

Chapter 12

Political and Policy Responses to Problems of Inequality and Opportunity: Past, Present, and Future

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Abstract There is surprisingly little research on American norms of economic inequality and opportunity, particularly in the era of rising inequality since the 1980s. In this chapter, I describe three political and policy responses to problems of inequality and opportunity and examine how they square with public opinion. Each approach is characterized by a particular mix of views concerning inequality (of outcomes) on the one hand and opportunity on the other. The “equalizing opportunity” approach places greater emphasis on equalizing opportunities than on equalizing outcomes, and even goes so far as opposing the equalization of outcomes in principle. This approach tends to be more identified today with conservatives than with liberals, but it has had broad-based appeal for much of American history. The “equalizing outcomes” approach places greater emphasis on equalizing outcomes than on equalizing opportunity, but it embraces both. It typically sees the goal of equalizing opportunities as being met implicitly through government tax and transfer policies that reduce disparities in disposable income. This approach is identified strongly with liberals. The “equalizing outcomes to equalize opportunity” approach is the one introduced in this chapter as the most consistent with public norms today. It occupies the middle of the political spectrum and fuses concerns about both opportunity and inequality. The way forward is to eschew a one-sided focus on either equal outcomes or equal opportunities so that Americans’ views are better reflected in both political discourse and public policy.

Keywords Equalizing opportunity • Equalizing outcomes • Equalizing outcomes to equalize opportunity • Economic inequality • Economic opportunity • Income

I am very grateful for feedback on this chapter from three reviewers, Katherine Cramer, Martin Gilens, and Larry Hanover, and from participants in seminars at the University of Wisconsin’s Department of Political Science, the University of Chicago School for Social Administration, and the Aalborg University Department of Political Science. Funding for some of the research reported here was gratefully provided by the Russell Sage Foundation and the National Science Foundation.

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inequality • Racial inequality • Gender inequality • Public opinion • Media coverage
 • Political campaigns • Income redistribution • Human capital

Introduction

Those of us who have grown up in the United States tend to have a pretty good handle on American culture. But for one particular aspect of American culture—norms of economic inequality and opportunity—there may be more than first meets the eye. Indeed, relatively little research exists on this subject, particularly in the era of rising inequality since the 1980s. Without such research, we naturally fall back on our social antennae, which are not likely to be reliable given the necessarily limited scope of our experiences and networks. Add to this that many commentators inhabit relatively elite positions in society (e.g., professors, journalists, pollsters, and politicians), and the result is often a chasm between elite and public understandings of the issue. This is *not* a chasm that characterizes only one side of the political aisle, however.

In this chapter, I describe three political and policy responses to problems of inequality and opportunity and examine how they square with public opinion about the topic. Each approach is characterized by a particular mix of views concerning the two related issues of opportunity and inequality (of outcomes).

- “Equalizing opportunity”: This approach not only places greater emphasis on equalizing opportunities than on equalizing outcomes, it pits one against the other and actively opposes equalizing outcomes as a policy objective. This approach tends to be more identified today with conservatives than with liberals, but it has had broad-based appeal over the long course of American history and is considered by many to be the dominant ideology of the nation.
- “Equalizing outcomes”: This approach, at the other end of the spectrum, places greater emphasis on equalizing outcomes than on equalizing opportunity but embraces both. It typically sees the goal of equalizing opportunities as being met implicitly through government tax and transfer policies that reduce disparities in disposable income. This approach is identified strongly with liberals.
- “Equalizing outcomes to equalize opportunity”: This approach occupies the middle of the spectrum, *fusing* notions of opportunity and inequality. A central argument of this chapter is that it has emerged as an alternative to the previous two approaches, which have been the dominant forces historically but have important limitations in our present era. This middle approach also has illuminating roots in history, where equalizing outcomes had become the strategy of last resort in the battle to equalize opportunities across race and gender. In this approach, the job market and educational institutions are the focus of a joint strategy to equalize outcomes and opportunities, in contrast to the “equalizing outcomes” approach that emphasizes government tax and transfer policies. Among elites, this approach is more identified with liberals than with conservatives, but I argue

that it potentially has broader popular support among the general public, as well as among elites, with new possibilities that have yet to fully crystalize.

These approaches have not developed in a strictly chronological fashion over time; nor do they overlap precisely onto partisan orientations. Nevertheless, as I hope will become clear, there are good reasons to organize the discussion along the lines of the past, present, and future, and to roughly categorize these approaches along a continuum of partisan and political ideology, as indicated above. However, it is crucial to keep in mind that partisan boundaries are undergoing shifts and are not necessarily identical for elites and the general public.

The Legacy of the Past

But America is more than just a place ... it's an idea. It's the only country founded on an idea. Our rights come from nature and God, not government. We promise *equal opportunity, not equal outcomes*.

– Paul Ryan's speech upon becoming Mitt Romney's running mate (Norfolk, VA, August 11, 2012, emphasis added)

It has long been an article of faith that what Americans stand for is equality of opportunity and not equality of outcomes. Relative to their European counterparts, Americans are considered “exceptional” in this regard: Europeans place greater emphasis on equality of outcomes, achieved through government policies that redistribute income, provide access to health care and retirement security, and protect the right to bargain for higher wages and other workplace benefits. By contrast, Americans emphasize the importance of individual responsibility and freedom from government intervention. They seek to level the playing field so anyone can succeed no matter their economic or social background (Lipset 1996). In terms of government policy, this has translated into a commitment to expand access to education. The U.S. was a pioneer of compulsory schooling, general and college preparatory curricula for all students, and the expansion of higher education, first through the “high school for all movement” and second through the strategy of providing “college for all” (Goldin and Katz 2008; Rosenbaum 2001).

Although often not associated with government policy per se, another central vehicle in the achievement of equality of opportunity in the United States has been robust economic growth. It would hardly suffice to educate a population for ever-higher-skilled jobs if such jobs were few in number; thus, educational and employment opportunity go hand in hand. The contrast between the U.S. and Europe in this respect was especially stark during the postwar period in which economic growth was both swift and equitably distributed in the U.S. (Levy 1987). Europe, by comparison, was recovering and rebuilding in the aftermath of war and relied on direct government aid and the expansion of the welfare state to do so, often with pressure from labor parties. Although many of the welfare state functions that were instituted in Europe were simultaneously deployed in the U.S., they were implemented through the back door here, so to speak, with government subsidies given to

employers who then furnished health-care and retirement benefits to their employees. The hidden nature of these subsidies meant that government was rarely associated with, or given credit for, the ensuing benefits (Strasser et al. 1998; Howard 1997). This only reinforced the image of the United States as the land of unfettered economic opportunity, an image that dates back at least to Alexis de Tocqueville's *Democracy in America*.

This approach, then, is what I will call the “equal opportunity” approach, along the lines of Paul Ryan's quotation at the top of this section. It rests politically on a combination of government policies and an economic environment that together created educational and employment opportunities for a broad swath of the American population. Direct government redistribution is notably and often explicitly absent from this picture.

Nonetheless, there would always be those for whom the land of opportunity was beyond reach. For these individuals, a set of safety net programs has been in place since the New Deal. These programs have a contested history, but by and large they were expanded throughout the postwar decades. Their two-tiered structure—one means-tested serving low-income populations (e.g., “welfare” and food stamps) and one universal (e.g., Social Security)—remains in place. However, the means-tested programs, and particularly income support, became increasingly conditional on the requirement to work, circling back to the notion that opportunities for gainful employment are ultimately a better remedy for economic hardship than transfers of income are.

As important in the struggle for inclusion, especially by those who had been explicitly and legally denied a piece of the American pie, were policies that regulated equal access to educational institutions and the labor market. Here, too, the U.S. was a pioneer in developing strategies that expanded economic and educational opportunities, this time to those groups that had been discriminated against by virtue of their race/ethnicity, gender, or both. In the face of resistance to integration by employers and White workers, however, the anti-discrimination approach proved insufficient on its own. Affirmative action policies were then enacted to ensure a fair representation of women and minorities in universities and the workplace (MacLean 2006). This ignited a debate—perhaps more explicit than ever before—between the “equal opportunities” (i.e., anti-discrimination) and “equal outcomes” (i.e., affirmative action) strategies. Arguably, this opposition spilled over into discussions of the terms of government-provided income support to the poor, given the racial identification of the poor as African-American by the majority White population. Assistance that was directed toward creating employment opportunities was therefore considered more acceptable—and enjoyed greater popular support—than cash support.

The debate between these two opposing strategies continues to this day, as reflected in Ryan's first vice presidential campaign speech. It is critical, however, to recognize the broader resonance of the “equal opportunities” approach; it should not be seen as a dictum of only one of the two parties. As I will show in the next section, when President Obama began placing greater emphasis on the issue of income inequality in late 2011, Independent and Democratic leaning commentators

worried that the message would appeal only to a narrow base of party activists and alienate the majority of Americans who, they argued, cared more about opportunity than inequality. And the establishment of a genuinely open opportunity society would require many of the policies that Democrats endorse in both the “equal outcomes” and “equalize outcomes to equalize opportunities” approaches, as also will become clear in subsequent sections.

But before turning to the present, and to what we know about how Americans think about such issues, I want to underline three features of past debates that have important implications for how we think about current and future debates.

First, the original struggle for inclusion by African-Americans, other racial minorities, and women was premised on fundamental rights of equality, but it was also premised on the vitality of the economy, the ongoing expansion of a high-quality educational system, and the equitable nature of both. Living standards rose in absolute terms across the income distribution, *and* relative differences among income groups declined. However, once the foundation of shared prosperity began to crack in the era of stagflation (1970s and 1980s), a more overtly zero-sum politics gained ascendancy, amplifying the tension between opportunities and outcomes and reinforcing popular opposition to outcomes-based measures such as affirmative action and welfare.

Second, and related, is that the “equal opportunities” approach arose, paradoxically, during a period in which outcomes were actually becoming more equal. This prompts the question of whether equitable outcomes were (and are) an implicit part of the definition or perception of an equal opportunity society. One example that suggests that they are is affirmative action, which equalized (occupational and educational) outcomes *as a way to enforce* equal opportunity policies. Indeed, affirmative action is considered an equal opportunity policy. More generally, racial and gender gaps in test scores, graduation rates, and occupational employment—that is, measures of inequality of outcomes—are frequently employed to symbolize the lack of equal educational and employment opportunities. When this happens, unequal outcomes function as indicators of unequal opportunities, and equal outcomes function as gateways to equal opportunities (Young 1958; Bell 1973; Roemer 1998). In the next section, I will refer to this approach as the middle-ground “equalize outcomes to equalize opportunities” approach.

Finally, the “equal opportunities” approach was put in place at a time when the goal was to rectify racial and gender inequalities and to ameliorate the conditions of the poor. It was not put in place to address the kind of economic inequality that we are encountering today, nor the targeting of the top “1 percenters” that this has entailed. Thus, part of the opposition to an “equal outcomes” approach may have been the result of opposition to the “undeserving” poor, racial and/or gender equality, or heightened economic anxieties that exacerbated intergroup competition, rather than to an “equal outcomes” approach *per se*. In other words, an “equal outcomes” approach—untethered from past associations in a postwelfare reform era—may be more palatable today or in the future.

All of this is to say that the “equal opportunities” approach is more nuanced, and even more internally contradictory, than commonly thought.¹ In practice, the achievement of equal opportunities is intertwined in important respects with the achievement of more equitable outcomes, particularly in the postwar period when contemporary norms of equality were given shape. And the slogan of “equal opportunities” may prove malleable in the face of new configurations of inequality as we go forward.

The Present Era of Rising Inequality

The growing income gap has become the central issue in American politics.

– “Income Gap is Issue No. 1, Debaters Agree,” *Washington Post*, December 7, 1995

[C]orporate profits are setting records... [b]ut the real average hourly wage is five percent lower than it was a decade ago.

– Robert Dole, eventual Republican nominee, *New York Times*, February 14, 1996

If Americans care about “equal opportunities” and not “equal outcomes,” how did we arrive at a point in the mid-1990s when Republican candidates—including Robert Dole, quoted above, as well as Patrick Buchanan—were stumping openly about the growing divide in economic fortunes (Ladd and Bowman 1998; Jacoby 1997)? And what happened to the preoccupation with opportunity? In this section, I bring public opinion to bear on these questions. Even though Americans may be more sensitized to issues of inequality now than in the past, both public opinion data and media coverage reveal that they were attuned to it in the 1990s as well. As I describe below, a majority of Americans have in fact expressed a desire for less inequality since at least the late 1980s. The preference for a more equitable distribution of income cannot, therefore, be attributed only to recent media and political attention to the topic, as is often assumed.

Proceeding from this baseline, my goal in this section is twofold. In an effort to better understand exactly *how* the public thinks about inequalities of both outcomes and opportunities, I first provide a brief overview of the best available survey data on attitudes about income inequality, perceptions of executive and worker pay and pay gaps, and beliefs about the role of individual responsibility and structural factors in shaping opportunities to “get ahead” (as the survey questions put it). I also describe the ways in which views about income inequality are interconnected with—rather than counterposed to—views about economic opportunity, as well as the consequences this has for policy preferences. Second, I discuss how, beginning as early as the late 1980s and culminating in the 2012 presidential election, inequality and opportunity became more explicitly interconnected in elite discourses as well, first among journalists and then among politicians. Recalling the second approach

¹ And in this respect parallels the contradictory nature of “American Dream” ideology (Hochschild 1995).

introduced above, this has led to a new set of narratives about problems of inequality and opportunity, as well as to a corresponding set of new policy proposals to address such problems.

Before discussing the content of public opinion, however, it is worth saying a few words about the primary source of public opinion data that informs my analyses. The best available information comes from the General Social Survey. The GSS was devised in the early 1970s to chronicle everything from religious beliefs to family formation practices to priorities for government spending. However, coverage of attitudes concerning inequality and opportunity was thin, and what did exist focused on subjects that were topical at that time, namely poverty and gender and racial inequality (as discussed in the previous section). As a result, the time series of public opinion data reported in this section begins in 1987, when the international counterpart to the GSS, the International Social Survey Program, introduced its first Social Inequality Module, which was incorporated into all of the participating country-level surveys. The module was then replicated in 1992, 1996, 2000, 2008, 2010, and 2012. (In 1996, 2008, and 2012, the modules were only partially replicated and only in the U.S.)

It should be underscored that none of the longest running and most respected surveys in the United States or elsewhere have ever contained a detailed battery of relevant questions on a routine basis. This is indicative, I would suggest, of the extent to which these topics constitute a new domain of inquiry, and one that was perhaps so taken for granted that it failed to inspire rigorous investigation until only recently.² In the past decade, however, a number of relevant survey questions have been fielded and I will draw on these in my discussion as well. In particular, wherever possible, I will compare public views to those of economic elites taking part in a representative pilot survey of the top wealth holders in the Chicago area conducted by Benjamin Page and colleagues (the Survey of Economically Successful Americans, or SESA).³ This survey replicated many of the questions on inequality and opportunity found in the GSS.

Public Beliefs About Inequality and Opportunity

To begin with attitudes toward income inequality, Fig. 12.1 plots trends over time in responses to the only three questions about income inequality that have been replicated in each of the survey years mentioned above. The most straightforward of the three questions asks respondents' feelings as to whether "income differences in America are too large." This question solicits agreement or strong agreement by a substantial majority of Americans today—roughly two-thirds. Desires for less inequality are also consistently high over time, a trend that supports the claim that I

²In the pre-rising-inequality era, see, e.g., Hochschild (1981), Kluegel and Smith (1986), and Vanneman and Cannon (1987) for in-depth studies of beliefs about inequality.

³Page et al. 2013. Analyses of the SESA data are taken from McCall and Chin (2013).

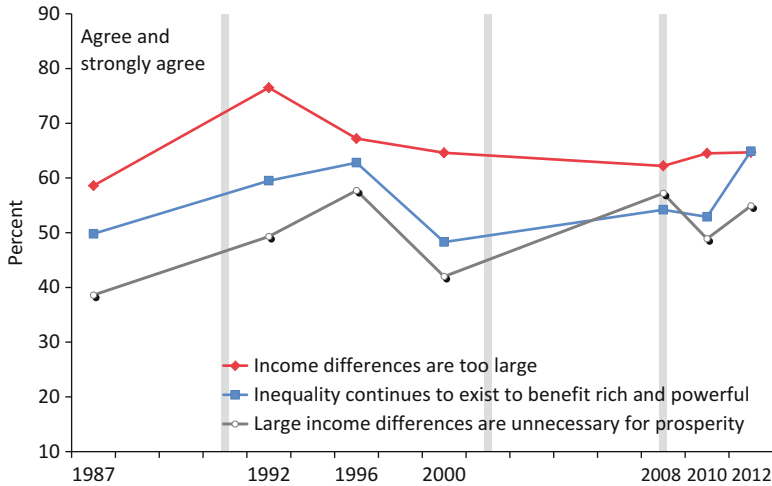


Fig. 12.1 American concerns about inequality, 1987–2012 (Source: Author’s analysis of the General Social Survey. Notes: Response categories also include “neither agree nor disagree,” “disagree,” and “strongly disagree.” Shaded lines indicate years of economic recession)

made earlier about the timing and cause of opposition to inequality. American opposition to inequality is not primarily a fleeting consequence of social movement activism or political leadership, as it predates episodes such as the Occupy Wall Street movement and President Obama’s seizing upon the issue in his 2012 reelection campaign.

Nonetheless, attitudes do shift over time in revealing ways. According to the bottom two lines in Fig. 12.1, a majority of Americans agree or strongly agree with two specific statements about the ill effects of the income gap. In 2012, between 55 and 65 % of Americans believed that the benefits of inequality are neither widely shared (in response to a question whether “inequality continues to exist because it benefits the rich and powerful”) nor strictly required to create the kinds of incentives that fuel economic growth and prosperity (in response to a question whether “large differences in income are not necessary for prosperity”). These skeptical attitudes toward inequality exhibit a clear peak in the mid-1990s and again in the most recent survey year of 2012, relative to the base year of 1987 and also relative to a dip in concerns in 2000.⁴ This pattern will help in deciphering how Americans connect perceptions of economic opportunity to perceptions of income inequality, a subject to which I will return at the end of my review of the public opinion data.

Turning to the topic of disparities in pay (rather than income), public opinion polls since at least the 1970s reflect widespread opposition to CEO pay, with well

⁴Moreover, the peaks are strongly significant after controlling for a large number of compositional and political shifts, such as polarization in partisan views, which I discuss further below and in McCall (2013, Chap. 3).

over two-thirds of Americans saying CEOs are overpaid.⁵ Based on data that are of higher quality than polls but more infrequent, Americans are also generally aware of (1) the rise in executive pay, (2) the stagnation of worker pay, and (3) the widening of pay disparities. For instance, the ratio between the median estimate of executive pay and worker pay more than doubles from 13:1 in 2000 to 32:1 in 2010, as shown in Fig. 12.2. Although these ratios significantly understate the dramatic increase in earnings inequality, the median desired ratio is still remarkably low—4:1 in 2000 and 7:1 in 2010—and also dwarfed by the median desired ratio among the top 1 %, which is 50:1. It is therefore unlikely that preferences for less inequality would be substantially altered by a more accurate appraisal of the scale of executive pay, because they are already so low (see McCall and Chin 2013, Table 3, for a more in-depth analysis of this point). Among the general public, knowledge of growing pay inequality is also driven by dramatically higher estimates of executive pay rather than by significantly lower estimates of worker pay. In fact, it is evident to most Americans that worker pay has been largely stagnant for the past couple of decades.

Despite knowledge of rising inequality and desires for a more equitable distribution of both income and earnings, do Americans nevertheless maintain their faith—perhaps blindingly so—in the land of opportunity? On the one hand, as Fig. 12.3 shows, over 90 % of Americans, including the top 1 %, do indeed believe that hard

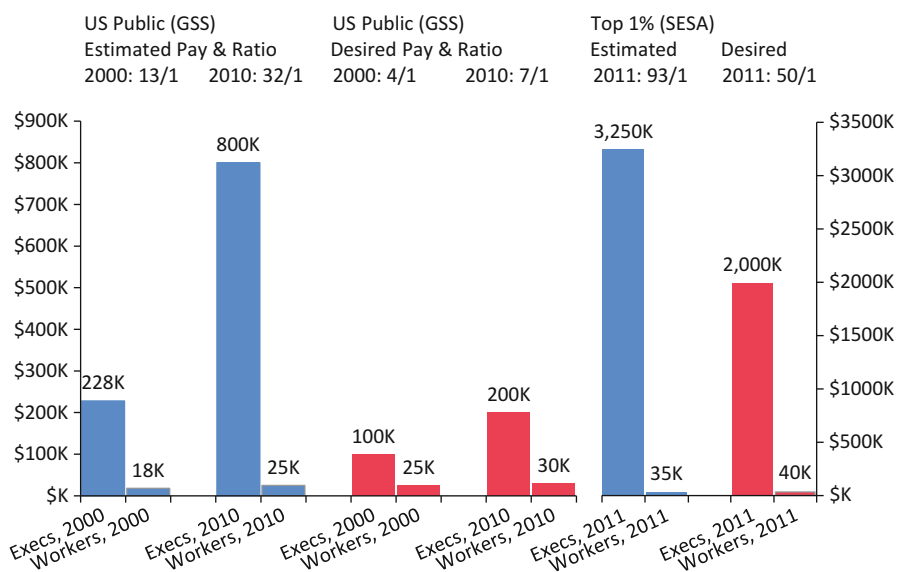


Fig. 12.2 American perceptions of occupational pay and pay inequality (Source: Author’s analysis of the General Social Survey, the International Social Survey Program, and the Survey of Economically Successful Americans. Note: Data are in current (non-inflation-adjusted) dollars. Median estimates are presented (e.g., median estimated pay and median desired pay) and ratios of these estimates are taken)

⁵ Assorted public opinion polls dating back to the 1970s (McCall 2013, 211).

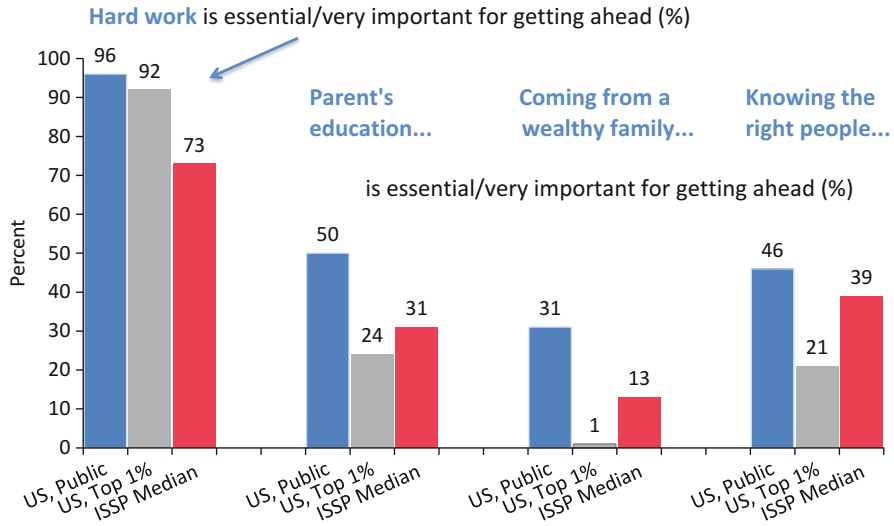


Fig. 12.3 American and international perceptions of economic opportunity (Source: Author’s analysis of the General Social Survey [2010; U.S. Public], the International Social Survey Program [2010, ISSP Median], and the Survey of Economically Successful Americans [2011, US Top 1 %]. Notes: Other response categories for GSS and ISSP are “somewhat important,” “not very important,” and “not at all important.” Response categories for SESA include “very important,” “somewhat important,” and “not very important at all,” and therefore only “very important” is shown in the chart. Only other advanced industrial countries are included in the calculation of the ISSP median, including Australia, Austria, Denmark, Finland, France, Germany, Great Britain, Iceland, Japan, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland and the United States)

work is essential or very important in getting ahead. This is, predictably, greater than the median among advanced industrial countries, which is nonetheless quite high itself at 73 %. On the other hand, there is a little known countervailing tendency: Americans are generally as or more likely to believe in the role of social factors in getting ahead, such as having well-educated parents, coming from a wealthy family, and knowing the right people. And the American public at large is also at least twice as likely to express these views as the top 1 percenters are. In fact, only 1 percent of the top 1 percenters said that coming from a wealthy family was very important, whereas 31 % of the public did. The American public therefore emerges as significantly more cognizant of social barriers to getting ahead than economic elites do.

Although these particular data also suggest that recognition of barriers to upward mobility is increasing over time (not shown), a few more frequently repeated questions give us greater purchase on this trend. Perhaps the single best question asks whether “people like me and my family have a good chance of improving our standard of living” (see Fig. 12.4). Interestingly, when concerns about inequality are at their highest in the early and mid-1990s, and again in the most recent survey years (see Fig. 12.1), Americans are *less* likely to agree that their standard of living will improve. For instance, the low points of such agreement are in 1992 and 2012 when

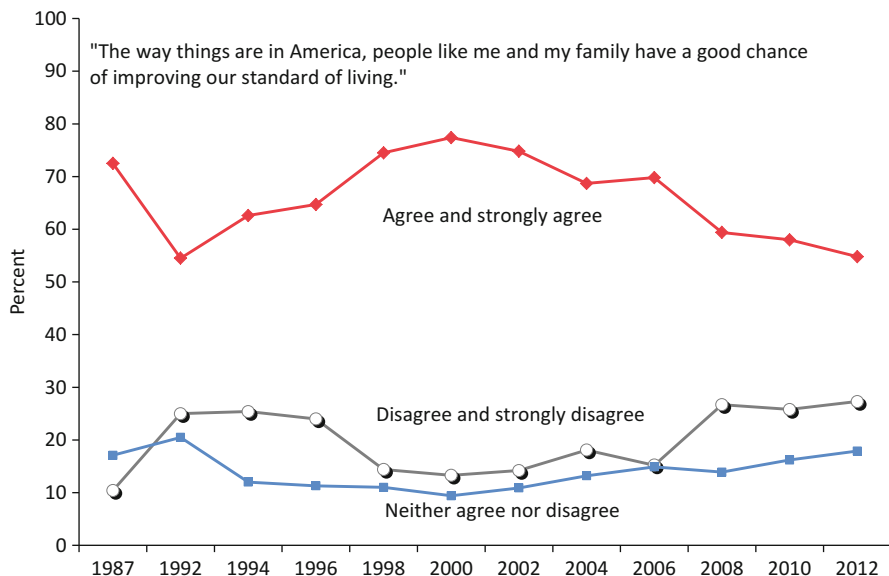


Fig. 12.4 Changes in perceptions of economic opportunity, 1987–2012 (Source: Author’s analysis of the General Social Survey)

55 % were optimistic about their chances for upward mobility. This is more than 20 percentage points off the high point of optimism in 2000, when 77 % agreed. (Agreement was also high, at 73 %, at the start of our time series in 1987.) Similarly, Gallup began asking a question in 2001 about the degree to which people are satisfied with “the opportunity for a person in this nation to get ahead by working hard.” As shown in Fig. 12.5, they found that satisfaction has been falling ever since this question was launched, from 76 % in 2001 to 53 % in 2012.

The fact that heightened concerns about inequality coincide with greater pessimism about the possibility for upward mobility can be further seen in Fig. 12.6, which helps to illuminate how the various strands of public opinion that we have been discussing fit together.

On the left side, the figure charts the trend in an index of concerns about inequality that includes all three questions in Fig. 12.1 (income differences are too large; inequality continues to exist to benefit the rich and powerful; large income differences are unnecessary for property) scaled from 0 to 1, so that the y-axis indicates the proportionate increase from 1987 in concerns about inequality after controlling for a wide range of factors. When the vertical lines for each year are above the line at 0, it means that concerns are significantly greater than they were in 1987. The red squares show the shift in concerns when not controlling for the trend in concerns about upward mobility from Fig. 12.4; the blue diamonds show the trend when controlling for it.

What we find is that the blue diamonds are almost always below the red squares, indicating that concerns about inequality would not have climbed as much if con-

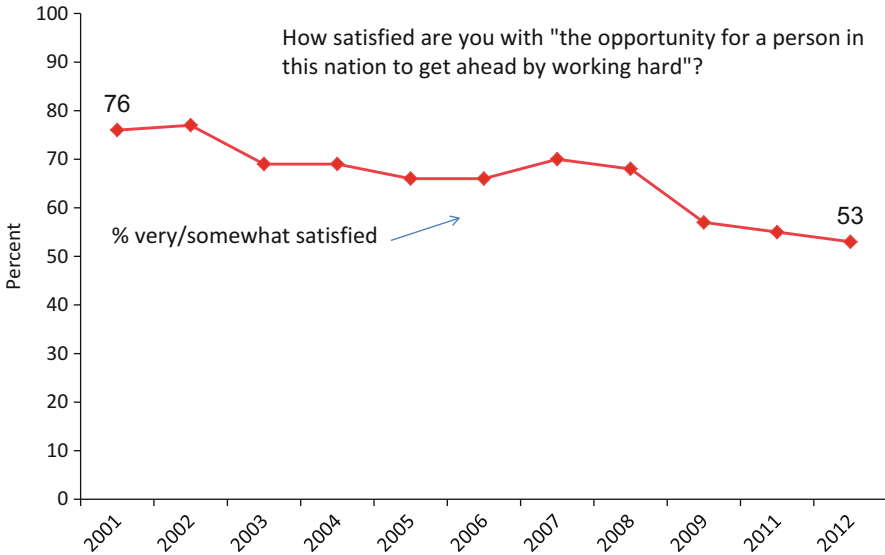


Fig. 12.5 Changes in perceptions of economic opportunity, 2001–2012 (Source: Gallup. Notes: Response categories also include “somewhat dissatisfied” and “very dissatisfied”)

cerns about upward mobility had not done so. That is because the two trends are correlated: rising concerns about upward mobility help to “explain” rising concerns about inequality. Except for measures of political ideology and partisanship, no other single variable has as large an effect.

And as can be seen with a similar exercise on the right side of chart, the effect of the trend in political orientation is in the opposite direction: concerns about inequality would have risen even more (as shown by the blue triangles above the red squares) had the trend in political orientation not veered in a more conservative direction over this period, inhibiting the rise in concerns about inequality. In other words, concerns about both inequality and opportunity rose substantially over time, in a coordinated fashion, against the tide of the more remarked-upon trend toward political conservatism, which slowed the rise in concerns to only a minor degree relative to the largely unexplained portion of the shifts.

This conclusion is reinforced by an analysis of other trends that fail to coincide with heightened desires for less inequality. Take, for example, two factors often assumed to be associated with rising concerns about inequality: the growing trend in inequality itself and the business cycle. From both Figs. 12.1 and 12.6, we can see that concerns about inequality do not peak during the trough of a business cycle and then taper off; instead, they stabilize or rise during the initial years of recovery from a recession—in the mid-1990s and in 2012. This is the case even though other public opinion data (e.g., from the American National Election Studies) clearly show an upswing in Americans’ assessments of how the national economy is performing during the expansions (and thus Americans are not misrecognizing macroeconomic

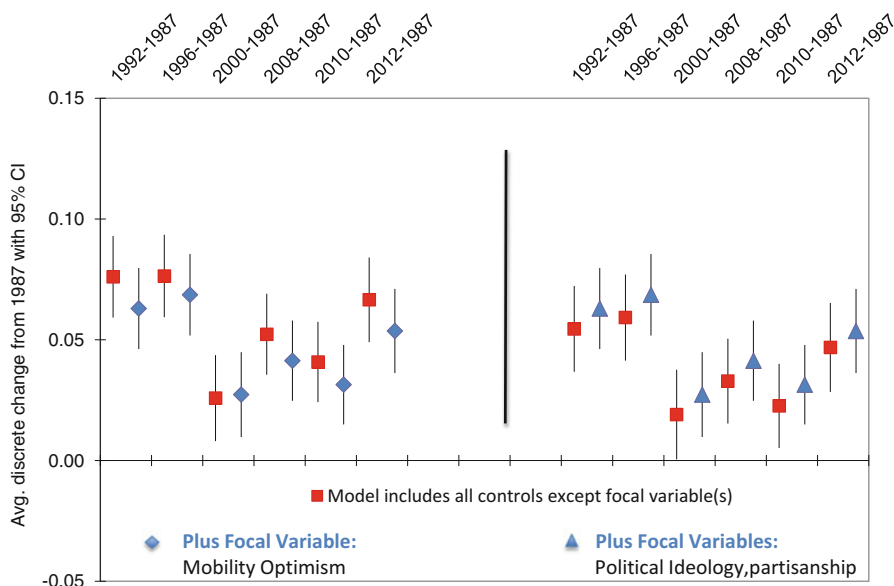


Fig. 12.6 Adjusted trend in index of concerns about inequality (scaled 0–1) (Source: Author’s analysis of the General Social Survey. Notes: The outcome is an index of the three questions in Fig. 12.1, scaled to range from 0 to 1 (income differences are too large; inequality continues to exist to benefit the rich and powerful; large income differences are unnecessary for prosperity). All models include controls for factors that were found to affect beliefs about inequality, including age (and age squared), household size and whether the respondent has children under 18, marital status (married/nonmarried), region (South/non-South), race (White/non-White), employment status (employed/nonemployed), subjective social class, family income, and education. Mobility optimism is measured by the variable presented in Fig. 12.4. Political orientation is measured with two variables on a seven-point scale: political ideology (liberal to conservative) and partisanship (Democrat to Republican). These are also interacted with year where appropriate (in 1996, 2010, and 2012))

shifts).⁶ Similarly, concerns about both inequality and opportunities for upward mobility subsided during the boom years of the late 1990s, despite most measures of inequality not falling in lockstep, or even continuing to rise.⁷

Taking these and other considerations into account, I find that the peaks of concern about inequality emerge with perceptions of the negative *consequences* of inequality—its practical impact on economic opportunity—rather than with

⁶ According to the American National Election Studies (ANES), in 2008, 90 % of respondents said the economy was worse than the year before, whereas 36 % said so in 2012. Most Americans are aware that the economy is improving or at least not getting any worse. The diverging pattern of views about the economy and distribution of income are also apparent in the aftermath of the early 2000s recession (McCall 2013, 170–172, based on ANES data).

⁷ The trend in inequality is complex and depends on the part of the distribution in which it is measured; thus we need to examine both the actual trends and the trends that the public is most likely to be aware of (McCall 2013, 119–125).

perceptions of the *level* of inequality itself. The fact that perceptions of restricted opportunities endure past the official end of recessions, as is evident in both the early 1990s and late 2000s, suggests that Americans are seeking something more than mere economic growth to alleviate their economic anxieties. During the “jobless” recoveries of late, in which wages have also stagnated, Americans are reacting against patterns of inequitable growth, in which only the top is experiencing gains and the American Dream of shared prosperity is thrown into question. Put somewhat differently, I am suggesting that if the economy were doing well today for everyone—if all boats were lifted and economic opportunity abounded—concerns about inequality would decline despite what some consider to be stratospheric levels of inequality. In my discussion of media coverage, political campaigns, and policy preferences in the next section, I provide additional evidence of this dynamic and further flesh out its details and policy implications.

To sum up, most Americans desire less inequality and have for at least a quarter of a century. Also, by some measures, intolerance of inequality is increasing and is significantly higher today than it was 25 years ago. Regarding matters of opportunity, many Americans recognize that social barriers to opportunity are important, even more so than in similar countries, and much more so than the top 1 percenters do. And, again, by some measures, such perceptions of limited opportunities have increased over the past decade. Lastly, and, most centrally, concerns about restricted opportunities appear to coincide with desires for less inequality. This blending of perceptions of inequalities of opportunity and outcomes recalls the discussion of the middle-ground “equalize outcomes to equalize opportunity” approach at the end of the previous section.

Elite Discourses of Inequality and Opportunity

Although both the content and overall sophistication of public views may be surprising, what is perhaps even more surprising are repeated allusions to the “equalize outcomes to equalize opportunity” approach at several junctures throughout the period of rising inequality by journalists and politicians. In addition to the quotations appearing at the top of this section—pinpointing the central role of inequality in the 1996 presidential election—journalists were linking news about growing economic inequality to the potential eclipse of the American Dream as early as the 1980s. Although these formulations and slogans may not have been as frequent or as well articulated in political platforms as they are today, they nonetheless offer insight into the tacit ways in which Americans, including elites, fuse their practical understandings of opportunity and inequality.

In this section, I first briefly illustrate how this fusion of ideas is depicted in media coverage. For our purposes, the widespread prevalence of this particular framing is less significant than the almost commonsensical appeal of the framing itself across partisan perspectives. Then, for the remainder of the section, I focus on the current political scene, including a discussion of the political and economic

strategies for reducing inequality and expanding opportunity that have surfaced in recent political debates and the policy orientation of the public at large.

For close to three decades, editorialists Mortimer Zuckerman of *U.S. News & World Report* and Robert Samuelson of *Newsweek* have been two of the most stalwart commentators on issues of inequality and opportunity from the liberal and conservative perspectives, respectively. Already in 1988, Zuckerman had written a column in response to a report on inequality released by the Congressional Budget Office (July 25). Bemoaning the effects of inequality, in which “most of our citizens have not benefitted from recent U.S. prosperity,” Zuckerman related the new developments to the upcoming presidential election, arguing that “the crucial judgment is who can reverse the trends toward inequality and bring more of our people closer to the American dream.” According to Zuckerman, growth was no longer a guarantor of the kinds of economic opportunities Americans had come to expect, and widening inequality was the reason why. Fast-forwarding almost two decades ahead, in a 2006 column titled “Trickle-Up Economics” (October 2), Samuelson similarly castigated the skewed nature of economic growth as “un-American” and a threat to “America’s social compact, which depends on a shared sense of well-being.” As an indication of just how routinely journalists had been covering these issues, Justin Fox of *Time* complained in an article written in 2008 that the income gap is “an issue that’s been danced around for too long. It’s time to address it” (May 26).

Thus issue fatigue among journalists had already arrived some six months before Barack Obama’s victory in the presidential election of that year and a full 3½ years before his first major speech on the subject in December 2011—in Osawatamie, Kansas—itself just a few months after the eruption of the Occupy Wall Street movement. The issue had long been percolating in the media as well as in prior electoral campaigns (in the 1990s) by the time it was the focus of a major social movement and then elevated to the highest level of political expression in the words of the president himself.

Despite this, Obama’s emphasis on inequality in the first major domestic policy speech of his 2012 reelection campaign (in Osawatamie), and then again in his 2012 State of the Union address, was not wholeheartedly embraced by independents or pundits and strategists within the wider fold of the Democratic Party. The dispute was nicely encapsulated in an op-ed by the nonpartisan head of the Pew Opinion Research Center, Andrew Kohut, who warned that “what the public wants is not a war on the rich but more politics that promote opportunity.” Another analyst argued that “a campaign emphasizing growth and opportunity is more likely to yield a Democratic victory than is a campaign focused on inequality. While the latter will thrill the party’s base, only the former can forge a majority.”⁸ In short, the “equal opportunities” approach was not only very much alive, but it appealed to opinion leaders across the political spectrum, to the center and left as well as to the more predictable right.

⁸ Andrew Kohut, “Don’t Mind the Gap,” *New York Times*, January 27, 2012; William Galston, “Why Obama’s New Populism May Sink His Campaign,” *New Republic*, December 17, 2011.

Yet, in truth, Obama was careful to embed his comments on inequality within a more expansive rhetoric about the need to repair and rebuild the American Dream. His diagnosis followed in the vein of journalists like Zuckerman and Samuelson, who saw inequality as a barrier to opportunity in the form of shared prosperity and equitable growth. Given the obligation of journalists to have their finger on the pulse of ordinary Americans, this rendering echoed public views, in which heightened concerns about inequality coincided with growing pessimism about the chances for upward mobility (as discussed above). That is, the president's vision was more consistent with the "equalize outcomes to equalize opportunities" approach, where both inequality and opportunity took center stage, than it was with another approach—an exclusively "equal outcomes" approach—that *substituted* an emphasis on inequality for one on opportunity, as those reacting against the president's speeches had claimed. The misinterpretation was understandable, however, in that attention to "equal outcomes" has a venerable history among liberals and still enjoys substantial backing, for example, in frequent calls to increase taxes on the affluent as the centerpiece of an anti-inequality agenda (Piketty 2014).

This brings us to a key question: How do these various approaches translate into policy prescriptions? It is one thing for various publics and leaders to coalesce around the definition of the problem but quite another to find common ground on the solution. After briefly describing the advantages and disadvantages of the policies associated with the more familiar "equal opportunities" and "equal outcomes" approaches, I focus on the policies that have evolved in response to the perspective that, in the public's mind, I argue, best characterizes our era of rising inequality, that is, the "equalizing outcomes to equalize opportunities" perspective. Although these policies overlap in several respects with those of the other two approaches, they are also venturing into largely uncharted territory.

As should be transparent by now, the key strength of the "equal opportunities" approach is its emphasis on equalizing opportunities, whereas its key weakness is its rejection of any attempt to *directly* reduce inequalities of outcomes. On the one hand, the prescription of pro-business reforms to accelerate economic growth in conjunction with educational reforms to reward individual responsibility is a winning combination. It reassures the public in its promise to create precisely the kinds of job opportunities required to lift oneself up by the bootstraps to achieve the American Dream of upward mobility, and, in doing so, it harkens back to the Golden Age of postwar prosperity and educational expansion. To the extent that Republicans are more closely identified with this message than Democrats are, they reap the political benefits of an economic opportunity platform (Smith 2007).

On the other hand, in our own post-postwar era, a prescription of economic growth alone does little to correct the skew toward the top in the availability of good employment opportunities. This weakness in the "equal opportunities" approach may become even more salient as *household* incomes in the middle of the distribution continue their historic slide from peaks at the turn of the twenty-first century. The last business cycle (2000–2007) was the first in which median household income and female earnings both failed to post significant gains (whereas median male earnings stopped growing in the 1970s) (DeNavas-Walt and Proctor 2014).

Long the country with the “richest” middle class, the U.S. now lags Canada in median after-tax income levels.⁹

The resulting dynamic could parallel that of the 1960s and 1970s, when anti-discrimination policies were insufficient in reducing inequality in the face of resistance to gender and racial integration by White workers and employers, which then provoked the more proactive approach of “equalizing outcomes to equalize opportunities” (i.e., affirmative action). Indeed, some in the “equal opportunities” camp are afraid that a populist backlash against inequality could usher forth a more drastic leveling of incomes than proactive initiatives. And this has led to a reconsideration of the implicit ban on advocacy of outcomes-based policies, such as raising the minimum wage and the earned income tax credit. To be sure, a resuscitation of the “compassionate conservative” in the present day may entail more attention to equalizing opportunities than equalizing outcomes, but the latter is beginning to be acknowledged in the process.¹⁰

Although most Democrats endorse an economic growth strategy (there is little reason for anyone not to), and Democratic administrations are in fact more likely to implement policies that deliver middle-income growth, they are more closely identified with the “equal outcomes” than with the “equal opportunities” approach, for the simple reason that they do indeed advocate for more equal outcomes (Bartels 2008; Kelly 2009). As is well known, this approach traditionally focuses on increased taxes on the affluent as the principal method of ameliorating economic hardship and mitigating economic inequality.

On the one hand, the prescription of increased taxes on the wealthy is reassuring to the public in its emphasis on diverting funds from those who do not need them to those who do. On the other hand, there’s a fairly severe transparency problem that handicaps this strategy: exactly how are higher taxes on the rich going to translate into greater educational and job opportunities for the rest of the population? On the basis of what history are Americans to put their trust in taxing the rich as the solution to declining opportunities? While in principle popular support for progressive taxes is often fairly high—above the 50 % mark—such support is fickle in the moment, when it comes to specific pieces of legislation, because the benefits are often not clearly conveyed. As Larry Bartels has shown, the public will opt for a small tax cut for themselves even if they perceive the well off as receiving an unfair and disproportionate share of the gains from tax-cut legislation, as was the case in 2001 for support of the Bush tax cuts (Bartels 2005; Lupia et al. 2007).

Interestingly, the middle-ground “equalize outcomes to equalize opportunities” approach offers a potential solution to this transparency problem by diverting the

⁹David Leonhardt, “The American Middle Class No Longer the World’s Richest.” *New York Times*, April 14, 2014.

¹⁰This includes support among some Republicans for minimum wage increases, at least at the state level (Reid J. Epstein, “Some Republicans Back State Minimum-Wage Increases.” *Wall Street Journal*, September 15, 2014), and enhancements of the earned income tax credit (e.g., Reihan Salam, “The Battle of EITC Ideas,” *National Review Online*, March 28, 2014). On the new meanings of compassionate conservatism, see Thomas Edsall, “The Republic Discovery of the Poor,” *New York Times*, February 11, 2015.

emphasis from equalizing outcomes and redirecting it to equalizing opportunities without losing sight of either objective. Again, such a solution was well underway before the Occupy Wall Street movement got off the ground, underscoring its rootedness in local conditions and political orientations. Beginning in the 2000s, for instance, several states passed measures to raise taxes on high-income households in order to fund popular services, such as education, health care, and public safety. The measures often incorporated an explicit tradeoff between raising taxes—only on the affluent—and funding opportunity-enhancing programs.

In early 2010, to take one example, voters passed a highly contested ballot measure in Oregon by a 54 % majority that, according to the official summary of the measure, would:

Raise taxes on household income at and above \$250,000 (and \$125,000 for individual filers). Reduce income taxes on unemployment benefits in 2009. Provide funds currently budgeted for education, health care, public safety, other services.

In a similar fashion, the state of California passed Proposition 30 by a 55 % majority in November 2012. The tradeoff was advertised in the very title of the proposition: “Temporary Taxes to Fund Education. Guaranteed Local Public Safety Funding. Initiative Constitutional Amendment.” The temporary nature of the tax hike may be as important as the commitment to funding opportunity-enhancing policies. A similar ballot measure failed in Washington state in part because, it is speculated, the measure left open the possibility that the legislature could vote in the future to increase taxes lower down in the income distribution (Franko et al. 2013). A later and more widely publicized example of an “equalize outcomes to equalize opportunities” approach came with Bill de Blasio’s successful 2013 mayoral campaign in New York City, the centerpiece of which was a promise to raise income taxes on the wealthy in order to fund universal preschool education.¹¹

Although these initiatives sound commonsensical, their novelty should not be underestimated. As far as I am aware, electoral campaigns in recent political history have advocated for progressive taxes (with reticence), and they have advocated for educational reforms (with gusto), but they have not advocated forthrightly for a progressive tax that would be targeted both in terms of who pays it (the affluent) and which programs benefit from it (education). In a more scholarly vein, educational programs have tended to fall outside the purview of conventional welfare state research and the corresponding “equal outcomes” approach, which focus on transfers of income to fund safety net programs.¹² Nonetheless, education is emerging as

¹¹ It may be argued that these are liberal states, but each also has a history of electing Republican governors and/or passing conservative ballot measures. Young and Varner (2011) provide an analysis of the impact of so-called “millionaire” taxes on the outmigration of millionaires and find little support for the pattern.

¹² In fact, public funding of higher education in particular has been seen as inequality enhancing (Ansell 2010).

a central theme in the everyday politics of redistribution as well as in contemporary research.¹³

Moreover, in some prominent instances, a general call for shoring up educational resources is giving way to a more specific emphasis on creating a more equal educational starting gate for children from diverging socioeconomic backgrounds. Here, politicians are seizing on an academic argument about the negative relationship between income inequality and intergenerational mobility, famously referred to as the Great Gatsby Curve by President Obama's former chief of economic advisors, Alan Krueger (Krueger 2012). In the final section, I will discuss the potential of this strategy further and the scholarly evidence underlying it.

Another emerging prong of the "equalize outcomes to equalize opportunities" approach concerns employment rather than educational opportunities. It too has been missing from the dominant models of income redistribution because its emphasis is on redistribution in the labor market rather than on redistribution "after the fact" in post-transfer and post-tax income.¹⁴ Labor market redistribution simply refers to any action that reduces disparities in pay and earnings in the labor market. Momentum has been building over many years to lift wages at the bottom, for instance, through popular and successful campaigns to raise the minimum wage at the local and state levels, sometimes to a living wage standard. Indeed, in the 2014 midterm elections, one of the most remarked-upon patterns was the simultaneous election of Republican candidates on the one hand and passage of minimum wage increases on the other.¹⁵ Some other notable developments to augment worker pay and facilitate access to good jobs include fast-food worker strikes and anti-wage-theft, anti-deunionization, anti-Walmart, ban-the-box and paid family leave campaigns; these mostly have occurred at the local and state levels, a theme that characterizes the drive for greater and more equitable spending on education as well (Ingram et al. 2010; Bernhardt 2012; Milkman and Appelbaum 2013).

Finally, in an era of soaring top-end pay and stock market returns, and keeping in mind the public's desire for radically reduced executive pay, there is the alternative strategy of reducing earnings at the top in the hopes of redistributing the proceeds to the middle and bottom. The most far-reaching examples in recent years come from overseas: the European Union's 2013 rule to cap banker bonuses at two times salary levels and a binding say-on-executive-pay referendum applying to publicly

¹³For example, Ansell 2010; Busemeyer 2012. In research with Lane Kenworthy (McCall and Kenworthy 2009), we show that most traditional redistributive policies that tax and transfer income have not risen in support relative to 1987, controlling for a wide range of factors. By contrast, the only policy that has enjoyed consistent support over time is increased spending on education. Moreover, this issue is now significantly tied to beliefs about inequality, whereas it was not at the beginning of the period in 1987. If we look further back than 1987, we find an even more striking increase in support for educational spending over time.

¹⁴Again, see McCall and Kenworthy (2009, 460, 470–472) and McCall (2013, Chap. 5).

¹⁵For instance, in Alaska (69%), Arkansas (65%), Nebraska (59%), South Dakota (53%), and Illinois (68%), where the measure was advisory. In January 2015, 26 states will have higher minimum wages than the federal level. Several Republican candidates are backing higher minimum wages if initiated at the state level but are opposed to a higher federal level.

held companies in Switzerland. The latter was launched in 2008 as a response to excessive executive pay packages at major corporations such as Novartis and was passed by a comfortable margin in 2013. Similar proposals have been floated in Germany and France. Although far weaker and less publicized, the Dodd-Frank Wall Street Reform Act of 2010 did mandate and finally implement the disclosure of executive pay and executive-to-median pay ratios in publicly held companies. In each of these cases, employers mounted major opposition to the proposed laws and then to the regulatory bodies that oversee their implementation.

Importantly, however, some efforts to curb inequality have emanated from the corporate sector itself. Though still a relatively small-scale movement, a group of entrepreneurs is promoting the establishment of B-Corporations, which challenge the primacy of shareholder value as the sole responsibility of the corporation and place social as well as profit motives at the heart of their corporate charters. Similarly, the corporate social responsibility movement has been active for decades around issues such as ecological sustainability and equal employment opportunity but is now beginning to organize around the problem of pay inequality. More generally, what is emerging here are various ways to reintroduce “equity norms” directly into an increasingly dominant institution of contemporary society: the corporation (Edmans 2012; King and Pearce 2010). These and other efforts are coalescing around the new concept of “inclusive capitalism” (Freeland 2014a; Summers and Balls 2015).

In sum, although the popular backlash against executive pay may ultimately lead to unintended and counterproductive consequences—such as higher banker base salaries or even executive pay—and may not therefore be ideal from an economist’s perspective, the broader lesson for our purposes is that the political and policy response to rising inequality and declining opportunities has been extended outside the traditional bounds of redistributive politics. The objective in many instances is to intervene in the pay-setting process itself. In this respect, advocates are following in the footsteps of the civil rights movement’s crusade against pay and employment discrimination. The current thrust—to reduce economic inequality as a path to enhanced labor market opportunities—is almost directly analogous to the historic and ongoing fight to reduce racial and gender earnings inequalities as an equal employment opportunity strategy. Both initiatives are forced by circumstances into an “equalize outcomes to equalize opportunities” approach, with an eye trained first and foremost on the prize of equal opportunity.

The Future Politics of Inequality and Opportunity

As political scientists have long observed, American public opinion is best understood through the lens of pragmatism rather than ideology (Free and Cantril 1967; Walsh 2012; Bartels 2013). In that spirit, I have examined the politics of inequality

and opportunity from the point of view of the American public at large, as told through public opinion surveys, media coverage, and the fashioning of new political opportunities, primarily but not exclusively at the local and state levels. What has emerged from this examination is a portrait of a politics in formation, one that conforms to neither of the two dominant political traditions in this country concerning the contentious issue of inequality.

To be sure, both the “equal opportunities” and “equal outcomes” approaches will continue to have an enduring grip on the American mind, but they also fall short in crucial respects. The former’s prioritizing of economic opportunity—principally through the rhetoric of educational reform and economic growth—aligns with the public’s clear preference for this route to achieving a fair and equitable society, but it does so at the cost of misrecognizing the role that economic inequality now plays in restricting opportunities for economic security and upward mobility. As a result, the latter “equal outcomes” approach strikes a chord with the American public, too, as most want to see a reversal of the growing divide in outcomes, and have for at least the past quarter of a century. The problem with this approach, however, is that income redistribution is too often portrayed as an end in itself, or alternatively, as a source of tax revenues for a diffuse set of social and public goods. Yet Americans appear to be less agitated by the absolute scale of inequality as such than by the consequences of inequality for their prospects of earning a good living. In short, neither approach connects the problem of inequality to the problem of opportunity.

Into this vacuum step a variety of initiatives that I have grouped under the “equalize outcomes to equalize opportunities” banner, whose lineage can be traced back to the civil rights movement. These initiatives fall into one of two categories. In the first, the focus is on the skewed pattern of economic growth and, specifically, the need to redistribute earnings in the labor market in order to lift absolute living standards at the bottom and middle of the distribution. In the second, the focus is on the shift from generic taxing and spending models of redistribution to “taxing for opportunity” models that explicitly target educational opportunity as one of the central goals. Owing to the pragmatic origins of these initiatives, however, they have thus far been launched in a piecemeal and inchoate fashion. Does the future promise something more bold and holistic? Building on the discussion in the previous sections, I conclude with a guiding principle upon which to orient future conversations and then offer two specific directions for further action.

First, the foregoing discussion suggests an absence of political and economic innovation and leadership as the primary obstacle to reducing inequality and expanding opportunity, not public views or public ignorance. The politics and economics of these issues are not by any means straightforward or conflict free, but, with public support, they can reach beyond conventional strategies. I have purposefully presented examples of how this is already happening in which the *majority* of the public is on board, as expressed in public opinion surveys, votes cast for local and statewide referenda, or media coverage across the political spectrum.

This is not to deny the worrisome polarization in political views that is often seen as the most serious obstacle to progress. But it is a reminder that the evidence on polarization among the public—as opposed to among politicians—is far from

conclusive and is, more importantly for our purposes, often dependent on the issue at hand.¹⁶ This is why it is necessary to train our attention on particular issues and to recognize the other form of polarization—between the policy views of economic elites and those of the public at large—as of perhaps equal consequence. Indeed, one of the most significant advances of late in political science research is the identification of a “representation gap,” in which the policy views of economic elites disproportionately influence the ultimate passage of legislation. In order for this to occur, there must first be differences in preferences by income, and it’s these differences that are often at the heart of debates over reducing inequality and expanding opportunity.¹⁷

Second, with this guiding principle in mind, I suggest two possible avenues for future action; each would enjoy public backing and significantly advance the prospects for holistic and effective change. In keeping with the two-pronged nature of current initiatives, one focuses more directly on expanding and equalizing educational opportunities and the other on doing so for employment opportunities.

Regarding the former, in a somewhat ironic turn of events, the cutting edge of policy innovation in Europe has taken a noteworthy shift in recent years from an outcomes-based agenda to an opportunity-based one, tying the two objectives more explicitly together than in the past. In contrast to the broadly redistributive thrust of traditional welfare state policies, the new so-called “social investment” strategies seek first and foremost to harness the human capital potential of the entire population, regardless of social background or stage over the course of life. This involves, among other things, the development of programs to educate children from disadvantaged backgrounds, retrain unemployed and displaced adult workers for gainful employment, and smooth the transition from home care to paid work for family caretakers. Crucially, such strategies also include “wage progression” or “intragenerational” wage mobility targets for low-income adults and not just educational initiatives for low-income children (see Chap. 13; also Morel et al. 2012; Larsen 2013; Reeves 2014).

¹⁶For instance, with respect to views about the economy and views about inequality, I find far more partisan polarization about the former than about the latter (McCall 2013, 172–74).

¹⁷Gilens 2012; Gilens and Page 2014. Note that Gilens (2012) shows that there are differences in representation only when there are differences in opinion, which do not occur on every issue. The Appendix provides a list of differences in policy preferences on economic and educational issues between the top 1 % and the general public, as well as some areas of agreement, particularly on education, taken from Page et al. (2013).

In addition to the representation gap by income, Solt (2010) finds that turnout in gubernatorial elections is lower in states with higher inequality, and that the overrepresentation of high-income voters relative to low-income voters is greater as well. And a number of scholars have noted the declining presence of powerful organizations that can lobby on behalf of middle-income and low-income interests (Skocpol 2003; Strolovitch 2007; Hacker and Pierson 2010; Gilens 2012).

In one way or another, the aim of these policies is to eliminate the transmission of “class” advantage and disadvantage from one generation to the next. Though long a goal of social democracy, it also resembles an attempt to shore up the American-style dream, so that achievement is more dependent on individual effort than on family income and cultural capital. That Europe should be leading the charge in this respect, and that it should be the region with lower levels of inequality *and* higher rates of social mobility, is eye opening. Although recent evidence in the U.S. suggests that intergenerational mobility has not, in fact, declined alongside the increase in income inequality, the longer distance to travel from bottom to top has no doubt made upward strides more formidable (Bloome 2014; Chetty et al. 2014). In contrast to conventional wisdom, Americans grasp this reality: They are at least as likely to recognize the unfair influence of social factors in getting ahead as Europeans, and their faith in the ability of hard work to prevail has been falling steadily over the past decade. Thus restoring opportunity in America, in an expansive way, would have wide appeal.

This is where the second avenue of future action comes into play. It entails the involvement, indeed partnership, of the business community, which has “evolved to be the dominant social institution of our age ... and yet has fallen short in its potential to serve global society” (Blount 2014; Freeland 2014b). Above, I described several attempts to intervene in the labor market itself: to reduce executive pay, increase minimum wages, and the like. But, arguably, these only scratch the surface. Recalibrating pay incentives and reintroducing equity norms and a more “inclusive capitalism” throughout the economy is perhaps the most daunting challenge lying ahead. Political rhetoric far exceeds concrete action, and our comprehension of exactly *how* (or even whether) corporations can help to restore opportunity in America, in a meaningful way, is extremely limited (Freeland 2014a; also see Chaps. 6 and 10 in this volume; Blasi et al. 2013; Summers and Balls 2015).

Yet we can rely once again on public wisdom to motivate the charge. In preliminary research, my colleagues and I conducted surveys in 2014 and 2015 of roughly 1500 Americans on Amazon Mechanical Turk, a service that crowd sources to provide survey data.¹⁸ We asked respondents a forced choice question about who has the greatest responsibility for reducing income differences: low-income individuals themselves, private charities, high-income individuals themselves, government, or

¹⁸These come from survey experiments and new survey questions that I am developing with a number of collaborators in the U.S. (Jennifer Richeson, Department of Psychology, Northwestern University) and abroad (Jonus Edlund and Arvid Lindh, Department of Sociology, Umea University, Sweden). The results are broken down by partisanship because the mTurk data are not representative. Nonetheless, for related questions that we adapted from the GSS, we found that the results from the mTurk survey are comparable to those from the GSS in the case of Republicans, and not too far off for Independents. Thus we can get a reasonable estimate from the mTurk data of how the public views the role of major companies in reducing pay disparities.

major companies. Respondents could also select an option at the end indicating that income differences do not need to be reduced. Except for this last option, the response categories were randomly ordered across respondents.

What we found is that only 21 % of Republicans and 9 % of Independents say that inequality does not need to be reduced, and for both Republicans and Independents, major companies were viewed as having the greatest responsibility for reducing inequality (33 % of Republicans and 35 % of Independents). Another 33 % of Independents chose government as the most responsible, for a total of 68 % who placed responsibility at the feet of either government or business. For Republicans, the total came in just shy of 50 % (15 % selected government for a total of 48 %). Despite the fact that only 15 % of Republicans selected government as having the most responsibility, however, we suspect that respondents of all political hues would support government regulation of business as part of what is necessary to coax major companies into the conversation over reducing inequality and expanding opportunity (see the uneven but notably high levels of support of government regulation of business by the general public under some circumstances, provided in the [Appendix](#), and also Lipset and Schneider 1987). Finally, the majority of Democrats selected government as the most responsible (54 %), but, surprisingly, over a quarter selected major companies (28 %). Although trust in both government and business institutions has fallen precipitously in the past decade, most Americans still look to them for leadership.¹⁹

Conclusion

The way forward, in sum, is to eschew a one-sided focus on *either* equal outcomes *or* equal opportunities; to harness the resources and competitive advantages of all major institutions in society, from government, to education, to business; and to build on the pragmatic consensus of local initiatives to forge a national commitment to ensure that our future is as lofty and inclusive in reality as it is in our dreams.

¹⁹Data on trust in business, finance and banks, and government can be found here: “Following the Public on Inequality: IPR Sociologist’s Book Scrutinizes U.S. Beliefs on Inequality,” posting on Northwestern University Institute for Policy Research website, <http://www.ipr.northwestern.edu/about/news/2013/mccall-undeserving-rich.html>

Appendix

Table 12A.1 Support of selected policies related to inequality and opportunity

Policy	% wealthy favors	% general public favors
<i>Jobs and pay</i>		
Minimum wage high enough so that no family with a full-time worker falls below official poverty line	43 %	78 %
The government in Washington ought to see to it that everyone who wants to work can find a job	19 %	68 %
The federal government should provide jobs for everyone able and willing to work who cannot find a job in private employment	8 %	53 %
<i>Economic regulation and macroeconomic policy</i>		
The government has an essential role to play in regulating the market	55 %	71 %
Would like to live in a society where the government does nothing except provide national defense and police protection, so that people would be left alone to earn whatever they could	19 %	27 %
The federal government has gone too far in regulating business and interfering with the free enterprise system	69 %	65 %
The following need more [minus less] federal government regulation ["about the same as now" omitted]:		
Wall Street firms	+18	+45
Oil industry	+6	+50
Health insurance industry	+4	+26
Big corporations	-20	+33
Small business	-70	-42
The government should run a deficit if necessary when the country is in a recession and is at war [vs. The government should balance the budget even when the country is in a recession and is at war]	73 %	31 %
Favor cuts in spending on domestic programs like Medicare, education, and highways in order to cut federal budget deficits	58 %	27 %
Willing to pay more taxes in order to reduce federal budget deficits	65 %	34 %
<i>Education</i>		
The federal government should make sure that everyone who wants to go to college can do so	28 %	78 %
The federal government should spend whatever is necessary to ensure that all children have really good public schools they can go to	35 %	87 %
The federal government should invest more in worker retraining and education to help workers adapt to changes in the economy [vs. Such efforts just create big government programs that do not work very well]	30 %	50 %

Source: Page et al. (2013, Tables 5, 7, and 8)

Note: Several areas of agreement on education policy include paying more taxes for early childhood education, the idea of merit pay for teachers, charter schools, tax-funded vouchers for private schools

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