# Economic Inequality and Plutocracy

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*Unequal Democracy: The Political Economy of the New Gilded Age*, 2nd edition, by Larry M. Bartels. Russell Sage Foundation and Princeton University Press, 2016. 399 pp. ISBN: 9780691172842.

*American Public Opinion, Advocacy, and Policy in Congress: What the Public Wants and What It Gets*, by Paul Burstein. Cambridge University Press, 2014. 233 pp. ISBN: 9781107684256.

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*Capital and Ideology*, by Thomas Piketty. Harvard University Press, 2020.

*Starving the Beast: Ronald Reagan and the Tax Cut Revolution*, by Monica Prasad. Russell Sage Foundation, 2018.

*The System: Who Rigged It, How We Fix It*, by Robert B. Reich. Knopf, 2020.

*Unequal and Unrepresented: Political Inequality and the People's Voice in the New Gilded Age*, by Kay Lehman Schlozman, Henry Brady, and Sidney Verba. Princeton University Press, 2018. 330 pp. ISBN: 9780691180557.

*The Price of Inequality*, by Joseph E. Stiglitz. W.W. Norton, 2012.

Big problems such as climate change and economic insecurity can only be solved with supportive government action. In order to get the needed policies enacted, will we first have to reduce income and wealth inequality?

Since the late 1970s, economic inequality between the rich and the non-rich has increased sharply in the United States. The share of income going to the top 1 percent of households has risen from 9 percent to 16 percent, and the top 1 percent's wealth share has jumped from 26 percent to 33 percent (Piketty, Saez, and Zucman 2018, figure 5; Bricker et al 2020, figure B). Money can buy political influence, so unequal income or wealth can translate into unequal ability to influence policy making. As top-end economic inequality grows, we may increasingly get government by the wealthy.

This inequality-plutocracy hypothesis is explored in a spate of recent books on American politics: *Unequal Democracy* by Larry Bartels, *Affluence and Influence* by Martin Gilens, *Let Them Eat Tweets* by Jacob Hacker and Paul Pierson, *Democracy in America?* by Benjamin Page and Gilens, *The System* by Robert Reich, *Unequal and Unrepresented* by Kay Lehman Schlozman, Henry Brady, and Sidney Verba, and *The Price of Inequality* by Joseph Stiglitz.

There are five main ways that the rich, along with companies they own or control, can deploy money to increase their influence over policy makers' decisions. First, they can donate directly to politicians and political parties. Election campaigns are expensive, and private donations account for most of the money that campaigns spend. Expenditures in the 2020 election totaled nearly $14 billion, up from $5 billion in 2000 (Center for Responsive Politics 2020a). The share of campaign contributions that come from the highest-income Americans has been rising steadily in recent decades; according to one estimate, around 40 percent of the total now comes from those in the top 0.01 percent of incomes (Bonica et al 2014). It wouldn't be surprising to find that candidates and elected officials listen most attentively to the policy preferences of their most generous donors.

Second, rich Americans can run for office themselves. In 2020, more than half of the 535 members of the Senate and the House of Representatives had a net worth of more than $1 million (Evers-Hillstrom 2020). A billionaire, Donald Trump, succeeded in getting elected president in 2016, and fellow billionaires Michael Bloomberg and Tom Steyer ran for the Democratic nomination in 2020, albeit unsuccessfully.

Third, the rich and their companies can spend money to lobby elected policy makers. Lobbying expenditures in the United States total about $3.5 billion each year, and they increased sharply in the 2000s before leveling off in the 2010s (Center for Responsive Politics 2020b).

Fourth, those with money can fund organizations and movements that pressure policy makers in other ways — calling their office, showing up at town hall meetings, generating online petitions, canvassing voters, marching in the streets.

Fifth, affluent Americans can use their money to influence ideas. They can finance research. They can establish and fund think tanks. They can create or buy media outlets. They can sponsor and promote likeminded opinion leaders.

The result of these efforts, according to a growing chorus of voices, is an erosion of democracy in America due to rising inequality of income and wealth. According to Paul Krugman (2011), "Extreme concentration of income is incompatible with real democracy. Can anyone seriously deny that our political system is being warped by the influence of big money, and that the warping is getting worse as the wealth of a few grows ever larger?" Jacob Hacker and Paul Pierson, in *Let Them Eat Tweets* (p. 1), put it as follows: "Runaway inequality has remade American politics, reorienting power and policy toward corporations and the superrich…. The rise of plutocracy is the story of post-1980 American politics."

**Alternatives to the Inequality-Plutocracy Hypothesis**

For many readers of this essay, the notion that rising economic inequality has increased inequality of political influence in the United States will, I suspect, seem banal. How could it possibly not be true?

Two alternatives are worth considering. The first suggests that we do increasingly have government by the rich, but money isn't the reason why. Instead, the key driver has been the growing organizational capacity of wealthy individuals and business firms. In *Unequal and Unrepresented*, Schlozman, Brady, and Verba document a host of ways in which the gap in political activity between Americans with different income or education levels has increased in recent decades. This activity includes not just injecting money into politics but also working in a political campaign, contacting a government official, belonging to a political organization, and working with others on a community issue.

Hacker and Pierson, in their *Winner-Take-All Politics* book, describe an aggressive organizational campaign by affluent individuals and corporations — via business organizations, foundations, think tanks, political action committees, and lobbying agencies — aimed at boosting their influence on policy making. Money helped in this endeavor, but Hacker and Pierson don't suggest that the success of these efforts hinged on a sharp increase in income or wealth inequality. The key was heightened organizational effort, motivation, commitment, and focus. And this campaign was helped by the fact that during the same period, labor unions, perhaps the most influential type of organization representing ordinary Americans, were weakening.

So if America has indeed become more plutocratic, it could be the increasing gap in organizational capacity and in nonmonetary forms of political activity, rather than the rise in income or wealth inequality, that is responsible for the growing political power of the affluent.

A second alternative to the inequality-plutocracy hypothesis says that while America increasingly has government *for* the rich, that isn't because we have government *by* the rich. In this view, government policy has more and more come to favor the interests of the well-to-do, but not because their political influence has increased. Instead, the cause lies elsewhere.

Nathan Kelly's analyses in *The Inequality Trap* suggest one possibility. Kelly finds that when income inequality rises, middle-income and low-income whites perceive themselves as falling behind, but among those susceptible to racial animus, this activates hostility toward other middle-and lower-income persons who are members of other racial groups. During the period of rising income inequality, the Democratic Party has favored civil rights, affirmative action, and other programs aimed at helping racial minorities, so these lower- and middle-income whites became more likely to vote Republican. This led to greater electoral success for the Republican Party, which was already inclined to act on behalf of the economic interests of businesses and affluent individuals.

Isaac Martin offers another possible cause of a rise in government for the wealthy though not by the wealthy. In *Rich People's Movements*, Martin details the history of popular movements and organizations promoting tax reductions for the affluent. Sometimes these movements originated in opposition to income taxes or property taxes on ordinary Americans and just happened to also encompass taxes on the rich. Their target in other instances was a tax on very high incomes or assets, as in the 1990s and early-2000s movement to abolish the estate tax. According to Martin, these rich people's movements have tended to succeed not when affluent Americans had a larger share of the income or wealth, but when a sympathetic political party, usually the Republican Party, held the reins of government. As just noted, that has been true more often in recent decades than it was during the bulk of the twentieth century.

In *Starving the Beast*, Monica Prasad suggests that since 1980 the push to reduce tax rates for America's rich has come mainly from the Republican Party itself, rather than from rich individuals, corporations, or popular movements. Beginning with Ronald Reagan, Republicans frequently have embedded income tax cuts for the affluent in legislation that reduces tax rates for middle- and lower-income households too. According to Prasad, Republicans have continued to promote tax cuts not because the party is beholden to rich donors, but because Republicans see tax cuts as a goodie they can offer voters to counter Democrats' promise of government benefits. Tax cuts benefiting the well-to-do are a product of Republican electoral strategy, not of growing political influence by America's rich.

In *Leftism Reinvented: Western Parties from Socialism to Neoliberalism*, Stephanie Mudge shows how center-left political parties in a number of affluent nations came to embrace economic deregulation, particularly for the financial sector, beginning in the 1990s. Mudge attributes this shift in orientation to a heightened role of professional economists within these parties. Thomas Piketty, in *Capitalism and Ideology*, notes the same shift but suggests a different cause. In Piketty's view, left parties turned to neoliberalism because they decided, based on changes in the economy and in voting propensities, to aim increasingly for the votes of college-educated, middle-class professionals rather than the industrial working class. In the United States, Bill Clinton, the Democratic president from 1993 to 2000, declared that "The era of big government is over" and oversaw a series of measures deregulating the financial sector. The story behind the Democrats' shift under Clinton might be as simple as a party's desperation to regain its electoral footing following a string of defeats. From 1968 through 1988 the Democrats lost five of six presidential elections, and in 1994 they lost their majority in the House of Representatives for the first time in four decades.

So we have (at least) two plausible alternatives to the notion that rising economic inequality has pushed us toward plutocracy. But is it really possible that the huge quantities of additional money flowing to America's affluent didn't boost their influence on government policy? Yes, it's at least conceivable, because money in politics likely is subject to diminishing returns. There already was considerable economic inequality in the United States in the late 1970s. In all likelihood, America's affluent already had a good bit more political influence that the rest of the citizenry at that point in time, and their advantage might already have reached its maximum. If so, then even though the rich have funneled more and more money into politics during the ensuing four decades of rising economic inequality, this might not have succeeded in widening their advantage over the rest of us in influencing policy outcomes.

Let's turn now to evidence. What kinds of things would we expect to observe if the inequality-plutocracy hypothesis is correct? Do we observe them?

## Do the Rich Have Disproportionate Political Influence?

Political sociologists and political scientists have been actively researching this question since the middle of the twentieth century. Studies aiming to identify the influence of economic elites have tended to focus on individual policies, or sometimes a handful of related policies. This is helpful, but to really answer the question we need a more systematic analysis. Surprisingly, we have very little. There are a number of quantitative analyses of social policy and some other program types, but these too give us an incomplete picture, and most of them don't consider the impact of America's rich.

In a chapter in *Unequal Democracy* titled "Economic Inequality and Political Representation," Larry Bartels uses public opinion survey data to identify the policy preferences of Americans in three income groups: low, middle, and high. He then examines the degree to which these opinions correlate with votes by people's elected representatives in the House and the Senate in the early 1990s and early 2010s. Bartels concludes that policy makers' voting tends to correspond much more closely to the desires of people with high incomes. This kind of study is a big advance, in that it gives us systematic evidence on the influence of different income groups. But legislators' voting may or may not translate into actual policy outcomes.

In *Affluence and Influence*, Martin Gilens takes this next step. He begins by measuring the policy preferences of high-income, middle-income, and low-income Americans in public opinion surveys from 1981 through 2002. Where the preferences of people at these various income levels differed, Gilens looks to see whether policy changed over the ensuing four years, and if so in what direction. The data include a total of 1,779 policy outcomes. Gilens finds that when policy did change, the change was more likely to conform to the expressed preferences of high-income Americans than of middle-income or low-income Americans.

So yes, Americans with more income do seem to have more political influence than those with less income, as the inequality-plutocracy hypothesis predicts.

However, there are limits to how confident we should be about this conclusion. For one thing, research on campaign contributions and lobbying has uncovered very little evidence that they influence policy outcomes (Ansolabehere, de Figueiredo, and Snyder 2003; Jacobs et al 2004; Baumgartner et al 2009; Burstein 2014; Bartels 2016, pp. 263-65). There are, as I noted earlier, other pathways through which money can influence policy decisions, but it's surprising that researchers haven't identified a connection via the campaign donation and lobbying routes.

Perhaps more important, despite the heroic efforts of Gilens and some others, social scientists don't yet have the evidence we really would want for testing the inequality-plutocracy hypothesis. Most of the attention in discussions of plutocracy focuses on the top 1 percent of incomes, but the sample sizes in public opinion surveys are too small to get an accurate reading of the views of this group. Thus, "high income" in Gilens's analysis refers to roughly the 90th percentile of the income distribution rather than the top.

Also, the policy outcomes in Gilens's data are limited to those that public opinion surveys have asked about. This leaves out a lot of policy. An alternative strategy is to begin with the full array of potential policy changes and study a random sample of them. Paul Burstein uses this approach in *American Public Opinion, Advocacy, and Policy in Congress*. Burstein begins with all of the policy proposals considered by Congress during the 1989-90 legislative session, draws a sample of 60 (manifested in a total of 417 bills), and then tracks their fate. Unfortunately, he, like Gilens, is unable to identify the views of rich Americans, so his analysis doesn't speak to the inequality-plutocracy hypothesis. And his data cover only two years.

It probably doesn't make sense to weight all potential policy changes equally, since both affluent and ordinary Americans likely care much more about some than others. In a statistical analysis this can be handled by differentially weighting the cases.

An ideal database probably would be something like Burstein's. However, it would cover not just legislation but also executive branch actions such as implementation of laws and regulations and issuance of executive orders. And it would cover many more years. How to address the lack of hard data on the policy preferences of the rich? Here we would need researchers to make educated guesses, based the type of information that scholars studying individual policy changes typically have drawn upon, about when and to what degree the policy desires of the wealthy differed from those of ordinary citizens.

In the absence of this ideal database, I agree with Larry Bartels (*Unequal Democracy*, p. 253) that "Gilens's work provides the best evidence we have regarding the responsiveness of the American political system to the preferences of its citizens." Gilens's findings suggest, consistent with the inequality-plutocracy hypothesis, that higher-income Americans very likely do have disproportionate influence on policy decisions.

## Has the Gap in Political Influence between the Rich and the Rest Increased Over Time?

Income and wealth inequality in the United States have increased sharply since the late 1970s. If the inequality-plutocracy hypothesis is correct, this rise in economic inequality should have led to a rise in inequality of political influence during these past four decades.

However, Hacker and Pierson's documenting of policy wins by rich Americans and by business in their *Winner-Take-All Politics* book doesn't suggest a rise in the frequency of such wins in recent decades. Nor do Gilens's *Affluence and Influence* data suggest an increase in inequality of political influence. In addition to his core period of 1981 to 2002, Gilens examines the correlation between income and influence on policy for a selection of earlier and later years. He finds that the gap in influence between high-income Americans and those with middle or low incomes was small during the Johnson presidency in the 1960s, larger during the presidencies of Reagan and Clinton in the 1980s and 1990s, but then smaller during George W. Bush's presidency in the 2000s. Christopher Wlezien and Stuart Soroka (2011) conduct an analysis similar to Gilens's and covering the years 1972 to 2008, though for a relatively small set of policies. They find no indication of a rise in policy makers' responsiveness to Americans with higher incomes.

This isn't the final word. It's quite possible that when someone updates Gilens's analyses through the 2010s, or when researchers compile something like the ideal database I outlined in the previous section, the data will reveal that the rich-versus-the-rest gap in political influence has indeed increased in concert with economic inequality. But that isn't what's suggested by the best research we have at the moment.

**Is the Gap in Political Influence between the Rich and the Rest Larger in the United States Than in Other Affluent Democratic Nations?**

The income and wealth gaps between the rich and the non-rich are larger in the United States than in any other affluent democratic country. If the inequality-plutocracy hypothesis is correct, we would therefore expect more inequality of political influence in the U.S. than abroad.

There are single-country studies of the link between preferences of people at different income levels and policy outcomes in Germany, the Netherlands, Sweden, and Switzerland (Rosset 2016; Persson and Gilljam 2018; Schakel 2019; Elsässer, Hense, and Schäfer 2020). Perhaps surprisingly, these analyses conclude that, as in the United States, when the views of higher-income persons differ from the views of those with lower incomes, policy changes are more likely to reflect the desires of people with more income.

The best comparative analysis I'm aware of is a recent paper by Larry Bartels (2017), which looks at the degree to which policy changes tend to correspond to the expressed preferences of people at different income levels in an array of affluent democratic nations. Bartels focuses on just one type of government policy: social programs. Contrary to what the inequality-plutocracy hypothesis predicts, he finds no difference in the magnitude of the rich-poor disparity in policy responsiveness across countries that have very different levels of income inequality. Instead, inequality in policy responsiveness is "rampant in contemporary affluent democracies, not limited to the United States."

Bartels's finding is consistent with the large literature attempting to explain why the United States has one of the least expansive and generous welfare states among the rich democratic nations. That literature emphasizes culprits other than America's high level of economic inequality, such as our winner-take-all elections and consequent two-party political system, our large number of government veto points, our weak labor unions, our lack of corporatist concertation, our racial and ethnic diversity, and our absence of feudalism (Hicks 1999; Huber and Stephens 2001; Alesina and Glaeser 2004).

## Have Top-End Tax Rates, Financial Regulation, and Unionization Decreased More in the United States Than in Other Rich Democratic Countries?

Top-end income and wealth inequality have increased more in the United States than elsewhere. So according to the inequality-plutocracy hypothesis, we should expect greater movement toward policy outcomes desired by the well-to-do in the U.S. than in other nations.

Begin with taxes. The top statutory federal income tax rate was indeed reduced more sharply in the United States than in most other rich nations. Yet some other countries where income inequality barely increased at all, such as Japan and Norway, made similar changes to their top statutory tax rates (Piketty, Saez, and Stantcheva 2014; OECD 2020; Kenworthy 2020e). Just as puzzling, nearly all of the change in the U.S. occurred at the beginning of the rise in income inequality, in the 1980s, rather than toward the end. Moreover, the top statutory rate is of limited relevance if there are numerous loopholes and deductions that allow the rich to shield a sizeable portion of their income from taxation. What really matters to taxpayers is the "effective" tax rate — taxes paid divided by pretax income. Estimates of the top effective tax rate in the United States suggest that while it has fluctuated — decreasing under Reagan, increasing under the first Bush and Clinton, decreasing again under the second Bush, and increasing again under Obama — it was about the same in 2017 as when Reagan entered office (Piketty, Saez, and Zucman 2018, figure 9; Congressional Budget Office 2020, exhibit 11). The 2018 Trump tax cut will reduce it (we don't have the data yet), but the Biden administration and Democrats in the House and Senate have said they intend to raise it again.

What about financial regulation? The United States did reduce regulations on the financial sector, but here too the most significant change occurred right at the beginning of the era of rising economic inequality, around 1980. And most of the other rich democratic countries for which data are available have made bigger deregulatory reforms in finance than we did (Philippon and Reshef 2013; Kenworthy 2020c).

Unionization has dropped sharply in the United States. But that decline began in the 1950s, long before income and wealth inequality started to rise. And since the late 1970s, unionization rates have been falling in most affluent nations. Only five — Belgium, Denmark, Finland, Norway, and Sweden — still have a rate above 35 percent. The average unionization rate in fifteen other rich longstanding-democratic countries dropped from 42 percent in the late 1970s to below 20 percent today, a decline on par with what has happened to unions in America (Kenworthy 2020b).

None of these patterns is consistent with what the inequality-plutocracy hypothesis predicts.

## Do Republicans Receive More Campaign Money Than Democrats and Thereby Win More Elections?

Let's return to the U.S. story. Most of the money spent in political campaigns comes from private donations. Although we have limited direct information about the policy preferences of America's rich, a 2011 survey suggests that they have views on core economic policy issues, such as taxes and government spending, that are much closer to those favored by Republicans than to those of Democrats (Page, Bartels, and Seawright 2013). It's no surprise, therefore, that the affluent tend to give more money to Republicans and conservative groups than to Democrats and progressive groups (Page, Seawright, and Lacombe 2019).

If the well-to-do favor Republicans, the inequality-plutocracy hypothesis would expect Republican candidates to have enjoyed a steadily rising advantage in campaign spending in recent decades. But they haven't. Since the late 1990s, when comprehensive and reliable data on campaign expenditures begin, Democrats and their supporters have kept pace with Republicans (Center for Responsive Politics 2020a). That's continued even after the Supreme Court's 2010 *Citizens United* ruling, which made it easier for donors to hide their contributions. And in the most recent election, in 2020, Democrats enjoyed a huge spending advantage.

Nor has money led to Republican electoral dominance. Democratic candidates have won the popular vote in seven of the last eight presidential elections. It's true that Republicans have fared better in House and Senate elections than they did in the middle of the twentieth century. But in that earlier era Democrats had a big advantage because of their perceived success in dealing with the Great Depression and World War II and because the legacy of the Civil War and Reconstruction gave them a virtual monopoly in the South. By the 1990s, both of those advantages had evaporated. And in recent decades Democrats have been hurt in House elections by the fact that their voters are highly concentrated in urban areas, in Senate elections by the fact that low-population conservative states such as Wyoming get the same number of seats as high-population liberal states such as California, and in presidential elections by the Electoral College (Rodden 2019; Kenworthy 2020a).

Maybe America's plutocrats haven't needed Republicans in order to get their desired policies enacted. If the rich have become much more politically powerful, presumably they're able to sway Democrats as well. The Clinton administration's embrace of financial deregulation seems to fit with this view. But the fact that center-left parties in other far-less-economically-unequal countries did the same thing suggests reason for skepticism. And trends in top income tax rates aren't consistent with the notion that America's rich have been effective at getting Democrats to do their bidding. As I noted earlier, the Clinton and Obama administrations increased top tax rates, offsetting the reductions under Reagan and George W. Bush.

## Have Policy Trends Over the Long Run of American History Corresponded to Trends in Economic Inequality?

In *Democracy in America?*, Benjamin Page and Martin Gilens attempt a rough tracing of trends in economic inequality and inequality of political influence over the long arc of American history. They conclude that there is substantial correspondence: "Economic inequality — the concentration of wealth and income in a few hands, with a big gap between rich and poor — has risen and fallen at various times. And democracy — popular control of government — has tended to move in the opposite direction. When citizens are relatively equal, politics has tended to be fairly democratic. When a few individuals hold enormous amounts of wealth, democracy suffers" (p. 19). Specifically, Page and Gilens say the federal government's responsiveness to the policy wishes of ordinary Americans was low in the 1790s, higher in the Jacksonian era, lower in the second half of the 1800s, and higher in the 1950s.

I think it's worth treating this conclusion with skepticism. Consider the period for which the story seems, on the surface, most clear-cut: the second half of the 1800s. This was the era of industrialization and the Gilded Age. Inequality of income and wealth increased substantially (Lindert and Williamson 2016). According to Page and Gilens, this led to a shift in government attentiveness away from commoners and in favor of the affluent. But did key policy choices during the second half of the 1800s really go against what ordinary Americans wanted, or at least what was good for most? Slavery was outlawed. Real living standards doubled each generation (Gordon 2017). As government created and expanded a nationwide public education system, average years of schooling rose steadily from four in 1870 to six in 1900 to eight in 1930. With advances in medical knowledge and public health systems, life expectancy jumped from 39 in 1880 to 50 in 1900 to 60 in 1930.

**Does Policy in States with Greater Economic Inequality Conform More to the Preferences of the Rich?**

Social scientists have compiled data on top-end income inequality not only for countries, but also for the U.S. states (Sommeiller and Price 2018). As of the most recent year for which these data are available, 2015, the twelve states in which the top 1 percent's income share is largest include eight — New York, Connecticut, Massachusetts, California, Washington DC, Illinois, New Jersey, and Washington state — where Republican vote shares tend to be lowest, state tax systems are least regressive, and state public social programs are most expansive and generous (Kenworthy 2020a, 2020d, 2020f). That isn't what the inequality-plutocracy hypothesis would predict.

California is a particularly striking case. Between 1979 and 2015, the share of income going to the top 1 percent of households in California soared from 10 percent to 24 percent. If the United States is on the road to plutocracy, California ought to be leading the charge. Yet California currently has the least regressive tax system of any state in the country, in part due to new taxes on high incomes added in recent years. Since 1999 California has enacted paid sick leave, paid parental leave, an automatic-enrollment pension system for people whose employer doesn't offer a plan, a large Medicaid expansion (it now covers one in three Californians), an expansion of Temporary Assistance for Needy Families (TANF) eligibility, a phased-in $15 per hour minimum wage indexed to inflation, a state Earned Income Tax Credit, increased money for K-12 schooling funded by two tax increases on high-income households, an array of services for residents with severe mental illnesses, low-cost public auto insurance for persons with low income, new funds for roads and high-speed rail, a significant reduction in incarceration, and more. In 2018 California passed a law requiring an end to the use of fossil-fuel-based electricity by 2045, and the governor issued an executive order committing the state to full carbon neutrality by that same year.

**What Should We Conclude?**

I think the available evidence suggests two conclusions. First, economic inequality has an impact on inequality of political influence. America's rich very likely have more influence on policy decisions than the non-rich do. Second, because there is a tipping point beyond which this effect diminishes, wealthy Americans may have roughly the same amount of political advantage nowadays that they did in the late 1970s or early 1980s.

This matters for two reasons. One is scientific. We want to understand how our political system works, including what determines policy.

The other is practical. If economic inequality gives America's top 1 percent immense political power, and if many of these plutocrats oppose the kind of government action needed to effectively address problems such as climate change and economic insecurity, progress may be blocked until we achieve significant equalization of income and wealth. That is likely to be a very heavy lift. The rise in top-end economic inequality over the past four decades has multiple causes, so there is no simple recipe for reversing this trend (Manza 2015; Kenworthy 2017). Moreover, if it's true that an increase in economic inequality gives the rich even greater influence over policy decisions, America might now be stuck in a plutocratic "doom loop" — economic inequality rises, causing an increase political inequality, which leads to policies that further increase economic inequality — from which there is no escape.

But what if the rise in economic inequality in the United States hasn't actually produced a sizeable rise in the political influence of the rich? What if America's well-to-do already had a political advantage four decades ago and, due to diminishing returns to money in politics, that advantage hasn't increased, or at least hasn't increased by much? If this is our reality, perhaps it's possible — not easy, but doable — to enact some of the policies we need without having to first achieve a large reduction in economic inequality.

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