and Redistribution

It is widely assumed that Americans care little about income inequality, believe opportunities abound, admire the rich, and dislike redistributive policies. Leslie McCall contends that such assumptions are based on incomplete survey data and economic conditions of the past rather than present. In fact, Americans have desired less inequality for decades, and McCall's book explains why. Americans become most concerned about inequality in times of inequitable growth, when they view the rich as prospering while opportunities for good jobs, fair pay, and high-quality education are restricted for everyone else. As a result, they tend to favor policies to expand opportunity and redistribute earnings in the workplace, reducing inequality in the market rather than redistributing income after the fact with tax and spending policies. This book resolves the paradox of how Americans can at times express little enthusiasm for welfare state policies and still yearn for a more equitable society, and forwards a new model of preferences about income inequality rooted in labor market opportunities rather than welfare state policies.

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CAMBRIDGE
UNIVERSITY PRESS

CAMBRIDGE UNIVERSITY PRESS
Cambridge, New York, Melbourne, Madrid, Cape Town,
Singapore, São Paulo, Delhi, Mexico City

Cambridge University Press
32 Avenue of the Americas, New York, NY 10013-2473, USA

www.cambridge.org
Information on this title: www.cambridge.org/9781107699823

First published 2013

Printed in the United States of America

A catalog record for this publication is available from the British Library.

Library of Congress Cataloging in Publication Data

McCall, Leslie, 1964– author.
The undeserving rich : American beliefs about inequality, opportunity, and redistribution /
Leslie McCall, Northwestern University.
pages cm
Includes bibliographical references and index.
ISBN 978-1-107-02723-7 (hardback) – ISBN 978-1-107-69982-3 (paperback)
1. Income distribution – United States. 2. Equality – United States. 3. United States –
Economic conditions. I. Title.
HC110.I5M374 2013
339.2′20973–dc23 2012037611

ISBN 978-1-107-02723-7 Hardback
ISBN 978-1-107-69982-3 Paperback

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Preface and Acknowledgments

Despite the title, this book is not about bashing the rich. When I first started studying how Americans think about economic inequality, in the late 1990s, and happened upon this title midway through the following decade, it was uncommon to put the rich at the center of analysis. They attracted little of the attention that was routinely showered on the poor. But the notion that the rich are worthy of detached investigation and informed criticism, like the poor, is becoming more acceptable. This does not mean, however, that we ought to fall into the same trap that often plagues the study of the "undeserving poor." Singling out any group often leads to a pathologizing of that group, and this tends to obscure how the group fits into the rest of society. This book is about how the rich fit into Americans' understanding of inequality and opportunity, in ways that characterize the rich as both productive and unproductive members of society, and thus both deserving and undeserving of their riches.

A central thesis of this book, which seems at once more plausible today than it did when I first began to formulate it, and yet still contrary to ingrained notions of the American dream, is that beliefs about economic inequality are shaped by views about the rich and not the poor (who are more central to beliefs about poverty). Not long ago, when attention was more heavily focused on the poor, poverty, and welfare, the escalation of economic inequality had yet to be fully recognized. Income inequality was an issue that was little discussed, and was often lumped in with discussions of poverty and the redistributive policies that alleviate poverty, such as welfare and progressive taxes. Additionally, in the pioneering days of research by labor economists on rising wage inequality in the 1990s, inequality was posed primarily as a divide between those with and without

a college degree, or between U.S. workers and the new working classes of the developing world, a divide exacerbated by globalization.

From this vantage point, it is remarkable to observe how dramatically attention has shifted from issues concerning the poor and poverty to those concerning the rich and inequality. Much of this is a consequence of new research on the concentration of earnings in the top fractiles of the distribution, as well as to events such as the financial crisis, the Great Recession, and especially the Occupy Wall Street movement (although, as I discuss in Chapter 2, the negative spotlight on the rich was surprisingly bright in much of the 1980s and 1990s). But with this new emphasis on the rich, I wonder whether the pendulum has swung too far in the other direction, particularly with the expanded ranks of the unemployed and insecure in the Great Recession. Here again is where I hope that an analysis of inequality will center on how the rich fit into the larger society – the chasm between the rich and the poor, the rich and the middle class – rather than the rich alone.

How do Americans think about the interconnectedness of these groups? The deserving and the undeserving rich, as I define these concepts in this book, refer mainly to the contributions that the rich make (or do not make) to the broader economic prosperity of the nation, as compared to the contribution that everyone else makes (or does not make) to the broader economic prosperity of the nation. Thus this book is not about the political capture of democracy by the rich, or about how the rich get an easy ride in life or stack the deck more and more in their children's favor in the educational system and labor market, or about how Americans "feel" about the rich (e.g., whether they admire or envy them), although these are all extremely important topics addressed by a number of brilliant books published over the past several years that sit prominently on my bookshelf.

Instead, what I examine are views about the structure of income and the economy, and what I find is a kind of coherence among many Americans in their views of the rich and inequality that may be surprising to most readers. This coherence is counterintuitive in light of widespread assumptions that Americans "vote against their economic self-interest." But it is also counterintuitive in light of opposing arguments, that Americans are capable of calibrating the political and economic direction of the country by zeroing in on a few accessible and vital economic indicators such as unemployment and inflation rates, or lean in a direction that is generally in their economic self-interest yet distorted by lack of

information and the incapacity to form effective economic and political organizations.

The coherence that I find suggests that Americans are both more and less clued in than any of these views suggest. On the one hand, I show that many Americans are attuned to the distributional nature of growth, not to growth alone, becoming more critical of inequality as recessions turn into recoveries that are perceived as benefiting the rich at the expense of the rest of Americans. And the media, far from posing solely as an apologist for the rich and rising inequality, often document the tilt of inequitable growth toward the rich, and did so especially in the recovery from the early 1990s' recession. My analysis of public opinion and media data go only to 2010, however, just a year into the most recent recovery. The Occupy Wall Street movement came after I concluded my study, two years into the recovery, which is consistent with the timing of the peak of media attention to rising inequality in the mid-1990s when expectations were frustrated by the first "jobless" recovery on historical record. When new public opinion data from the 2012 General Social Survey become available, a return to peak-level concerns about inequality is expected, and would be consistent with both the pattern in the 1990s that I uncover and with what is likely to have been a deluge of negative coverage of inequality in the wake of the Occupy movements.

On the other hand, Americans are somewhat in the dark as to how to address the problem of inequality, although I would attribute this more to a lack of political leadership than to ignorance. Traditional redistributive policies championed by liberals are not necessarily transparent in their link to the underlying concerns that Americans have about inequality, which is that it restricts the scope of economic growth by limiting opportunities for good jobs with fair pay for Americans up *and* down the ladder. Greater labor market opportunities are the ultimate goal. But how to achieve this is not clearly articulated by politicians and other elites, and what social scientists do advocate along these lines is not always straightforward to implement. In this book, I highlight education, jobs, and fair pay, rather than progressive taxes and other government social policies, as the outcomes that those Americans increasingly concerned about inequality wish to see. This is what I find in this book, but this does not mean that progressive taxes and social policy are unpopular or incapable of enhancing opportunity, only that this case needs to be made more clearly or forcefully, as has been accomplished in several successful ballot measures to raise taxes on the rich at the state level.

Perhaps most important from a scholarly perspective, current surveys do not allow us to dig deeper into views about the full spectrum of economic, labor market, and educational policies that would create an equal opportunity society. This is because of our surveys' legacy of asking more about social rights from the government than about economic rights from employers. Both new policy ideas and new survey questions are sorely needed to better capture and implement the popular will for a more equitable economy.

This project dates to the late 1990s, when I was in the final stages of completing my book on differences in patterns of earnings inequality by education, gender, and race. When I was asked about my research by a new acquaintance, I usually turned the question around and asked whether he or she had heard anything about the rise in economic inequality. Even if people knew about the issue, I sensed that it was of little consequence or interest to them. Most of the time, eyes glazed over in response to my question, and I tried not to take it personally. Ever since then, I have been interested in how people think about inequality. It has been a very long journey and I am indebted to many people and institutions, although I alone take responsibility for the shortcomings that remain.

I wrote my first proposal on the subject of attitudes about income inequality to the Carnegie Foundation Fellowship Program in 2000. My first thanks therefore go to Patricia Roos, Dean of Social Sciences at Rutgers University, where I was an assistant professor at the time, to nominate me for the fellowship program. She was also a tremendously supportive colleague throughout my time at Rutgers, as were my wonderful colleagues in Women's and Gender Studies and at the Center for the Critical Analysis of Contemporary Culture, where I spent a year as a Fellow. I was a finalist for the Carnegie fellowship, but in the end, Carnegie teamed up with the Russell Sage Foundation (RSF) to support working groups around the country to investigate the consequences of rising inequality.

Although I was not at any of the universities in which such working groups were formed, I was fortunate enough to join the group at Princeton University. At that time, I was familiar with the economics, geography, and demographics of earnings inequality but knew little about the politics of income inequality. I am especially grateful to Larry Bartels for his advice and encouragement during this period, to Paul DiMaggio for introducing me to the virtues of the General Social Survey, and to Bruce

Western and Michael Hout (as part of the Berkeley working group) for helping in numerous ways during these years to smooth my transition into this new area of research. I later spent a stimulating year (2008–2009) as a visiting scholar at the Princeton University Center for the Study of Democratic Politics (CSDP), where I benefited from CSDP seminar participants, conversations with Marty Gilens and Devah Pager, and research assistance from Meredith Sadin.

I might not have had the opportunity to become involved in these groups if I had not been a visiting scholar at the Russell Sage Foundation when I first started thinking about beliefs about inequality. During the 2000–2001 academic year at RSF, I met several people whose research, generosity, and conversations led me in new directions related to this project, especially John Mollenkopf, also a visiting scholar that year, and David Callahan, co-founder of Demos: A Network for Ideas and Action. I became a Senior Fellow at Demos during the 2001–2002 academic year, which enabled me to begin working full time with data on attitudes about income inequality. Julian Brash, then a graduate student at the CUNY Graduate Center, was the research assistant who helped get this project off the ground. RSF also supported the research with a small grant, which marked the beginning of Lane Kenworthy's involvement. Lane's expertise as a political sociologist was essential as I was just getting acquainted with the field. I have relied heavily on Lane's renowned good sense and clear thinking ever since. His collaborations on two articles, one of which is included in an updated version in Chapter 5, are integral contributions to this book.

I moved to Northwestern University in 2005 and was immediately welcomed into the (truly) interdisciplinary community that is the Institute for Policy Research (IPR). Through IPR I was able to continue to have contact with political scientists and to meet social scientists from other disciplines long interested in the study of beliefs about economic justice. Fay Lomax Cook was not only the incomparable director of IPR but also a leading expert in public opinion research herself. She created a vibrant interdisciplinary space for social scientists of all kinds to flourish. More specifically, she and other members of the political science community at Northwestern, especially Ben Page, were unusually generous in attending talks, reading drafts of chapters, and providing feedback. IPR also supported the research assistance of Derek Burke, a superb graduate student in sociology, in the final year of writing.

I want to single out my IPR colleagues Jamie Druckman and Jennifer Anne Richeson. I consulted Jamie on everything from the content analysis

of media coverage, which I undertook without any idea of how challenging and labor-intensive it would be, to my book proposal. Even now he is an indispensable resource as Jenn, a social psychologist, and I embark on our new research project to extend the media analysis in the book and to experimentally study the book's theoretical framework (a project also supported by the Russell Sage Foundation). Jenn was an equally extraordinary source of information and advice given her discipline's long-standing expertise in beliefs about meritocracy and a just world. To Jamie and Jenn, your brilliance and integrity embody the very best of academia; my initial work would never have grown into this book without your advice, support, and friendship.

There are several others at Northwestern (past and present) who enabled me to move forward on this project at several critical junctures. Although no longer at Northwestern, Jeff Manza was a major reason I moved there. I sought his counsel early in this project and continue to do so. Most crucially, he originally raised the idea with me to replicate the GSS questions on inequality in the 2008 survey, which then led to additional replications in 2010 and 2012, and to my membership on the General Social Survey Board, where I have learned a tremendous amount about survey research from the best in the field (special thanks go to board member Andy Gelman for his engagement with and insights into many aspects of my research). I am grateful to the GSS board for accepting my proposals to replicate questions in the 2008 and 2010 surveys, to the National Science Foundation for providing the funding for these replications, and particularly to Patricia White at NSF. I also want to acknowledge Northwestern University for its generous provision of research funds through the AT&T Fellowship. These funds supported a talented team of undergraduates, whose contribution to the coding of newsweekly articles was both conceptual and empirical. I thank Julie Davis and Andre Nickow, and especially Elyze Krumholz, Eric Peterson, and Jordan Fein. Last but not least, my colleagues in the Sociology Department afforded me the much needed space and time to develop this interdisciplinary project.

Soon after this project evolved and expanded into a book-length study, it was reviewed by a couple of presses. I want to thank all the anonymous reviewers, as their careful reading and constructive comments significantly strengthened the book. Michele Lamont generously read the manuscript at this time and fundamentally reshaped my methodological orientation by pointing out the cultural sociology in its pages and broadening its reach. I am probably not as successful at this as I would like to

be, but to the extent that I bridge qualitative and quantitative orientations to the study of inequality, I have Michele to thank. I also appreciate the many pieces of advice small and large from my editors at Cambridge University Press, Eric Crahan and Robert Dreesen. Thanks finally to my production coordinator Ken Karpinski and especially to my copy editor Alison Anderson for coming to my rescue at the last minute.

In addition to the considerable amount of behind-the-scenes support I received along the road from start to finish, I presented my research at numerous universities, institutes, and conferences, where I engaged in countless conversations with colleagues and graduate students around the country and the world, which forced me to understand better my topic and audience, sharpen my analyses, and hone my argument. I know from these encounters that there are many superb graduate students working on these issues; they will be shaping the future of this field for years to come.

The very last of the institutions to have a hand in the writing of this book, and in particular the writing of this preface and the final copyediting of the manuscript, is the Institut d'Études Politiques de Paris, or Sciences Po, where I was lucky enough to have a visiting position for a month, thanks to Marco Oberti, Alain Chenu, and Lincoln Quillian. Every time I cringed at going back to copyediting or tweaking a figure, and ruminated over other finishing touches, I reminded myself of where I was and hoped that I could give something that is a fraction as valuable back to my colleagues at Sciences Po, who graciously exposed me to the excellent French scholarship on this topic. For this, I am particularly grateful to Marie Duru-Bellat and Nonna Mayer.

As is probably obvious by now, this book did not come about in a smooth, orderly, or timely fashion. Throughout the ups and downs, I relied on my friends and family to keep my spirits up and my mind distracted by our many adventures. Each one of them was essential in their own way (and heard more about the book than they ever wanted to): Adam, Carolyn, Dylan, Catherine, Tareque, Danni, Dave, Devah, Johnny, Margarita, Niamh, Billy, Nicole, Amy, Mark, Monica, Greg, Cecilia, Patricia, Nick, Alex, Casey, Lexi, Athena, Natasha, and Mitt. I dedicate this book to my parents who in the last few years created a comforting and supportive space for me to work on completing it despite our rather different views on its subject matter.