

Wealthy disagree with most Americans about income policies

February 22 2013, by Hilary Hurd Anyaso

(Phys.org)—As Congress and President Obama wrestle over the "sequester" and other measures that would dramatically cut government spending, the first systematic study of the political attitudes of wealthy Americans indicates that the top 1 percent of U.S. wealth-holders (people with \$8 million or so in net worth) put a much higher priority on reducing budget deficits and cutting entitlement spending than most Americans do.

According to the pilot study—directed by scholars at Northwestern and Vanderbilt universities—87 percent of the wealthy say that [budget deficits](#) are a "very important" problem facing the United States, putting deficits at the very top of a list of 12 potential problems.

About one-third of the wealthy call deficits or excessive government spending the most pressing problem facing the country, much more than any other problem. In contrast, only 7 percent of the general public mentions deficits or the [national debt](#) as the most important problem facing the country; more than 50 percent cite the economy and jobs.

What's more, the wealthy tilt toward cutting back—rather than expanding—federal government programs like Social Security and health care that ordinary citizens want to expand or keep the same. Overwhelming majorities of Americans oppose such cuts.

Benjamin I. Page, Gordon Scott Fulcher Professor of Decision Making in the department of political science at Northwestern and director of the

study, said economic self-interest is the most straightforward explanation for why the wealthy oppose raising taxes on high incomes and favor reducing the deficit by cutting back on entitlement programs, while a majority of Americans disagree.

"These programs are of little personal benefit to wealthy people," Page said. "However, since they pay a lot of taxes, they are well aware of their costs."

An overwhelming majority of Americans oppose cuts in Social Security, and many wish to expand it. But fully 36 percent of the top 1 percent favor cutting back on Social Security, and only 3 percent of them favor expanding it.

Page said similar contrasts between the views of the wealthy and those of the general public emerge in preferences about many specific programs, especially jobs and income programs like the minimum wage, unemployment insurance, the Earned Income Tax Credit and government provision of jobs for those who cannot find private employment.

Ordinary citizens are far more likely to support government help with public schools, pre-schooling and college tuition; to favor more regulation of big corporations; and to favor corporate income taxes, government action to reduce income differences and "heavy taxes on the rich" to redistribute wealth.

Page said an important reason to examine what wealthy Americans seek from politics is that evidence increasingly shows affluent people exert more political influence than the less affluent.

"We want to find out how they use their influence and what they seek from government, because what they seek may well have a good chance

of being enacted," Page said.

Recent studies indicate that "affluent" Americans in the top fifth of the income distribution are socially more liberal but economically more conservative than others, with respect to important policies concerning taxation, economic regulation and social welfare programs. But until now, Page said, there has been no systematic evidence about the truly wealthy, such as the top 1 percent of U.S. wealth-holders.

"We suggest that these distinctive policy preferences may help account for why certain public policies in the United States appear to deviate from what the majority of U.S. citizens want the government to do," the authors state in the report. "If this is so, it raises serious issues for democratic theory."

According to Larry Bartels, professor of political science at Vanderbilt University and a coauthor of the report, "Most people suspect that the wealthy play a big role in American politics. Remarkably, though, we have never had any systematic evidence about their political preferences and behavior. This project begins to fill that gap."

The authors hope to build on their [pilot study](#), which focused on wealthy people in the Chicago area, by conducting a larger national survey of the political views of the top one percent. In addition to providing a more reliable portrait of the views of top wealth-holders, the authors say a national study would allow for comparisons of the views of wealthy people from different regions, professions and social backgrounds.

Jason Seawright of Northwestern is also a co-author of "Democracy and the Policy Preferences of Wealthy Americans," along with Page and Bartels. The study will be published in *Perspectives on Politics* in March.

Provided by Northwestern University

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