1

American Politics and Social Welfare

Donald Trump appeared to turn American politics upside down in his 2016 presidential election campaign. He accomplished this feat by embracing issues that have long been at the core of Republican Party platforms and combining them with positions that appealed to socially, economically, and politically disaffected white voters. In addition to advocating a pro-life agenda, he reached out to traditional Republican constituencies in a range of important ways, embracing tax reform and tax cuts as well as promising major rollbacks of Obama-era regulatory regimes that were aimed at reversing climate change, stimulating economic competition, and stabilizing financial markets. Perhaps most importantly, he promised to repeal and replace the Affordable Care Act (ACA) – the most important social welfare legislation adopted since the establishment of Medicare in 1965. All these positions fall in line with Republican orthodoxy regarding small government and unfettered free enterprise.

At the same time, other of Trump's positions and promises were aimed at appealing to disaffected whites in ways that seemingly contradicted traditional Republican doctrine. Free trade regimes and ready access to the supply of foreign workers have long been important issues to core supporters of the Republican Party, but he broke with those traditions by advocating punitive restrictions on immigration and trade. In particular, he promised to abandon Obama's commitment to the relaxed trade restrictions of the proposed Trans-Pacific Partnership, to reconsider trade agreements established with Canada and Mexico in the North American Free Trade Agreement of 1994, and to construct aggressive restrictions on both legal and illegal immigration, not only

from Mexico but from other countries as well. In short, by embracing new and robust restrictions on trade and immigration, Trump turned his back on the internationalist wing of the Republican Party with a populist appeal aimed at politically disgruntled voters among working-class and lower-middle-class whites.

Many professional politicians, both Democrats and Republicans, were caught flat-footed and flummoxed in their efforts to respond. Similarly, many scholars and pundits were also puzzled by Trump's nomination and eventual victory. This book argues that they should not have been surprised. Trump is certainly not the first politically conservative politician to employ racial animus and scare tactics as wedge issues aimed at fracturing a working-class coalition.

This book is not primarily focused on the election of Donald Trump, even though Chapter 8 is devoted to an analysis of the political coalitions and issues that led to his election. Rather, we are primarily concerned with the political and historical contexts and processes that made the election of Donald Trump possible. Trump successively employed a regressive form of populism – a populist appeal aimed at dividing rather than unifying working-class voters. Regressive populism is nothing new to American politics. At least since the end of the American Civil War, political demagogues have employed race and ethnicity as wedge issues aimed at undermining working-class coalitions (Key 1949; Woodward 1938). In doing so, they have frequently succeeded in turning populism upside down, creating working-class coalitions that oppose rather than support the extension of social welfare benefits.

More than a century earlier, the German sociologist Werner Sombart addressed the general issue in his 1905 effort, *Why Is There No Socialism in the United States?* Sombart's question has guided generations of scholars in analyzing the past, present, and future of American politics. At the time that Sombart wrote, European social democracies were being formed that have now persisted through two world wars, governments of the left and the right, and severe economic crises. Perhaps contrary to the expectations of Sombart and others, social democracy – defined as the government's direct or indirect provision of social welfare services – has grown and prospered in western European democracies without government appropriation of the means of production. Thus, it is possible to pursue social welfare absent socialism (Stiglitz 2012: 163).

At the same time, the United States' progress in the public provision of social services has been slow, halting, and frequently reversed. Among OECD (Organisation for Economic Co-operation and Development) countries,

the United States currently ranks twenty-one out of thirty-six in social welfare spending as a percentage of GDP (gross domestic product) (OECD 2019). Indeed, President Trump's first action in office was to issue an executive order weakening enforcement of the ACA. Thus, a modern version of Sombart's question, and the focal question of our book, is this: What factors make it so difficult to enact and sustain comprehensive social welfare policy in the United States?

Sombart and the scholars who pursue this question have offered a laundry list of explanations for the American social welfare failures. But the one that continues to have the most explanatory power, we argue, is the racial animosity that has often fractured the political potential of the American working class. Thus, we see a disjuncture between what we term progressive and regressive populism. Progressive populists embrace an expansion of social welfare benefits for the less affluent regardless of race or ethnicity. Regressive populists, by contrast, are unwilling to support social welfare benefits that extend to racial and ethnic minorities.

From this perspective, Trump is only one among a long and substantial historical list of regressive populist politicians who have successfully manipulated this racial divide to fracture working-class politics in America. He shares his place on the list with both subtle and notorious race-baiters from American political history such as Mississippi's Theodore Bilbo and Alabama's George Wallace. Indeed, the race card is played widely, even by seemingly respectable American politicians who continue to be held in high repute (Gilens 1996; Mendelberg 2001).

ARE CULTURE WARS RESPONSIBLE?

An alternative way to view these problems regarding populism and social welfare is in terms of a cultural divide that has evolved into a series of culture wars. One part of the population has embraced same-sex marriage, abortion rights, secularization, and racial-ethnic diversity. Another part of the population has embraced what have come to be called traditional moral values. And the end product has been rancorous divisions based on deeply held beliefs that are extremely difficult to bridge. The Democratic Party has generally (but not uniformly) adopted more sympathetic positions regarding the rights of gays, the freedom of choice to terminate pregnancies, and a range of other morally contested issues. Hence, the argument becomes that a moral rebellion against the party most closely aligned with these newer values has become a deeply polarizing culture war (Edsall 2015; Inglehart and Norris 2017; Williamson 2016).

Such an argument corresponds well with the established literature on postmaterial values in advanced democratic societies (Dalton 2018, 2019; Inglehart 1977; Inglehart and Norris 2017). That is, rising affluence has turned the attention of many citizens away from issues related to economics and material insecurity, focusing instead on nonmaterial issues related to personal freedom and moral issues. And thus, as a consequence, the class basis of politics has been displaced by a new set of issues that revolve around fundamental moral and lifestyle issues.

Several problems arise with respect to this diagnosis. First, material insecurity is broadly distributed within the American population, and it is not limited to a single ethnic, religious, racial, or cultural grouping. Poverty is persistent among whites as well as among people of color, and thus, even relatively affluent whites might harbor credible concerns regarding the well-being of their children. Hence, citizens of every racial and ethnic group confront issues related to their material well-being and the provision of adequate social services, but disadvantaged whites are much less likely than disadvantaged African Americans to vote for candidates who advocate expanded social welfare services. Absent racial hostility, it becomes difficult to explain why less affluent whites would act on the basis of postmaterial values, while less affluent nonwhites would act on the basis of material concerns.

Moreover, the political boundaries separating Democrats, Republicans, liberals, and conservatives do not map neatly onto these economic or cultural divides. Affluence and poverty cross the boundaries between regular church attenders and religious skeptics, and they are found within both parties and both sets of ideologies. Moreover, traditional morality is not wholly confined within the boundaries of either party or ideology. While we are not ignoring the role of these cultural divides in polarizing the population, it is important to remember that Hillary Clinton won sizeable majorities of black fundamentalists, and Donald Trump won sizeable majorities among white fundamentalists. In short, we are certainly not arguing that beliefs and cultural values are politically inconsequential, and neither do we believe that they lie at the heart of the matter. They are, rather, important but secondary phenomena in their relationship to the political process.

In explaining the failure of social welfare policy in American politics, our attention turns toward the particular features of American political institutions, the changing structure of party coalitions, and the underlying political and economic relations among groups in American politics.

ECONOMIC CLASS IN AMERICAN POLITICS

The disgruntled whites who are vulnerable to manipulative racial appeals frequently have compelling reasons for their political disaffection. It has been a difficult fifty years for working-class and lower-middle-class Americans *of all racial and ethnic groups*. Advances in automation and related production technologies have meant that many well-paying jobs in factories and on assembly lines have disappeared. At the same time, a great deal of low-skill employment has migrated offshore to inexpensive labor markets. Hence, working-class and middle-class Americans are being squeezed by technology, on the one hand, and low wage scales in third-world countries, on the other.

Not coincidentally, all this has been happening at the same time that unions, unionization, and union membership are in steep decline. Labor unions are severely diminished as influential voices, not only with respect to wages and working conditions but also with respect to relevant domestic issues in American politics. Two primary exceptions are the SEIU (Service Employees International Union) and AFSCME (American Federation of State, County and Municipal Employees) – two unions that primarily represent state and local government employees. The problem is that their successes have sometimes discredited their reputations as being unions that fund political campaigns, receiving pay raises and employee benefits in return, thus creating resentment that serves to compromise the union movement further.

As a consequence, income inequality has increased dramatically during this period, not only in the United States (Bartels 2008; Piketty and Saez 2003; Stiglitz 2012) but internationally as well (Piketty 2014). Indeed, the difficult circumstances facing working-class and lower-middle-class workers have become increasingly grim, and the problem is not entirely unique to any single racial group or any single country. Moreover, refugee migrations into western Europe have begun to create similar fractures and fissures within the working-class base of support for the traditional social welfare state. The problem has been especially severe in the United States, however, for reasons related to particular features of American politics and political institutions.

Hence, Trump's strategy was to broaden the base of the Republican Party's traditionally conservative coalition by embracing social groups whose political loyalties, fifty years earlier, had been closely linked to the Democratic Party. This is not, in itself, an entirely new idea. At least since Disraeli introduced nineteenth-century social welfare legislation,

the tradition of "working-class Tories" has been a historically familiar phenomenon. Conservative prime minister Disraeli managed to peel off support from the Liberal Party in much the same way that Bismarck managed to peel off support from the Social Democrats in the newly unified German state. None of this transgresses the principles or practice of democratic politics, but the process becomes toxic when racial divisions come into play.

Closer to home in both space and time, Ronald Reagan famously cultivated support among normally Democratic working-class voters – the so-called Reagan Democrats. And at repeated moments, he played the race card in appealing to white working-class voters, making only slightly veiled references to "welfare queens."

Trump's appeal during the 2016 campaign was similarly embedded within a clear racial message. "Making America Great Again" is not an appealing message to groups who are attempting to overcome patterns of racial and ethnic bias deeply embedded in American history. Indeed, for many voters, it was a look backward, pointing to a past marked by Jim Crow; racial injustice; and patterns of discrimination anchored in race, ethnicity, and national origin. Hence, the major themes of the Trump campaign, as well as his actions as the president, have failed to respond to the needs and aspirations of citizens of color. Rather, he has focused on securing his base among disaffected whites in conjunction with support for a traditional Republican program of tax cuts and deregulation.

POPULISM'S OBSTACLES

As a consequence of Trump's appeal to disaffected, economically disadvantaged voters, he has been widely characterized as a populist. And populism has been widely associated with white, racially motivated voters. In his comprehensive analysis of Trump's Republican Party, Luce (2017) frames the issue as one in which populism is undermining the basis of liberal democracy. An important part of our argument is that liberal democracy and populist democracy are not necessarily in conflict. Instead, they are integral component parts of a healthy democratic politics. And indeed, an important aspect of liberal democratic politics is that all legitimate interests and groups, including disadvantaged members of the working class and lower middle class, have a place and a voice in the political marketplace of claims and expectations.

A primary problem is that some groups have been left out and left behind, and these groups are the ones most likely to benefit from

populist social welfare policies. The excluded groups include coal miners, unemployed and underemployed workers in the industrial belt, service workers in fast-food chains, and more. And these groups span racial and ethnic divides: white, black, Latino American, and Asian. Regardless of their shared interests, however, these groups have failed to coalesce politically.

The question thus arises, why has this failure occurred? Conservative populist appeals have frequently and skillfully exploited racial antagonism both to defeat efforts at constructing multiracial coalitions and to defeat efforts at extending social welfare benefits. Trump's Republican Party does not include citizens of color as a meaningful part of its base, and he stokes the fires of racial antagonism. He equates neo-Nazis with civil rights demonstrators. He attacks NFL (National Football League) players and owners when players supporting Black Lives Matter respectfully take a knee during the playing of the national anthem. In short, he exploits racial-ethnic hostility as a primary weapon in his political arsenal.

Efforts aimed at fragmenting the populist base are not new to American politics. Such efforts began before the ink was dry on the Emancipation Proclamation, and they continued throughout the era of reconstruction (Foner 1988; Foner and Brown 2005) and into twentieth-century politics (Woodward 1938). American political history is replete with instances of strategic politicians fomenting racial competition in an effort to racially divide the populist base (Key 1949). In this context, Donald Trump adds to a long tradition of politically invoked racial tensions that have impeded the progress of social welfare legislation in American politics.

For our purposes, populism is defined in the context of the early work by Woodward and others who focused on the potential for an appeal based on class interests independent of race and ethnicity. Such an agenda served as the original motivation for Tom Watson's foray into southern populist politics, but when this effort failed, he joined the southern tradition of race-baiters who pursued the strategy of politically manipulating and dividing blacks from disadvantaged whites (Woodward 1938).

The historical problem in American politics is that a populist political effort has never managed to construct an enduring class-based populist appeal that has unified blacks and whites. The zenith of the populist movement was, of course, in the 1896 nomination of the Populist William Jennings Bryan as the presidential candidate of the Democratic Party. Creating a biracial coalition played no part in Bryan's efforts, however, and populism

ultimately failed in the South because of the threat it posed to white racial hegemony. Bryan had the support of the southern Democrats, and he benefitted from the disfranchisement of African Americans (Woodward 1938: 150–153). Indeed, the solid white Democratic South depended on the expulsion of African Americans from participation in Democratic Party politics.

Liberal democratic politics presupposes that all legitimate interests are represented within the political process, and populism expresses the interests of citizens who are disadvantaged relative to the remainder of the population. Populism simply acknowledges that "we the people" – the words that begin the Constitution's preamble – represents the commitment that all the people should be represented within the democratic process. The problem is that contemporary American politics suffers from a deficiency of organized interests representing such a legitimate populist viewpoint. To paraphrase Hubert Humphrey, the moral test of government is measured in terms of the manner in which it treats old people, young people, and poor people. And the question thus arises, why is our liberal democracy failing to represent those interests?

Part of the answer revolves around racial antagonisms. Many Americans who desperately need medical care, and indeed are eligible to receive it through the ACA, nevertheless applaud President Trump's efforts to end the program. Why? Many see the ACA as a program supporting a population that is unworthy of support, where worth is defined by racial and ethnic stereotypes.

Another part of the difficulty revolves around well-known collective action problems (Olson 1965). In particular, it is often easier to mobilize small groups rather than large ones. Smaller groups are more likely to depend on the support of each member's appreciable contribution to the group effort. In contrast, the success of groups involving larger numbers of members does not depend on the contribution of any single individual. No single contribution is vital to the success of the group, and hence, members are less likely to recognize the urgency of their own contribution. A cascade of nonsupport and free riding is thus produced.

Thus, it is relatively easy to secure the material support of major oil companies for the American Petroleum Institute's lobbying efforts on behalf of big oil. In contrast, it is much more difficult to secure the support of social welfare recipients for lobbying activities on behalf of the ACA. The participation of ExxonMobil is crucial to the first effort. The participation of any single social welfare recipient is not crucial to the second.

Hence, we confront a well-known paradox of democratic politics. Liberal democracies thrive when all interests are represented. The problem

is that democratic political systems have a built-in bias that, paradoxically, rewards the interests of small groups sharing particular interests and penalizes large groups with widely shared common interests.

PARTY FAILURES

Just as important, the widely shared populist interests of large groups are sometimes poorly served by the institutionally defined dynamics of the single-member congressional districts that give rise to American two-party politics. The persistent dilemma confronting both professional politicians and centrist party supporters in any two party political system is the danger of capture by a party's more ideologically committed constituencies. Indeed, the continuing drama within any two-party system is the struggle between moderate and ideologically committed supporters. The strategic goal of the moderates is to define the party and its candidates with a broad appeal capable of succeeding in winner-take-all electoral contests. In contrast, the goal of the more ideologically committed voters is to make their voices heard both within intraparty politics in the formation of party platforms and positions and in the nomination of party candidates.

In his analysis of two-party political systems, Anthony Downs established an analytically compelling account of the spatial logic underlying the ideologically moderate politics of the 1950s. As he demonstrated, parties and their candidates are motivated to pursue the median voters who will provide the winning votes in elections. And since they are able to ignore their more extreme supporters who have no political alternative, both parties pursue many of the same moderate voters occupying the middle of the political spectrum. These are, indeed, the only voters likely to be persuaded, and hence the model predicts that the parties will converge on moderate, practical policies that will win majority support within the electorate.

The problems of two-party politics become more severe in the context of political competition that is motivated by both race and class. As Benoit and Shepsle (1995) demonstrate, racial bloc voting – and particularly the refusal of whites to vote for black candidates – effectively dilutes minority representation. Moreover, racial bloc voting guarantees victory for candidates of the districts' racial majorities, *regardless of candidate locations on ideological or policy dimensions*. The problem can be exacerbated by the creation of majority-minority districts aimed at securing the election of representatives who belong to racial minorities (Cameron, Epstein, and O'Halloran 1996; Guinier 1992). While the

creation of these districts furthers the goal of increasing the number of elected minority group representatives, its cost often comes in the currency of underrepresenting substantive, class-based interests such as those related to social welfare.

Not only do elections register preferences of voters in two-party systems but these elections also serve to aggregate the preferences of voters into a majority coalition. In contrast, voters in multiparty systems are *not* responsible for forming majority coalitions. Rather, they simply register their support for one of several parties, and the relevant party leaders are the ones who, in turn, aggregate voters' preferences by joining a political coalition that is likely to involve multiple parties.

The spatial model is often helpful in explaining the outcome of elections once the candidates are chosen. Indeed, it performed reasonably well throughout the 1950s in explaining American electoral politics. The model provides less guidance regarding the problematic consequences for candidate selection. That is, there is no guarantee that parties will select candidates who are well positioned to address the concerns of the median voter in the electorate as a whole.

The implicit assumption is that a party's supporters aim to select the candidate with the best chance of winning the general election. A problem frequently arises because many voters are *not* typically motivated by any objectively informed calculation regarding probable outcomes in the general election. Rather, they are primarily motivated by their own political interests and preferences, and these may or may not translate into the selection of a politically competitive candidate. Hence, they often pursue their own compelling concerns with something that appears, at least among their opponents, to be reckless abandon. Intraparty struggles frequently occur between two groups: (1) the highly motivated supporters of more ideologically extreme candidates and (2) the party professionals and more moderate rank-and-file party supporters whose primary goal is to win the general election.

In 2016, both parties experienced different versions of this dynamic tension among different groups of supporters. Within the Democratic Party, the tension was between the moderately liberal Democrats who supported Hillary Clinton and the more extremely liberal Democrats who supported free college tuition, income equality, stricter government regulation of Wall Street, and the candidacy of Bernie Sanders. Among Republicans, the primary tension was between the moderately conservative Republicans who supported one of several moderately conservative candidates and the more extremely right-wing, regressive populists who ultimately coalesced in support of Donald Trump, building a wall