Institute for Policy Research
Northwestern University
Working Paper Series

WP-11-08

What Affluent Americans Want From Politics

Benjamin I. Page
Gordon S. Fulcher Professor of Decision Making
Faculty Fellow, Institute for Policy Research
Northwestern University

Cari Lynn Hennessy
Doctoral Student, Political Science
Northwestern University

Version: July 2011

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Abstract

Recent empirical evidence indicates that higher-income Americans have considerably more influence on national policy decisions than lower-income citizens do. But the implications of these findings depend on what the affluent want from politics. Currently available survey data based on samples of the general population generally include too few highly affluent respondents to draw inferences about them with any confidence. In this paper Page and his co-author take advantage of three unusual General Social Surveys that can be combined to identify roughly the top 4% of U.S. income earners. The political views of these affluent Americans turn out to be quite distinctive: much more socially liberal or libertarian, and more economically conservative, than those of the average American.

Recent quantitative studies – in harmony with the conclusions of many journalists, historians, and other observers of American politics – have indicated that wealthy or high-income Americans have considerably more influence over policy making than other citizens do (Gilens 2005, 2009a, 2012; Bartels 2008; Jacobs and Page 2005). But the implications of these findings would seem to depend a great deal upon exactly what affluent Americans want from politics: on how – if at all – their policy preferences differ from those of less affluent citizens.

If the preferences of the affluent are much the same as those of other Americans, it presumably makes little practical difference whether or not they exert disproportionate political power, because they would advocate the same policies sought by the citizenry as a whole.[1]

On the other hand, if the policy preferences of the affluent differ markedly from those of the rest of the population, this could have major effects on what sorts of public policies are enacted and how our political system should be judged. For example, if the affluent pursue their own narrow economic self-interest through politics, the results could be damaging to democracy. Affluent Americans might use their political power to thwart policies favored by majorities of Americans – perhaps opposing progressive taxation, regulation of the financial system, or spending programs that favor low- and middle-income citizens. Alternatively, if affluent Americans – in the tradition of Progressive-era reformers and the philanthropic activities of Bill Gates, Warren Buffett, George Soros and others – actually tend to be quite concerned with the common good (perhaps even more concerned than others are), the implications of their political power are quite different. While not particularly democratic, the disproportionate political power of the affluent might actually produce benefits for society.

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[1] This point is emphasized by Soroka and Wlezien (2008).

[2] We thank Christopher Jencks for suggesting this approach.

[3] In 2008, according to the Current Population Survey of the U.S. Census, the 80th percentile for household

What is known. There is some support for the "little difference" hypothesis. Soroka and Wlezien (2008) analyzed the responses of the top one-third of income earners to questions about spending program in the General Social Survey (GSS) over a number of years. With only one exception – spending on "welfare" – they found no substantial differences between the preferences of the top third and those of the bottom two thirds of income earners.

On the other hand, Martin Gilens (2009b, 2012), using many more survey questions from a variety of sources, has demonstrated that the preferences of the top 20% of income earners (estimated in some cases by extrapolation) in fact differ substantially from others' preferences on a wide range of issues.

Beyond these two lines of work, however, surprisingly little is known about the political and social views of the most affluent Americans. In particular, almost nothing of a systematic nature is known about the opinions of the top 5% of U.S. wealth-holders, let alone more rarified groups like the top 1% or the top $1/10^{th}$ of 1%. We do not know to what extent they resemble, or differ from, Gilens' top 20%. This lack of knowledge results from two facts: 1) sample surveys of the general population seldom include enough highly affluent respondents to be of much use; and 2) no systematic surveys of the very affluent have been carried out to focus on social and political matters.

In this paper we offer some evidence about the most elite group of affluent Americans we have been able to isolate in currently available surveys: namely the top 3% or 4% of U.S. income earners, identified by combining a special subset of GSS surveys. We begin with a brief discussion of the "top-coding" problem that vexes any such use of available data.

The top-coding problem. Most political and social surveys of the general U.S. population reach too few affluent respondents to draw reliable inferences about the views of very

high income groups. Even the top 5% of income earners constitute well under 100 respondents in most such surveys, and respondents from the top 1% -- or from the extremely affluent top 1/10th of 1% that are highlighted by some theories of "oligarchy" (Winters 2011) – are even more scarce. The difficulty inherent in small sub-sample sizes is exacerbated by the reluctance of many respondents (especially those at the upper end of the income range) to reveal their incomes to interviewers, so that some respondents who are actually affluent cannot be identified as such.

A promising approach would seem to be to combine respondents from several surveys that are conducted fairly close together in time and that repeat identical questions, as the GSS does.[2] But this approach immediately encounters the obstacle that incomes are generally "top-coded." That is, the highest-income respondents are generally not asked to report the exact amount of income that their family earned in the previous year; instead, they just say that their income was "$XXX or higher," where XXX represents the dollar threshold that defines the top income category. If the threshold is set low, so that the incomes of (say) 10% or 15% of all respondents exceed it, no combination of surveys can pinpoint a smaller, higher-income group than (say) the top 10% or top 15%.

The General Social Survey suffers from this problem. As Table 1 indicates, in many years the GSS top income group has constituted about 10% of all respondents – sometimes even more. In terms of constant 2008 dollars (using the CPI to adjust for inflation), the threshold for entering the top category has often amounted to little more than $100,000. Not a paltry sum by any means, but not the heights of affluence in modern America, either. About 20% of U.S. households currently earn more than $100,000.[3]

(Table 1 about here)

[2] We thank Christopher Jencks for suggesting this approach.
[3] In 2008, according to the Current Population Survey of the U.S. Census, the 80th percentile for household income was $100,240. The 90th percentile was $138,300, and the 95th percentile was $180,000.

Fortunately, however, Table 1 also reveals a few surveys in which the real value of the top income threshold was higher and the top income group was smaller. The very first GSS survey (in 1972) identified a top income group constituting only 2.2% of respondents. But the top threshold on the income question was immediately lowered from $30,000 to $25,000 in current dollars, and inflation raced on, so that 1972 stands as an isolated survey that cannot helpfully be combined with others. Similarly, the surveys of 1991, 1998, and 2006 – identifying about 5% or 6% of respondents with their top income categories – are not bad but are isolated cases.

For our purposes, the 1977, 1978, and 1980 surveys present a unique opportunity. In 1977 – amidst the rapid, OPEC-driven inflation of the 1970s – the threshold for the GSS top-income category was suddenly doubled, from $25,000 to $50,000 – to the equivalent of $189,194 in 2008 dollars. This produced a top-income group that constituted just under 3% of all respondents. Despite continuing inflation, the use of the same $50,000 threshold in 1978 and 1980 also produced fairly small top-income groups with fairly high real incomes. It makes sense, therefore, to combine these three surveys[4] in order to analyze what can roughly be called a "top 4%" income group of 132 respondents. These respondents can be compared with less affluent respondents to the same three surveys.[5]

The political views of top income earners, 1977-1980. We look first at the GSS government spending items. Table 2 presents the differences in "net support scores" (% spending

[4] It is temping to add the large 1982 survey, with its many (83) top-income respondents. But inflation caused the real-income threshold of this survey to fall substantially. When we included 1982 in analyses, we our findings were qualitatively similar but diluted, with smaller differences in views between the most affluent and others.

[5] Combining surveys leads to some fuzziness in the boundaries of this group: about one fifth of the 1980 respondents had lower incomes than the 4% figure suggests, while all of the 1977 and 1978 respondents had incomes higher than the 4% boundary. Our top-income sub-sample constitutes 3.15% of all respondents who answered the income question in the three combined surveys. Using the composite weights to better indicate the proportion of the population represented, this sub-sample constitutes 3.98%, our "top 4%."

"too little" minus % spending "too much," excluding respondents who said "about the right amount") between high-income citizens and others in the combined 1977, 1978, and 1980 surveys.[6] For comparison purposes, the first column concerns the top one third of income earners[7] and the second concerns the top 4%.

(Insert Table 2 about here)

Soroka and Wlezien (2008) found that – over the whole period of GSS surveys – the top-one-third income group differed substantially from the bottom two thirds only in their lower support for welfare spending. For 1977-1980 we find a similar difference on welfare, but the top third were also considerably more supportive than other Americans of spending on the space exploration program and somewhat less supportive of spending on improving the conditions of Blacks. On three other issues the differences between the large top-third subsample and other respondents were statistically significant but substantively small.

When we turn to the second column of Table 2 and consider the top 4% of income earners, it is clear that the differences between this affluent group and the rest of the population on welfare and on space exploration were similar to (though not quite as large as) the differences found for the top third. On other spending issues – especially the environment, health, and big cities – the top 4% tended to have more distinctive views than the top third.

Substantively, the top 4% -- as compared with the other 96% of Americans – were substantially more supportive than others of spending on the space exploration program and on

[6] Net support scores (used also in Soroka and Wlezien 2008) indicate the "balance of opinion," the extent of any tendency to favor more (+) or less (-) spending. For all crosstab percentages we used the GSS composite sample weight. Significance statistics were calculated without weights.

[7] We combined the top few income categories to get as close to 33.3% of respondents as possible. In 2008 dollars, the threshold for inclusion in the "top third" was $75,678 in 1977, $71,057 in 1978, and $66,726 in 1980. Only 5.4% of this group identified themselves as "upper class" compared with 27.6% of our top 4% group.

solving the problems of the big cities, but less supportive of spending on welfare, on improving and protecting the nation's health, and especially on improving and protecting the environment.

These differences are not enormous. On the environment, for example, when we exclude respondents who selected the middle ("about right") category, the "spending too little" response was given by 82.2% of the less affluent (17.8% said "too much"), compared with 61.7% "too little" (38.3% "too much") among the very affluent. (The difference in net support scores of -41.0 combines both sets of percentage differences.) Thus both income groups tilted toward favoring more environmental spending; the non-affluent just tilted more strongly. On none of these eleven items did opinions of the very affluent and others actually point in opposite directions.

Still, the differences in net support probably reflect real differences in preferred spending levels. If the top 4% of income earners actually tend to get their way with government more often than their mere numbers alone – and the norm of political equality – would suggest, it appears that there could be undemocratic consequences for policy making. Even on these GSS spending items, the top 4% of U.S. income earners have policy preferences that are distinctly different from those of other Americans.

When we analyze other policy-relevant items on the 1977-80 GSS surveys, we find many more – and larger – opinion differences by income level. As Table 3 indicates, even the top third of income earners were significantly different from the bottom two thirds in their responses to many social and economic questions. But for most of these items, the differences are still larger when we isolate the top 4% of income earners.

(Table 3 about here)

Both the top third and the top 4% of income earners were much more supportive than the less affluent of certain civil liberties: for example, allowing atheists to make speeches, to have their books in public libraries, and to teach in college. Apparently unswayed by material self-interest (or just not fearing a left-wing revolution), the affluent were also more supportive of granting those same rights to Communists. In the college-teaching cases, the top 4% of income earners and the less affluent 96% actually took opposite stands: most Americans favored firing both atheists and communists, but the very affluent opposed firing either.[8] On abortion, under certain more or less voluntary circumstances (wanting no more children, not being able to afford children, not wanting to marry, or for "any reason"), the very affluent 4% – substantially more so than the top third – were much more supportive than less affluent Americans of allowing abortions. These items suggest that the most affluent Americans tend to be more socially liberal or libertarian than the less affluent, though they did express somewhat less disapproval of wiretapping. (A strong majority [66%] of the affluent disapproved of wiretapping, but even more of the non-affluent did so.)

On economic matters, however, the affluent – especially the top 4% -- tend to be much more conservative than other Americans. This was already suggested by the Table 1 spending items on health, welfare, and the environment. Additional questions asked on one or two of the 1977-80 surveys reveal that the top 4% of income earners were substantially less likely to express concern about economic inequality and less likely to favor government actions to reduce inequality. These respondents were far less likely to agree that "the rich get richer and the poor get poorer," with a difference in net support of -67.3. There was a similarly large gap (-63.1) in

[8] This is not precisely correct. The question about communists asked if a communist should be "fired," whereas for atheists the wording was "should such a person [not] be allowed to teach...": firing was only implied.

feeling that "people with power try to take advantage of people like yourself." And affluent respondents were considerably less supportive of the government taking action to reduce income differences and less supportive of the statement that government should continue to provide services without a reduction in spending.[9] For each of these questions, a majority of the very affluent respondents and a majority of all other Americans took opposite sides.

On these inequality-related questions, economic position (and perhaps economic self-interest) seems to matter. The affluent tend to see things differently from other Americans. And the top 4% of income earners appear to be substantially more distinctive than the top third. A fuller understanding of the politics of inequality may require a closer look at the political opinions and behavior of the most affluent Americans, who are not easily studied with currently available survey data.

Further, many more high-income than lower-income respondents expressed confidence in "major companies" (oddly, this did not extend to "banks and financial institutions"), and fewer expressed confidence in organized labor. These respondents were also less likely to express confidence in Congress and in the executive branch of the U.S. government (not shown).

In terms of over-all orientation toward domestic politics, the very affluent were only moderately more likely to call themselves extremely, slightly, or just plain "conservative" on the 7-point self-rating scale, presumably because this label evokes social as well as economic conservatism. But they were much more likely than the less affluent to identify themselves as Republicans.

There are also indications that highly affluent Americans are much more likely than others to favor the U.S. taking an "active part" in world affairs. This result is based on only one

[9] The question about government taking action to reduce income differences was asked in both 1978 and 1980, while the other three questions were only asked in one of these survey years. However, the results are statistically significant despite the small sample size.

of our three surveys (1978), but it is so strong that it reached a high level of statistical significance ($p<.01$) despite the very small sample size.

Again, these differences in attitudes and opinions are not enormous. But they are substantial. On party identification, for example, 58.8% of the top income earners – as contrasted with just 36.1% of other Americans – considered themselves to be Republicans (or independents but closer to the Republicans).[10] (For comparability with Table 2, we have presented in Table 3 differences in "net support scores" for the Republican Party, for conservative identification, and for each of the issues.) Here, too, the top 4% of income earners were more distinctive from the rest of the population than were the top third.

Conclusion. Our results suggest that very high income-earners are significantly more liberal or libertarian on social issues, and more conservative on economic issues, than other Americans.

Because of various issues concerning survey sampling,[11] the still-small sample size for the very affluent, the limited range of policy preference questions available on the GSS, and the origins of these data in the distant past, our findings are far from definitive. Still, they are sufficient to suggest that unequal political representation of the affluent might lead to significantly different – and less purely democratic – policy outcomes. Moreover, the increasing distinctiveness of political views as one moves from the top one third to the top 4% of income earners suggests that the opinions of still higher income and wealth groups – the top 1%, say – might be even more different from those of the average American. But this remains to be seen,

[10] We excluded respondents who identified themselves as pure independents.

[11] The tendency of the highest-income earners to be particularly difficult for survey interviewers to reach is probably compensated for by the GSS weighting scheme. That led us to speak of the "top 4%" of income earners, rather than the top 3% of GSS respondents that we actually studied. But even the 4% figure may be depressed by a differential tendency (magnitude unknown) of higher-income survey respondents not to answer the income question.

as does exactly whether and how the most affluent Americans are concerned about the common good and how they would address common problems.

Survey research has enabled us to learn a great deal about the political and social attitudes and behavior of the U.S. population as a whole and about various racial, ethnic, and religious groups that are frequently over-sampled or surveyed on their own. Largely missing from such systematic attention, however, have been the most affluent and most economically successful Americans. The highly income-stratified Survey of Consumer Finances (sponsored by the Federal Reserve Board) regularly explores the economic resources and behavior of the affluent; it includes a representative sample of the top 1%. But to our knowledge, no representative national survey has explored the political and social attitudes and behavior of very high income or wealth groups.

Future research might explore questions such as, what do very affluent Americans think about the American Dream? Do they believe in equal opportunity for others? If so, what sorts of governmental or private opportunity-expanding actions do they favor? Do the most economically successful Americans see themselves as having an obligation to "pay back" society for helping with their success? How? By paying steeply progressive taxes, or by making charitable contributions, or by some other means? What sorts of political activity do the affluent engage in? Financial contributions? Contacts with high-level officials? With what degree of success? Are there important differences between "new" money and old, between professionals and business people, or between those engaged in different industrial sectors? New surveys of affluent or wealthy Americans are needed to find out.[12]

[12] The present authors and others are currently engaged in the Study of Economically Successful Americans and the Common Good (SESA), which is analyzing the opinions and behavior of the top 1% of U.S. wealth holders. See Page, Bartels, and Seawright (2011).

Table 1: Top Income Categories for Each Year of the GSS

Survey Year	Top category threshold	Top category threshold in 2008 Dollars[1]	Number of GSS respondents in top category	Percent of GSS respondents in top category[2]
1972	$30,000	$159,484	32	2.2%
1973	$25,000	$128,770	92	6.6%
1974	$25,000	$121,229	115	8.5%
1975	$25,000	$109,180	128	9.1%
1976	$25,000	$100,048	148	10.6%
1977	$50,000	**$189,194**	38	**2.7%**
1978	$50,000	**$177,643**	33	**2.3%**
1980	$50,000	**$148,280**	61	**4.5%**
1982	$50,000	$118,428	83	4.9%
1983	$50,000	$111,556	142	9.8%
1984	$50,000	$108,084	120	8.9%
1985	$50,000	$103,611	162	11.4%
1986	$60,000	$120,057	99	7.4%
1987	$60,000	$117,867	130	7.8%
1988	$60,000	$113,716	120	8.8%
1989	$60,000	$109,198	164	11.9%
1990	$60,000	$104,179	172	14.0%
1991	$75,000	$123,548	80	5.9%
1993	$75,000	$115,094	160	10.9%
1994	$75,000	$111,749	271	10.3%
1996	$75,000	$105,956	329	12.9%
1998	$110,000	$147,560	136	5.4%
2000	$110,000	$142,157	174	7.1%
2002	$110,000	$133,729	230	9.3%
2004	$110,000	$128,714	295	11.9%
2006	$150,000	$165,363	213	5.5%
2008	$150,000	$155,759	123	6.9%

[1] The GSS income question asks about earnings in the previous year. We adjusted these dollar amounts based on the year before the year of each survey.

[2] These percentages reflect the (unweighted) proportion of respondents who answered the income question. Since some respondents did not answer this question, the percentages of total respondents would be slightly lower.

Table 2: Differences in Net Support Scores Between Affluent Americans and all Others for 1977-1980 GSS Spending Questions

	Top Third *(N = 1207)*	**Top 4%** *(N = 132)*
Domestic Issues		
Improving and protecting the environment	-9.2*	-41.0*
Space exploration program	+36.8*	+29.8*
Welfare	-25.7*	-16.4*
Improving and protecting the nation's health	-7.4*	-15.4*
Solving the problems of the big cities	+6.9	+13.1
Halting the rising crime rate	+1.6	-3.0
Dealing with drug addiction	-3.6	-8.7*
Improving the nation's education system	-0.3	-16.0
Improving the conditions of Blacks	-14.0*	+4.6
World Affairs		
Foreign aid	-3.0*	+11.3
The military, armaments, and defense	-5.1	-3.8

* indicates statistical significance at the $p<0.05$ level for a two-tailed chi-square test.

Table 3: Differences in Net Support Scores Between Affluent Americans and All Others for Other Policy-Relevant Questions (GSS 1977-1980)

	Top Third *(N = 1207)*	**Top 4%** *(N = 132)*
Civil Liberties		
Allow an atheist to make a speech in the community	+32.5*	+23.7*
Would not favor removing an atheist book from the library	+36.5*	+34.4*
Allow an atheist to teach in a college or university	+27.6*	+33.1*
Allow a communist to make a speech in the community	+33.8*	+32.2*
Would not favor removing a communist book from the library	+35.5*	+31.7*
A communist teaching college should not be fired	+21.2*	+29.2*
Approve of wiretapping	+12.2*	+28.9*
Abortion		
Allow legal abortion: married, does not want more children	+28.7*	+42.1*
Allow legal abortion: low income, cannot afford more children	+23.6*	+38.4*
Allow legal abortion: single, does not want to marry the man	+29.5*	+44.3*
Allow legal abortion: the woman wants it for any reason	+25.4*	+52.5*
Inequality		
Feel that the rich get richer and the poor get poorer	-30.9*	-67.3*
Feel that people with power try to take advantage of people like themselves	-41.5*	-63.1*
Government should do something to reduce income differences between rich and poor	-38.7*	-41.1*
Government should continue to provide services; no reduction in spending	-28.7*	-39.9*
Confidence in Institutions		
Confidence in major companies	+42.0*	+47.0*
Confidence in banks and financial institutions	+10.8	-14.2
Confidence in organized labor	-23.6*	-10.8*
Party and Ideology		
Conservative self-identification	+14.5*	+24.8*
Republican party identification	+19.4*	+45.4*
World Affairs		
U.S. should take an active part in world affairs	+30.22*	+49.0*

* indicates statistical significance at the 0.05 level for a two-sided chi-square test.

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