

1 *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

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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.

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 Meltzer/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.

14 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.

15 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."