

The Equal Path to Inequality: Civil-Rights and the Rise of the Neo-Liberal Coalition in America

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Abstract

The Civil Rights era was a period of momentous transformation in American politics. Race related issues arising from the passage of the Civil Rights Act in 1964 led to significant party and voter realignments and much ink has been spilt on the timing, sequence and actors involved. This paper argues that the demands for and subsequent implementation of civil and political rights for African Americans in the 1950-60s *engendered* a politics of conservatism that focused on a shrinking of the state, a reduced role for the federal government and a language of individual rights and lower taxes. Importantly, contrary to the findings of other authors, the turn to the right occurred an entire decade before the issues of affirmative action began to emerge in mainstream politics.

Using data from 7 Gallup polls conducted between 1938-1970 this paper demonstrates that support for federal redistribution to public education began to drop through the course of the 1950s in response to key civil-rights related court decisions. However, this experience affected preferences unevenly in different parts of the country. Using case studies on North Carolina and Georgia, it is argued that the prospect of franchise expansion in the US (where there existed a non-economic paradigm of inequality built on race) changed the dominant groups' perception of who the federal state served. Dominant whites all over the the country were more open to social democratic policies as long as they believed the state served their interests. When these groups were challenged directly in the political arena they sought to change the rules of the game and create alternative arenas of control that could perpetuate pre-existing hierarchies of inequality. This resulted in a rejection of the equalization power of the federal government and the rise of a neo-liberal coalition in America.

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1 Introduction

In 1953, a full year before the textitBrown v. Board of Education verdict, Georgia's governor Herman Talmadge proposed a state constitutional amendment giving the general assembly the power to privatize the state's entire public education system. The amendment would have equipped the state to shut down buildings and transfer funds to students directly in the form of grants to attend private schools. Kevin Kruse (2005) writing about this incident in his book "White Flight" suggests that this was the "first significant step towards a new conservative politics more attuned with the future" (p. 132). Over the course of the next decade, white working-class and middle class communities in cities like Atlanta in the segregated South would move towards emphasizing individual rights, privatization and free enterprise above everything else in an attempt to maintain de facto segregation by transferring the funding and delivery of public services away from the federal government and into the hands of private communities. What drove communities to adopt this strategy?

This paper takes the findings by Kruse seriously and argues that the demands for and subsequent implementation of civil and political rights for African Americans in the 1950-60s *engendered* a politics of conservatism that focused on a shrinking of the state, a reduced role for the federal government and a language of individual rights and lower taxes. The prospect of franchise expansion in the US (where there existed a non-economic paradigm of inequality built on race) changed the dominant groups' perception of who the federal state served. Dominant whites all over the the country, and in particular, the American South, seemed to have been open to social democratic policies as long as they believed the state served their interests. When these groups started to feel challenged directly in the political arena, they turned away from state-led redistributive policies as they no longer felt that the state served their interests. Instead, they sought to change the rules of the game and create alternative arenas of control that could perpetuate pre-existing hierarchies of inequality. We therefore witnessed the rise of a political coalition that emphasized privatization and limited state control.

This paper also argues that the turn to the right occurred an entire decade before the issues of affirmative action began to emerge in mainstream politics. Consequently, the main actors in forging a new politics of small government, de-regulation and privatization were not the Republicans of the north retaliating against "the Democratic party's embrace of affirmative action...[which] stirred up a mighty backlash amongst whites" (*The Economist*, June 12, 2004, p. 25) but rather the Democrats in the South retaliating against the prospect of losing their race-based control of the state. In making

these claims, this paper speaks to the prevailing theories in American Politics on the nature of the political realignment that preceded/followed the expansion of the franchise in America in the 1960s (Carmine and Stimson 1989, Feinstein and Schickler 2008, Chen 2007, Lee and Roemer 2006, Edsall and Edsall 1991). I argue that one key actor in this case, the (middle and working-class) white voting block in the American South, was neither "naturally more conservative" in the pre-civil rights period as some have argued nor seeking to only establish a racial coalition in the post civil-rights period. In fact, this group strategically moved from being more liberal and hence, open to social-democratic policies, to adopting more conservative redistributive agendas hence, making it a more natural ally to the Republican party. Viewed through the prism of social policy preferences, I suggest that it is the economic mechanism that made possible an alignment between northern republicans and southern democrats.

The ideas in this paper also speak to works in comparative political economy that claim that preferences for social policies are shaped either by membership into different groups based on class (Meltzer and Richards 1981), ethnicity (Alesina et al 2001) or nationality (Marx 1999, Shayo 2009, Leibeman 2003) or that preferences are shaped by political institutions (Persson and Tabellini 2004, Iversen and Soskice 2006). None of these focus explicitly on how groups faced with the prospect of franchise expansion alter their perception of the state, their preferences for redistribution and how this affects electoral majorities and coalitions. I argue that dominant groups already in charge of state institutions seek to transform the rules of the game when they are challenged by the "other". When the rules themselves are up for grabs, the arena of contestation moves away from "*less or more taxes*" to "*less or more state*" in general. When the state's role in itself is in question, the scope for maneuvering for newer groups in politics is reduced.

In presenting an argument contrary to those mentioned above, the challenges of this paper are two-fold. The first is to demonstrate how and when racial politics affected preferences for redistribution amongst citizens across the US and the second, how those changed preferences resulted in a partisan realignment. I use nine public opinion surveys conducted by Gallup between 1938-1970 on questions relating to federal redistribution and taxation for public schools to address these questions. The results show that unskilled workers (both rural and urban) and respondents living in states with a high black population were less likely to support redistribution. Through the use of hierarchical models, this paper more accurately models the effects of regions and years on the likelihood of supporting redistribution and find that respondents across all nine census regions in

the sample indeed changed their preferences for redistributive policies in 1955, a year after *Brown v. Board of Education*, and moved from holding liberal to conservative views on state intervention. The regions experiencing the biggest shifts were East-North Central, Middle Atlantic and the South Atlantic (census regions are described in the footnote on pg. 13). Using two case studies of public education in North Carolina and Georgia from the South Atlantic region, I analyze the mechanisms through which citizens come to articulate their objections to political expansion and desegregation and change their hitherto economically liberal views into conservative ones resulting in reduced support for redistribution and hence, creating the opportunity for a new partisan alignment.

Throughout this paper, when I use the the term "state" I am referring to the federal state in America and the willingness of individuals to receive benefits from the state and to fund the federal state through taxes. When I use the term "neo-liberal" I mean an emphasis on the market, private firms and individuals rather than the federal government as the means to solve problems of a redistributive nature. The development of a "neo-liberal" emphasis occurred in conjunction with a language of localism, self-government and greater empowerment to smaller, more homogeneous local communities. I do not disentangle these separate phenomena in this paper as they worked in tandem and in complementary ways and served to recreate a segregated private sphere where pre-existing hierarchies persisted ¹

In the next section I review some of the key works in American and Comparative politics that have informed the debates around political expansion and redistribution. The subsequent section lays out the hypothesis and the methodological approach of the paper. I then present the results of the empirical analysis, two case studies and a discussion of the results. I conclude with thoughts on competing theories and avenues for future research.

2 Politics of Welfare in the Pre and Post Civil Rights Era

The Civil Rights Era is considered to be a period of momentous transformation in American politics. Race related issues arising from the passage of the Civil Rights Act in 1964 have been viewed as leading to significant party and voter realignments (Carmin and Stimson 1989, Edsall and Edsall

¹The post-war period under investigation broadly also coincides with a growth of globalization, trade, neoclassical economic orthodoxy and a rejection of Keynesian macroeconomic policies. I attempt to get around this problem by focusing on the time period 1935-1970 and in particular the 1950s to make my case, a period which I believe preceded the broader global move towards conservative economic policies.

1991). While scholars have contested the exact agents, timing and sequence of events involved in this realignment, few question that the two major parties essentially switched positions on civil rights in this period.

One debate concerning this period is over the timing and actors involved. Carmine and Stimson (1989) argue that Republican party elite, acting as strategic entrepreneurs, forged realignments around race in the period *after 1964*. They claim that northern Republicans began to oppose civil rights only in the face of affirmative action policies of the 1960s-70s and they ground their objections not in racial animus but in demands for free-market, anti-regulatory ideology. This ideology gave the southern Democrats a "socially acceptable basis for rejecting the federal role in the protection and promotion of civil rights" (Chen 2007). In contrast, Feinstein and Schickler (2008) suggest that bottom-up pressures by northern activists on the Democratic party forced party leaders to adopt a language and agenda of civil rights well *before 1964*. They demonstrate using state party platforms that the Democratic party and its activists placed a greater emphasis on civil rights than the Republican party in the decade before 1964 suggesting that the realignment was a long time in the making.

Carmine and Stimson are primarily focused on affirmative action policies as determinants of a realignment and not on the economic preferences that were shaped by the early civil rights experience. Feinstein and Schickler are overly focused on the evolution of "*Racial Conservatism/Liberalism*" of the parties in the north rather than the "*Economic Conservatism/Liberalism*" of the same parties in the South. Viewed through the prism of social policy preferences, I suggest that it is the economic mechanism that made possible an alignment between northern Republicans and southern Democrats. Additionally, keeping with Feinstein and Schickler's argument that a shift in attitudes toward civil rights occurred gradually over time, this paper argues that beginning in the 1950s, a gradual shift in attitudes towards redistribution occurred amongst Americans, particularly those situated in the South that created a language of small-government, free-market and anti-regulation well before affirmative action policies arrived as a wedge issue.

Other authors have chosen to focus on the welfare policy positions of the Republican and Democratic party in the pre civil rights era. Scholars largely agree that at least in the 1930s, the left-right paradigm divided American politics with southern Democrats joining their non-southern colleagues to support a series of far-reaching and highly significant legislation in the form of social security, the

GI bill and labor friendly legislation that paved the way for the emergence of a modern middle-class (Katznelson 2005). Southern members in fact were critical in the years leading up to the New Deal and Fair Deal as they took the lead in demanding federal aid. During the early 1930s programs such as Federal Emergency Relief Administration(FERA), Civil Works Administration (CWA) and Works Progress Administration (WPA) provided \$2 billion in federal aid to the South.

Critical to the advent of these programs, however, were the inclusion of categorical exclusions for groups of recipients based on occupations such as farming and domestic labor (who were mostly African Americans at that time) as well as the insistence that administration of these programs largely fall within the purvey of state and local government. These clauses demanded by the politicians from the southern wing of the Democratic party enabled the southern states to take on redistributive agendas without disturbing the pre-existing race regimes in these societies. Katznelson suggests that the Democratic party managed to combine two different political systems- "one that was incorporating new groups and voters...; the other still an authoritarian one-party system beholden to racial separation" (p.19). By no means however was racism restricted to just the South as most white citizens were complicit in the perpetuation of the Jim-Crow-Era laws through their collective indifference to them. More critically, Katznelson argues that affirmative action was white in this era as the major legislation of this period resulted in a very specific transfer of social and economic opportunities to white communities.

Writing on similar themes raised by Katznelson, authors Lieberman and Lapinski (2001) examine the specific contours of federal welfare programs initiated in that era. They study the institutional configurations that arose when the Social Security Act of 1935 created the Aid to Dependent Children (ADC) federal assistance program. The authors find that the federal structure of the ADC gave control of the program to local politicians which led to the development of racially and regionally divided institutions. Both the decision to devolve the ADC to the states, and the particular form of institutional devolution where all implementation was in the hands of states and county politicians with the federal government acting as no more than a financing body led to highly uneven delivery of welfare. Two regions in particular showed highly unequal patterns of welfare transfers – the "Black-Belt" in the South, measured as the original 11 states in V.O. Key's 1949 book on southern politics in the US ², where African Americans comprised a majority in many counties, and industrial

²The 11 states in V.O. Key's seminal book on southern politics include Virginia, Alabama, Tennessee, Florida, Georgia, South Carolina, Louisiana, Arkansas, North Carolina, Mississippi and Texas

cities in the northeast and midwest where great numbers of African Americans had migrated to during the Second World War. The institutional configuration of the one-party state in the South and the urban party political machines in the cities both gave organizations substantial control over the federal program resulting in white affirmative action at the expense of blacks.

More specifically to the themes being raised in this paper, Farhang and Katznelson (2005) demonstrate how preferences for labor policy transformed over a decade. The southern Democratic block in the congress and senate, in the 1930s, acted along leftist ideological and party lines and supported welfare and labor friendly legislation. Starting in the 1940s, however, this block began to view labor reform legislation as a threat to the durability of Jim Crow laws. When faced with the choice of class versus racial dimensions of roll-call voting, southern Democrats switched preferences in 1940, 1943, 1946 and especially 1947, and began to vote along with Republicans to restrict the organizational capacities of unions and limit the favorable work conditions demands secured by previous legislation. Each of these authors writing on policy in the pre-civil rights era talk of a time where there existed uniform support within the Democratic party for welfare legislation as welfare was viewed as essentially handouts for white citizens. They also show how a racialized view of the state essentially defined the way these welfare initiative were handled at local level. In the case of labor laws, authors show how preferences for legislation were transformed when the racial-regime was challenged, presenting their mechanism as a two-dimensional tradeoff for legislators. The intent of the current paper is to show how welfare preferences were transformed in the larger population and how the changed welfare preferences were then framed in economic terms and gained legitimacy. This changed political environment in relation to race rights engenders an atmosphere of conservatism rather than a politics of race.

3 Political Expansion and Redistribution

The vast comparative political economy literature on the redistributive effects of political expansion is also relevant to the discussion here. According to the median-voter model (Meltzer and Richards 1981), expanding the political franchise changes the location of the median-voter resulting in demands for higher taxes, higher redistribution and therefore, an increase in the size of government. The expansion of the franchise to African Americans in the 1960s, however, did not have this effect. The effective marginal tax rate actually fell in the subsequent two decades despite the arrival on the political scene of a large group of poor voters.

To explain the shortcomings of this basic one-dimensional model to the American case, others have added the dimension of race or ethnicity to the mix. Alesina and Ferrara (2005) argue that different ethnic groups have different preferences for the type of public good to provide and hence, increased diversity lowers the utility from public good consumption. Elsewhere, Alesina et al (2001) provide an explanation for why European countries are much more generous to the poor than the US and argue that racial heterogeneity and animosity makes redistribution to the poor, who are disproportionately black, unattractive to many voters. In a similar vein, Lee and Roemer (2006) argue that redistributive politics in the US can be understood only by connecting race and redistributive politics. They identify two-mechanisms through which racism reduces redistribution in the country. The first, is the *anti-solidarity effect* where voters oppose redistribution as they view minority recipients of underserving of government largesse. The second, is the *policy-bundling* effect where voters who desire greater redistribution might still support anti-distributive party platforms as these resonate with them on racial issues. Both these effects serve to reduce the degree of redistribution.

These studies, however, treat racial and distributive preferences as two distinct dimensions on which individuals make decisions rather than a racialized perception of the state transforming economic preferences for state-led redistribution as this paper attempts to do. When viewed through the prism of transformed preferences, the outcomes may not actually be contradictory to the Meltzer and Richards model. If the arrival of new racially distinct groups on the scene changes the pre-existing to group's preferences, in large enough numbers, this could have contracting rather than expanding effect o the redistributive state.

Scholars have also focused on nationality as the basis of the redistributive state. Lieberman (2001) argues that constitutional definitions of citizenship define membership into the national political community. Comparing South Africa and Brazil, the author claims that the national political community in South Africa was defined along racial lines which created incentives for white upper groups in the country to see their interests as shared with white lower classes resulting in cross-class linkages, a more robust tax system and greater redistribution to the white poor. Marx (1999) also takes a state-centric approach to explain race relations and suggests that "states made race" and used institutions to exclude certain races from the state in order to gain the cooperation of others. Shayo (2009) argues that if income redistribution enhances the status of lower classes more than a common national status across classes, then class identification trumps national identification and

class emerges as a key political cleavage. If on the other hand, the lower-class gains a higher status from thinking of itself as members of the nation as a whole rather than members of a lower-status part of it, then national identity trumps class identity and we no longer see redistributive politics. The ideas in this paper closely resemble the works of Lieberman (2003) and Marx (1999) but I suggest the opposite of their contention. Intra-class solidarities and class conflict are *more* likely in a period when race has been depoliticized through the disenfranchising of African Americans. On the other hand, when franchise expands and the national political community changes, cross-class solidarities within the dominant race emerge that attempt to shrink the state to prevent new groups from gaining power.

Finally, authors like Persson and Tabellini (2003) argue that institutional rules such as electoral systems and presidential systems create differential incentives for redistribution. In particular, they find that a switch from proportional representation to majoritarian rules would reduce welfare spending by 2-3% of GDP. Iversen and Soskice (2006) suggest that electoral systems influence the character of political parties and the governing coalitions that emerge in democracies with PR systems more likely to encourage center-left governments and greater redistribution. This paper also attempts to tell a story of changed preferences before and after political expansion that redefined the state, an angle that the other works do not explore. This paper attempts to analyze sub-national variations in preferences for redistribution which allows us to hold political institutions such as the electoral system, federalism and presidentialism constant across all regions and states within the US and over time to tease out the effects of political expansion on redistribution.

4 Theoretical Claims

Following from the theories discussed above I argue that the prospect of political and civic rights for African Americans that began with a series of legal and legislative decisions through the course of the late 1940s through to the 1960s transformed the preferences for redistributive policies amongst white Americans. The prospect of political and social equality for African Americans changed the dominant group's perception of the federal state as they believed the state no longer represented their interests and was instead focused on the redistributive demands of the new groups coming on the stage. As the process of dismantling the racialized regime took hold, groups turned away from the state towards an ideology of private market, de-regulation and small government. Consequently, a generation of citizens that had thought of itself as socially liberal in a previous era turned conser-

vative giving impetus to a new alignment of voters in the post-civil rights era.

In the extreme, it is possible that all white groups regardless of class were supportive of redistribution because of racial solidarities in the pre-civil rights era as suggested by the works of Lieberman and Marx. Yet, we know from historical readings that the US had a strong tradition of liberal politics emphasizing a Lockean individualism, small government and distrust of the centralizing powers of the state [FOOTNOTE ON HARTZ]. Authors studying the New-Deal-Era legislation and labor movements (Brinkley 1995, Lichtenstein 1989) have emphasized that redistributive politics in the the United States was a highly contested issue prior to and during the pre-Civil-Rights-Era and hence a cross-class acceptance of federal redistribution was unlikely. If there were cross-class solidarities at all, they might have existed in the South where elites co-opted lower-class workers through targeted redistribution to prevent cross-race class solidarities from evolving.

Three propositions derive from the reading of events presented above:

- The first is that the subset of voters most supportive of redistribution before the events of the late 1940s and 1950s were likely to be white, middle and working-class families that had the most to gain from federal government largesse in education, housing, and civic services. It is this set of actors that will be of interest in our data analysis as we expect this group to have actively turned away from the state in the 1950s.
- The second hypothesis relates to the extent to which there was a change in voter preferences. It is likely that those who most benefitted from a racialized state were the most likely to turn against the state after the dismantling of the regime. We therefore expect the sharpest drops in support for federal redistribution to occur in the South and in the industrial cities of the North facing a huge influx of black migration and poorer states in the US.
- The third concerns the timing of the changed preferences. The period of change was the late 1940s through to the 1960s, and not the post civil rights era as argued by other authors. The changes that arise in this period persist into the post-civil rights era.

In order to test my hypothesis, I look to survey questions relating to federal redistribution and taxes for public education. I use Gallup Surveys between 1938-1970 provided by the Roper Center

iPOLL Databank ³. In order to emphasize the point that white citizens in the US began to change their preferences for redistribution in the decade leading up to the civil rights legislation, I track questions on respondents willingness to pay more taxes or accept greater federal aid to public schools. Figure 1 shows that every region in the dataset experiences a decline in the proportion of favorable responses by white respondents to questions relating to "more taxes" or "more federal aid" after the 1954 Supreme Court verdict on *Brown v Board of Education* that ended segregation in public schools in the US. While the verdict affected xx states in the South that practiced segregation in public spaces, the verdict seemed to have affected perceptions of federal redistribution all over the country with all four regions in Figure 1 experiencing a dip in support for demand for federal assistance to schools. The south and the west experience the most dramatic drop in the post 1954 period.

The mechanisms through which white working-class and middle-class voters reject redistributive politics is of particular importance here in comparison to competing theories. I contrast the argument in this paper with arguments by other authors below and summarize the predictions about the timing of change arising from these theories in Table 1:

Carminc and Stimson (1989), Alesina et al (2001) and Lee and Roemer (2006) focus on race and redistribution as two distinct dimensions on which voters make their preferences and they might choose policies counter to their economic interests as long as it is consistent with their racial prejudices. Citizens either don't want to redistribute to the "other" as they think of them as economically less deserving or because they are racially prejudiced. We should expect these mechanisms to have a negative affect on public opinion on redistribution in states that have been historically seen as "racially conservative", that is the southern states of the US but not in other parts which are viewed as more racially homogeneous.

Shayo (2008), Lieberman (2001) and Marx (1998) focus on the transformation of economic, class based loyalties into national loyalties which implies a greater convergence between upper and lower class preferences when there is a greater emphasis on the national political community. Lieberman and Marx, expect greater redistribution before the civil rights legislation because of a racialized regime that emphasized intra-race white unity. Shayo expects less redistribution because of American nationalism which emphasizes cross-race and cross-class national unity and de-emphasizes class unity. Neither speaks to what happens when the basis for the definition of the nation changes over

³The data is available through http://www.ropercenter.uconn.edu/data_access/ipoll/ipoll.html

time and hence it is unclear what the predictions from these theories are for redistribution in the pre versus post franchise era. Also none of these authors examine sub-national variations on redistribution.

This argument presented here suggests that class solidarities in an era of the racialized state was converted into racial solidarities in an era of political expansion. The mechanism through which this occurred was through a development of animosity against the federal state as the federal government was viewed as acting against the redistributive interests of pre-existing dominant political groups. Consequently, these groups developed a dislike for federally led redistribution demanding instead a greater emphasis on individual responsibility, small government, de-regulation and a greater emphasis on solutions from the market. Another related phenomenon was a development in this period of a language of localism, self-government and greater empowerment to smaller, more homogeneous local communities. Working in tandem, these served to recreate a segregated private sphere where pre-existing hierarchies persisted.

5 Data analysis and Methodology

The data for this paper comes from seven surveys conducted by Gallup in the years 1938, 1947, 1948, 1955, 1957, 1960 and 1970 available through the iPOLL Databank at the Roper Center. These underutilized datasets are problematic due to the quota sampling procedures used to administer them prior to 1960. Other researchers who are interested in public opinion in this period, most notably Adam Berinsky and Eric Schickler, have attempted to "correct" these datasets using weighting techniques but these databases are not yet publicly available. I use hierarchical regression models in this paper; and this statistical technique mitigates some of the problems with imbalanced datasets without having to undertake weighting procedures.

I use respondents' support for more federal taxes or federal aid to local public schools as an indicator of their support for federal redistribution. The Gallup surveys ask fairly consistent questions on federal aid/taxes over two decades (the questions are listed in Table 2) which allows us to compare support for redistribution over time. Authors writing about public education in this period describe how desegregation deeply divided white communities over the strategies to adopt to counter forced integration in schools. Mark Lassiter (2006) suggests that working-class and middle-class families were at odds over the range of tactics to adopt with the former tending towards more extreme actions

such as physical intimidation, demands for a complete shutdown of the public schools system and an immediate move towards privatization to prevent forced mixing at any costs while the latter class, which had reaped the benefits of the public school system in the post-war period, preferred to take a more moderate stance and cloaked its demands by framing it in the language of local control and community ownership. Kevin Kruse (2005) on the other hand does not distinguish between the two groups in society and instead suggests that the fight was between purveyors of violence who used tactics to maintain segregation consistent with those used in the past and the purveyors of moderation who, in the interest of maintaining peace and stability for economic progress, emphasized individual rights over communal responsibilities, privatization over public welfare and free enterprise above everything else, creating a range of tactics more consistent with the future. While these authors disagree on the key actors involved, both their works suggest that regardless of moderation or extremism, we should see less desire for federal government intervention in the period following *Brown v. Board of Education* in 1954. Public opinion on education therefore seems a useful starting point to study citizens' perceptions of the state.

I compile the seven surveys mentioned above into a dataset that includes individual level predictors including sex, occupation, age, education, urban/rural location and information on the state and regions of the respondent as shown in Table 3 and 4. I use the U.S. census definitions of regions⁴.

This sort of time-series data exhibits state and region effects as well as contemporaneous time-effects and has been a source of much methodological debate in the field. While we could think of controlling for state and region effects through a dummy-variable, fixed effects approach, this effect tends to eat up too many degrees of freedom and makes it difficult to include state, region or year-level variables. Another approach is to include random errors in modeling the data but this

⁴The census regions are as follows:

1. New England: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont
2. Middle Atlantic: New Jersey, New York and Pennsylvania
3. East North Central: Indiana, Illinois, Michigan, Ohio and Wisconsin
4. West North Central: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota and South Dakota
5. South Atlantic: Delaware, D.C., Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia and West Virginia
6. East South Central: Alabama, Kentucky, Mississippi and Tennessee
7. West South Central: Arkansas, Louisiana, Oklahoma, and Texas
8. Mountain: Arizona, Colorado, Idaho, New Mexico, Montana, Utah, Nevada and Wyoming
9. Pacific: Alaska, California, Hawaii, Oregon and Washington

means making strong assumptions about the nature of the error structure- that region/state effects and time effects are uncorrelated with other predictors in the regression. Much ink has also been spilt about this in the literature with the Hausman test determining the appropriateness of fixed or random effects for the model. I use a multi-level model (MLM) regression framework to analyze the time-series data in this paper. In this framework, I view this particular data-set as a non-nested hierarchical structure where region-year observations or state-year observations are viewed as nested within region/state and years, but neither state/region nor years as viewed as being nested within each other. The error structures for the higher-level variables such as region/state and time enter into the model as random errors but I am explicitly able to model the slope and intercepts as functions of the individual and state predictors (fixed) and higher level errors (random). Hill and Gelman's (2006) excellent book provides a comprehensive introduction to these models and also includes a section on imbalanced datasets.

As we are interested in the change in white citizens' perception of the federal state, I perform the empirical analysis on a subset of the sample using only responses from white respondents. I use a logistic regression model with a dichotomous dependent variable capturing white respondents's approval/disapproval of federal taxes or federal aid towards public schools based on questions on this in the Gallup surveys. The individual and group predictors of interest here are:

Blue-collar: I use this measure to approximate both class and skill of the respondents. This measure is a dichotomous variable taking the value of 1 if the respondents is a low-skilled worker or farmer and 0 if the respondent is a skilled worker or white collar. We expect lower skilled workers to be more supportive of redistribution before the 1950s and less supportive of redistribution as civil-right-related issues emerge.

Rural: I use this measure to capture the effects of urban politics as the effects of desegregation were likely to be felt more immediately in more dense urban neighborhoods that required shared housing, school, park and other civic services. This is captured as a dichotomous measure that goes to one if the respondent lives in a town of less than 100,000 people.

Age: I control for age to capture inter-generational effects on redistribution. I treat this as a level variable with four age groups.

State-level variables: Proportion of blacks in the state, state-level GDP and proportion of protestants. Of these, the first variable proportion of blacks is expected to have a negative effect on redistribution.

Region, State, Year, and Region* Year: I create census region, state and year as higher-level variables as well as a level interacting region and year to capture the random effects of being a specific location and time simultaneously.

I show the results from five models in Table 5. The first model includes the individual variables, state controls and treats the interaction between region and year as the higher-level variable. Subsequent models add region and year as separate levels into the model along with the interaction variable. The most comprehensive models are model 4 and 5 which vary the slopes of blue-collar over different years to capture the extent to which class mattered over the years. To get a more nuanced measure of this variable, a variable "Urban Blue-Collar" is created to see the variation in the dependent variable arising from low-skilled urban workers. Results are discussed in the next section of the paper.

6 Discussion

The results in Table 5 suggests that there is a strong occupational effect on the probability of saying "yes" to more federal redistribution. Respondents who identified themselves as unskilled, service or farm workers were 7-8% (depending on the model) less likely to view federal redistribution favorably (we divide the coefficient on the logit model by 4). By contrast, rural and male respondents were around 2% more likely to view federal redistribution favorably suggesting that urban, women and working-class were the most likely constituency opposing federal aid to schools. The coefficients and standard errors on each of these variables remains robust to multiple specifications of the model, giving us greater confidence in these predictions. The Blue Collar/Farmer variable however captures low-skilled workers in both the farm and industrial sector. To tease out the effects of being low-skilled and urban I create a separate variable "Urban Blue Collar" and add it to the regression in Model 4. Interestingly, the variable does not emerge as significant and in fact, shows a positive (though insignificant) sign.

The state-level predictor of African American population density suggests that states with a higher proportion of Black respondents were less likely to view federal redistribution favorably, consistent with our predictions. The hierarchical non-nested model also allows us to introduce the effects of higher-levels like region, year and specific combinations of region and year into the analysis. The group standard deviations in Table 5 show that years introduce a lot of variation in the data and after introducing an interaction between year and region, we see that census regions contribute to almost no variation in the data.

Figure 2 and 3 presents the random-effects intercepts of the region:year and year variables from models

1, 2, 3 and 5. In Model 1 the random effects intercepts on each region:year interaction level are fit to the data on seven Gallup surveys between 1938-1970. The coefficients are plotted along with 50% and 95% confidence intervals. In Model 2, 3 and 5 the random intercepts for region:year are plotted as before but the red line shows the sum of the year and region:year intercepts (region intercepts are excluded as they are close to zero). The graphs indicate that compared to respondents in 1938, years 1947 and 1948 show lower support for federal distribution all over the country. Another period of drop in support is 1955, a year after *Brown v. Board of Education*, again experienced almost uniformly across the country. The random intercepts for East North Central, Middle Atlantic and the South Atlantic in particular show a drop in 1947 and 1955, indicating that these three regions most closely track the prediction made in this paper. The years 1947/48 are of particular importance because these suggest that previous a Supreme court decision such as *Smith v. Allwright* in 1944⁵ or Fair Employment Practices (FEP) legislation across states might have been stoking race related perceptions of redistribution by the federal state. Similarly, reactions across the country to *Brown v Board of education* in 1954 regardless of the degree of segregation in schools might also have led to a drop in support in 1955.

Models 4 and 5 allow for the varying of slopes by year for the "Blue Collar/Farmer" and "Urban Blue Collar" variables to understand if the relationship between this category of voters and redistribution varied by year. The year-wise slope coefficients are shown in black with 95% confidence intervals. The red line adds the individual year-wise slope coefficient to the overall coefficient for the variable. Figure 4 shows that in year 1947, 1948, 1954 and 1955 the "Blue Collar/Farmer" respondents were less likely than White-Collar workers to support redistribution. The inverse was true in the years 1938 and no different from zero in 1960. By 1970, this group was once again less likely than white-collar or skilled workers to support redistribution. To get a more nuanced understanding of how unskilled workers in urban areas behaved, we partitioned the data by "Urban Blue Collar" and once again computed the slope-coefficients for this variable by year. Unlike the previous variable, urban unskilled workers are more likely to support federal redistribution than unskilled rural workers, farmers or white collar workers between 1954-1960, contrary to the expectations of this model.

7 The rise of small government-North Carolina and Georgia

A key contention of this paper is that the prospect of an expanding franchise prompted white working-class and middle-class Americans who were supportive of social democratic policies such as welfare, labor and

⁵Robert Mickey (2008) argues that the *Smith v. Allwright* case was a transformative moment in the politics of the 11 states from the old confederacy. This decision invalidated the white-only Democratic party primary presenting a huge challenge to the political leaders in these southern states. Interestingly, Mickey notes that one of the first tactics used to counter the court decision was to privatize the entire state Democratic party in order to block the incorporation of blacks and delay reforms.

redistribution to change preferences and adopt instead, a language of conservatism focusing on privatization of government, a smaller role for the federal state and to emphasize individuality and local government. The results presented in the previous section certainly provide evidence of a shift in preferences amongst respondents, especially in the aftermath of key episodes of desegregation and political expansion in the country. In this section we examine the cases of school desegregation in North Carolina and Georgia to better understand the mechanics at play during this transformative period. While the argument proposed in this paper suggests a shift in preferences all across the US, the most pronounced changes occurred in the South Atlantic, Middle Atlantic and East North Central census regions of the country. I examine North Carolina and Georgia, two states from the South Atlantic region, both with historically high proportions of African Americans but otherwise distinct from each other on a number of dimensions including their economy, state political institutions and state party competition. While North Carolina's economic and political history is similar to the rest of the US, Georgia's economic and political history is more reflective of a classic deep-south state. Yet, both states turn away from emphasizing federal redistribution and move towards adopting localized or privatized solutions to desegregation in the aftermath of *Brown v. Board* decision. The cases are presented below.

North Carolina: V.O . Key (1949) describes North Carolina in the early part of the century as a state that had outstripped all other southern states in the "development of a virile and balanced economy". The state had a reputation for progress, enlightenment and fair dealings with African Americans as well as a well-functioning state government unmarred by accusations of corruption common amongst the other Black Belt states of the South. While Key attributes some of North Carolina's distinctiveness to its political economy including the relatively low numbers of "baronial slaveholders", he also suggests that much of North Carolina's successes emanated from the "purposeful direction of its social action" in the early 20th century.

The governorship of Charles Brantley Aycock between 1901-1905 in particular were dedicated to the advancement of public education in the state. He actively advocated the cause of higher taxes for universal education and sought to include education for African Americans into the state agenda. Interestingly, education to African Americans was viewed as non-threatening to white citizens as blacks had been largely disenfranchised on grounds of illiteracy in 1900. Aycock himself had played a key role in the white supremacy campaign of 1898 and 1900 but once black voters had been removed from rolls, the leader turned to educating all state residents regardless of color. This emphasis on education was viewed as being responsible for the huge strides made in productivity in manufacturing and agriculture in the early decades of the 20th century. Politically, the state had a stable Republican opposition accounting for around a third of the electorate. While the state remained in Democratic control for 50 years and the Republicans never came close to taking control in that period, the presence of a stable Republican minority profoundly affected the character of politics resulting in a more responsible, self-conscious and disciplined Democratic party.

While North Carolina may seem like an anomaly in the South, the presence of two-party pressures, the strong growth of manufacturing, the political differences between a Republican West, a Democratic East and a moderate middle along with an emphasis on strong social welfare in the early 20th century make it an especially apt case for our propositions because North Carolina resembled its counterparts in the rest of the country while also containing a significant proportion of African Americans and practicing segregation.

A reading of the Democratic party's state-party platforms between the 1920-1940s reveals a strong commitment on the part of the state to expanding public education⁶. Table x provides excerpts from party platforms over those two decades. The combination of federally subsidized home-ownership through the Federal Housing Administration and the G.I. Bill along with friendly federal mortgage lending lead to the growth of white suburban neighborhoods in the post-war period. The post-war generation of white Americans in the state therefore reaped the benefits of "white affirmative action".

The state's commitment to public education, however, received a jolt after the Brown v Board judgement in 1954. Mark Lassiter (2006) writing about the effects of the verdict in Charlotte, North Carolina argues that the city's moderate voices, embodied by the residents of affluent but segregated middle-class suburban neighborhoods in the outskirts of Charlotte, managed to stave off attempts to privatize the state system, shut down public schools and neutralized the more extreme tactics used by working-class families living in close quarters of black families and sharing urban civic resources. These middle-class families instead adopted a stance of moderation and supported the state's initiatives towards token integration, prioritizing the need for a strong socio-economic climate and continued provision of public education. Lassiter suggests this as evidence that race had not somehow been reconfigured into economic conservatism but rather that the economic changes of the post-war era had created a new political climate. I argue, however, that the moderation of this group was only possible because suburban whites faced no threat to segregation at all. This so-called moderate group adopted a language of neighborhood schools, individual choice for teachers, parents and students and local solutions, a departure from the strongly worded demands for privatization emanating from inner-city neighborhood, but still a language of conservatism that was starkly different from the state-wide and federally funded vision of public-education that had been espoused just a decade earlier. While North Carolina managed to maintain a face of tolerance through the 1950s, the issues raised by Brown v Board came into full relief in the late 1960s when courts enforced forced bussing of students both from and to white enclaves. By then the same families that had espoused an attitude of localism and tolerance actively campaigned against bussing and voted overwhelmingly for the Nixon presidency⁷.

⁶State party platforms for the Democratic party between 1920-1968 were made available by Professor Eric Schickler, UC Berkeley. Details are available here: <http://igs.berkeley.edu/schickler/partyplatforms/>

⁷The case study on Georgia's experience with public education is to be added later and shall be discussed during the presentation on April 29th 2011

8 Conclusion

The ideas developed in this paper suggest that franchise expansion in societies with non-economic paradigms of inequality transforms the preferences for social democratic policies for groups previously in power. The changes in preferences are particularly pronounced for lower-skilled individuals and citizens living in regions with high proportions of marginalized groups, producing results that are contrary to the expectations of economic models studying the expansion of the electorate. The emergence of new groups into the political landscape encourages pre-existing stakeholders in the state to shun the state and to seek alternative arenas of control in the private sphere resulting in reduced support for the federal government and its centralizing and equalizing policies. The experience of the US through the course of the 1950s, a decade before franchise expansion formally took place, provides evidence of the mechanisms through which such a transformation occurs.

The US may not be alone in this experience. In the aftermath of the *Second Democratic Upsurge* (Yadav 1996) where lower castes began to engage more directly in politics in India through the course of the 1970s and 1980s, India experienced a sharp turn towards the economic right with a greater emphasis on privatization, liberalization and the reduction of the government's role in the economy. In addition, levels of inequality have been on the rise in India despite increased representation of hitherto marginalized castes in politics suggesting that a similar mechanism as the one described in this paper may have been at work.

While the empirical work in this paper has focused on public opinion in the US, it is likely that examining welfare spending and legislation at the state-level in the US will shed more light on to which states were politically more likely to act on changing public views on redistribution. In addition, variations in state institutions and state political machinery would have constrained or encouraged this process to varying degrees. The study of state legislative activity and the actions of state political actors should allow us to uncover exactly how the emergence of a neo-liberal coalition occurred in the middle of the century in America.

Finally, the argument that franchise expansion could alter the redistributive preferences of pre-existing groups could be used to investigate the case of franchise expansion in other countries. While the arguments here suggest that these preferences shift due to a challenge to an existing non-economic paradigm of race or caste, there could be other non-ascriptive factors that result in a similar shift in preferences.

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Figure 1: The proportion of white respondents saying "YES" to questions on more taxes or more federal aid for public schools in Gallup surveys in 1938, '47, '48, '54, '55, '60 and '70. The data has been split into four regions South, North, West and Mid-West as used by the United States Census. The details of each region are provided in footnote X

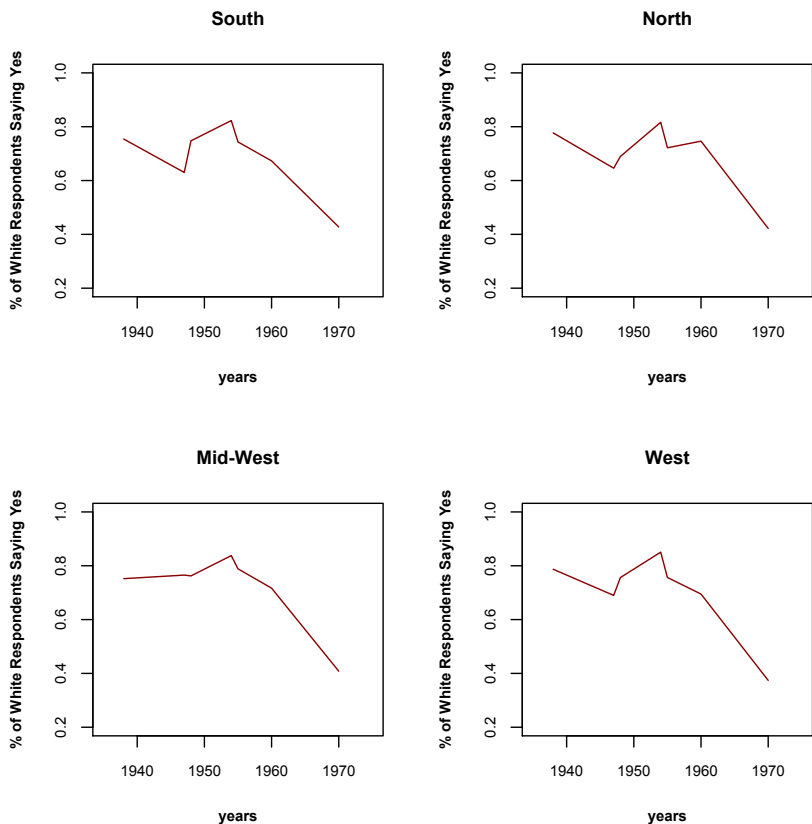


Table 1: Public opinion of white respondents on federal government size and redistribution as suggested by other authors compared with the current theory

Authors	Pre-1964	Post-1964
Meltzer and Richards (1981) Focus on income redistribution	No change	Positive Opinion- All country
Carmine and Stimson (1989) Focus on affirmative action	No change	Negative Opinion- All country
Schickler and Feinsten (2008) Focus on racial liberalism	Positive opinion in the North	Persistence of positive opinion in North
Current paper Focus on federal redistribution	Negative opinion in the country	Persistence of negative opinion all country

Table 2: Questions used from the Gallup surveys for each year. Surveys are available at the Roper Center iPOLL Databank through http://www.ropercenter.uconn.edu/data_access/ipoll/ipoll.html.

Year-Gallup Code	Question
1938-0115	Do you think the Federal Government should give money to states to help local schools?
1947-0389	Would you be willing to pay higher taxes in order to increase teacher's salaries?
1948-0418	There is a bill now before Congress which asks that the Fed government to distribute about 300mil a year to states for school aid. Do you think the congress should provide the money for this purpose or should school aid be left to each state
1954-0533	Suppose classes in the public schools grow to be bigger Would you vote to raise the local school taxes you have to pay in order to reduce the size of classes
1955-0553	Would you be willing to pay more taxes if the extra money were used to raise salaries for school teachers?
1960-0623	Do you favor or oppose federal aid to help build new public schools
1970-pos828	Suppose the local PUBLIC schools said they needed much more money. As you feel at this time, would you vote to raise taxes for this purpose, or vote against raising taxes for this purpose?

Table 3: Respondent profiles in surveys from each year. Surveys are available at the Roper Center iPOLL Databank through http://www.ropercenter.uconn.edu/data_access/ipoll/ipoll.html.

Year	Total	White	Black	Female	Male	Urban	Rural	Skilled	Unskilled/Farmer
1938	2883	2832	51	964	1919	1024	1859	1003	1792
1947	2953	2792	129	1478	1475	1025	1960	1391	1594
1954	1548	1471	77	784	788	483	1093	553	961
1955	1452	1235	141	757	693	470	982	569	843
1960	2595	2326	259	1370	1199	1206	1389	871	1701
1970	1592	1447	137	807	785	784	808	548	1016

Table 4: Proportion of white respondents from each region in the Gallup survey from that year

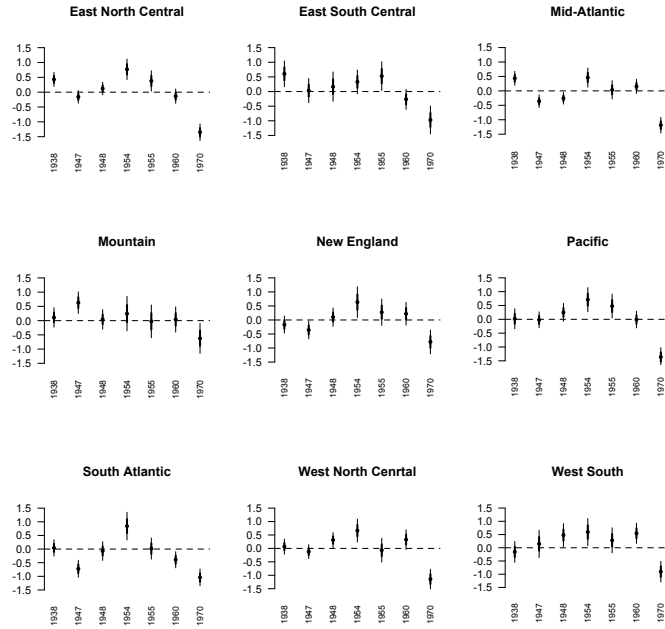
	yr-1938	yr-1947	yr-1948	yr-1954	yr-1955	yr-1960	yr-1970
E North Central	0.23	0.24	0.25	0.22	0.20	0.20	0.20
East South Central	0.05	0.04	0.03	0.11	0.07	0.08	0.05
Mid-Atlantic	0.22	0.21	0.25	0.21	0.22	0.22	0.21
Mountain	0.08	0.07	0.06	0.03	0.04	0.05	0.04
New England	0.09	0.08	0.08	0.07	0.08	0.07	0.07
Pacific	0.06	0.11	0.09	0.11	0.11	0.12	0.12
South Atlantic	0.09	0.07	0.06	0.09	0.12	0.11	0.15
W North Central	0.12	0.13	0.13	0.11	0.08	0.08	0.10
West South	0.06	0.04	0.05	0.06	0.08	0.09	0.08

Table 5: Proportion of white respondents from each region in the Gallup survey from that year

Fixed Effects Coefficients	Model 1	Model 2	Model 3	Model 4	Model 5
Individual Predictors					
Male	0.08 (0.04)*	0.08 (0.04)*	0.09 (0.04)*	0.08 (0.04)*	0.08 (0.04)*
Blue Collar/Farmer	-0.31 (0.04)***	-0.30 (0.04)***	-0.29 (0.04)***	-0.31 (0.05)***	-0.30 (0.04)***
Rural	0.08 (0.04).	0.08 (0.04).	0.08 (0.04).	0.10 (0.06)	0.07 (0.04)
Urban and Blue Collar				0.05 (0.13)	
State Predictors/Year predictors					
Proportion of Blacks	-0.10 (0.06)	-0.11 (0.05)*	-0.12 (0.05)*	-0.11 (0.05)*	
Rescaled(Year)		-0.62 (0.33).	-0.50 (0.32)		-0.64 (0.32)*
Dummy For High Black Population (the dummy was interacted with years)					-0.07 (0.19)
Intercept	0.97 (0.15) ***	1.04 (0.22)***	1.01 (0.22)***	0.95 (0.24)***	1.04 (0.21)***
Group Effects Stdev.					
Age	0.24	0.25	0.25	0.26	.25
Region Intercepts		0.00	0.01	0.02	0.06
Year Intercepts		0.43	0.43	0.51	0.42
Region * Year intercepts	0.57	0.23	0.23	0.22	0.23
Blue-Collar Varying Slopes			0.30		
Urban Blue-Collar Varying Slopes				0.26	
Number of Observations	13656	13656	13656	13656	13656

Figure 2: In Model 1 the random effects intercepts on each region:year interaction level are fit to the data on seven Gallup surveys between 1938-1970 in the hierarchical models presented in Table 5. The coefficients are plotted along with 50% and 95% confidence intervals. In Model 2 the random intercepts for region:year are plotted as before but the red line shows the sum of the year and region:year intercepts. The graphs indicate that compared to respondents in 1938, years 1947 and 1948 show lower support for federal distribution all over the country. Another period of drop in support is 1955, a year after Brown V Board of education. The random intercepts for East North Central, Middle Atlantic and the South Atlantic in particular show a drop after 1954. These trends persist in Model 2.

(a) MODEL 1



(b) MODEL 2

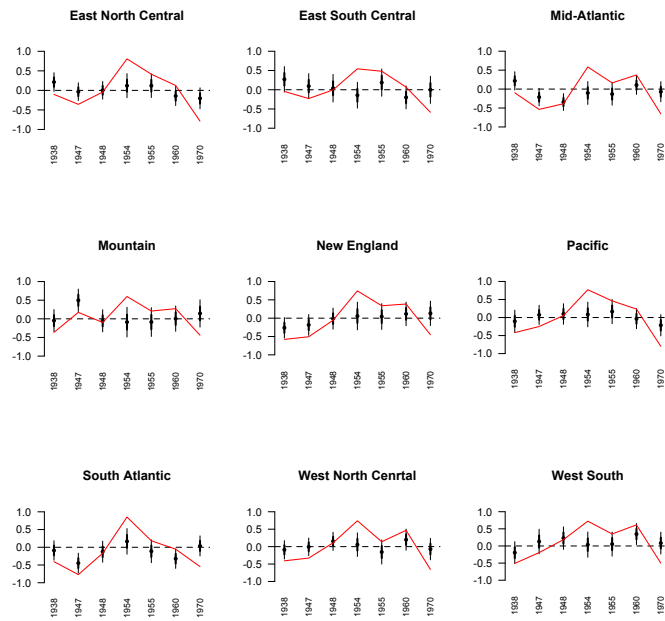
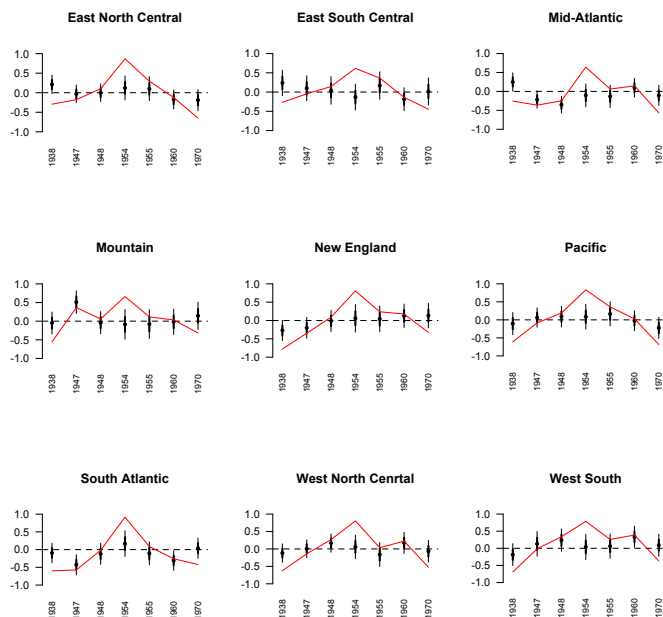


Figure 3: In models 3 and 5 the random intercepts for region:year are plotted as before with 95% confidence intervals and the red line shows the sum of the year and region:year intercepts.

(a) MODEL 3



(b) MODEL 5

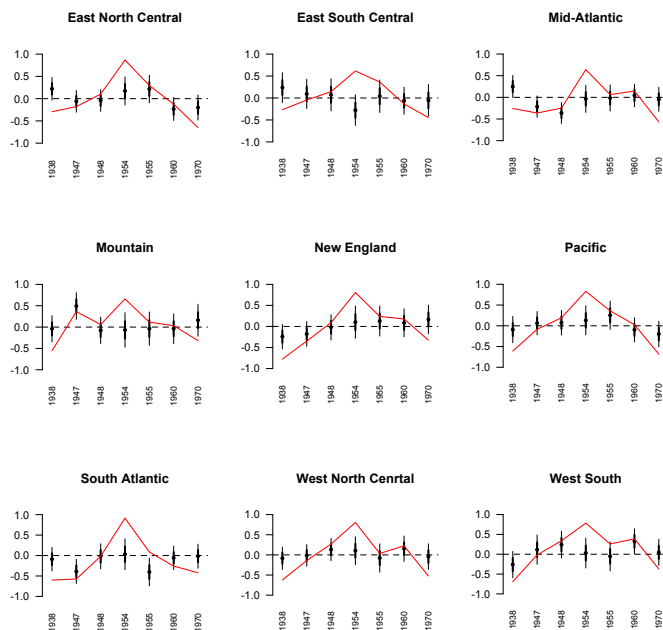


Figure 4: The plotted points are slope coefficients for the Blue Collar and Urban Blue Collar variable for each year for a varying-slope hierarchical model. The points are presented with 95% confidence interval. The red lines add the slope to the common intercept to present the overall effect for the variable.

