# Do we still care who gets what, when and how? Asset ownership, economic interests and voter behavior after 2016

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**Abstract**

Debates about the importance of economic interests have long been a feature of the study of American politics. This took on new significance following the 2016 US elections, with a common claim being that Donald Trump won the presidency in part due to the support of the White working class. Many of these arguments have been under-theorised, though. Blue collar employment and the possession a college degree, for instance, are often conflated with voters' economic interests without any real explanation or justification. I argue a meaningful analysis of the salience of economic interests cannot be conducted just by examining the color of a voter's collar, or their possession of a degree. Rather, the ownership and control of private capital and its associations with access to resources should also be considered. I show that even after the 2016 elections, asset ownership remains associated with political efficacy, life chances, economic policy preferences and vote choice in the United States. This suggests political scientists should work to better understand the role and salience of private capital when studying the influence of economic interests on political behavior.

### From 'Who gets what, when, how' to 'the death of class'

Politics in representative democracies is commonly conceptualized as a form of managed conflict between different interests. This understanding was reflected in classic works of political science, including Lasswell (1950), who described the process of politics as deciding 'who gets what, when, how'. In this characterization, political parties are representatives of these interests. Traditionally, parties of the left were seen as representing less advantaged groups (including the working class), and conservative parties those with more resources (the upper middle class and owners of capital).

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This has never been a consensus opinion, though. There have been claims that economic interests have never been particularly salient in US politics (Hartz 1955; Galenson 1961), or that they have become less important or even inverted since the late $20^{th}$ century, with working class Americans voting against their own interests (Frank 2004). Channelling the death of class (Clark, Lipset, and Rempel 1993; Pakulski and Waters 1996), embourgeoisement (Kerr et al. 1960; Lipset 1964; Rose 1968) and post-materialist (Inglehart 1977) theories — which in various forms claimed the political cleavages of the industrial age are no longer salient in affluent western democracies — these accounts share a common theme: the Republican Party has become the electoral vehicle for (generally White) working class Americans, and the Democratic Party a coalition of advantaged middle class professionals and minority groups. These arguments became more common following the 2016 presidential election, with Donald Trump's victory ascribed in part to the support of the White working class (Cohn 2016; Frank 2017; McQuarrie 2017; Morgan and Lee 2017; Zingher 2020).

Empirical observations over the past few decades have suggested that claims about economic interests (or class) ceasing to be politically significant may be premature (Brooks and Manza 1997a; Bartels 2006; Gelman et al. 2007; Ogorzalek, Piston, and Puig 2019). There are problems, though, with both the accounts of inverted or irrelevant class cleavages, and these rebuttals.

Frequently, many of the assertions made about economic cleavages in the American electorate have been under-theorised. This has often resulted in oversimplified and ambiguous concepts of economic interests and class, with a citizen's occupation and education often conflated with their economic interests. While studies examining these variables may be observing significant phenomena and changes in the electorate, a meaningful analysis of economic interests cannot be explained by the color of a voter's collar alone, whether they have a college degree, or even their income. Rather, I contend that an important component of what defines their economic situation is their access to resources that shape life chances, and their ownership and control of private capital in particular.

The inequalities created by the uneven distribution of wealth in society are not just academic concerns. The ownership and control of private assets is associated with the ability to access life-enhancing goods — including healthcare and education — and is associated with better health, longer life expectancy, and an income safety net that is not available to most Americans. This shapes the material interests of the owners of capital and the assetless, providing them with distinct perceptions of what constitutes good public policy. This has been shown to be political important in several democracies (Nadeau, Foucault, and Lewis-Beck 2010; Foucault, Nadeau, and Lewis-Beck 2013; Lewis-Beck, Nadeau, and Foucault 2013; Lobo 2013; Stubager, Lewis-Beck, and Nadeau 2013; Persson and Martinsson 2018; Quinlan and Okolikj 2019), but has generally been understudied in the US (with a few exceptions, including Lewis-Beck and Nadeau 2011).

In the following sections I outline a theoretical framework for the ongoing social and political significance of private capital in the United States (US), and why it should be incorporated into any study of politicized economic cleavages.

I argue that the divergent interests and political preferences driven by asset ownership are not interchangeable with other aspects of voters' economic interests, including income, and demonstrate that this theory has empirical support using recently collected survey data.

## Competing ideas about the political relevance of economic interests in American politics

A traditional understanding of electoral politics was as a form of conflict used by society to decide the distribution of resources. Frequently this was seen as being between the owners of capital (and often large parts of the middle class) and the working class. Political scientists Harold Lasswell (1950), Anthony Downs (1957), and Seymour Martin Lipset and Stein Rokkan (1967), for instance, all assumed that modern politics was in a large part concerned with economic issues, class and redistribution. This understanding was challenged early and often, though.

### *An inversion of economic cleavages?*

Traditional economic cleavages, it has been claimed, have become less important in American politics, or even inverted (Ladd and Hadley 1975, 240, 232). One of the most influential works of this type was Thomas Frank's (2004) 'What's the Matter with Kansas?'. This provided an account of the emergence of a new coalition between business interests and the White working class. In this characterization, Republicans won middle America by convincing ordinary voters of modest means to vote in a way that was inconsistent with their economic interests, to defend traditional values against liberal elites. Conversely, Democrats were viewed as being so motivated to win over urban professionals that they lost touch with, and then lost the votes of, working class America. A claim he repeated more recently (see Frank 2016).

These claims are not new, and Frank has not been alone with this account. The US has long been seen as a possible outlier among affluent liberal democracies, with its lack of politically significant economic cleavages noted early and repeatedly (see for instance, Hartz 1955; Galenson 1961). In recent decades, political scientists, sociologists and commentators have joined Frank in identifying a decline in Democratic support among working class White voters (Brady, Sosnaud, and Frenk 2009; Aldrich et al. 2018, 157–60). It has been argued that this was in part the result of the disintegration of the New Deal coalition (Stanley and Niemi 1991; Rae 1992), and the formation of a Republican electoral alliance between working class Whites and business interests, driven by opposition to government intervention in general (Edsall and Edsall 1991, 154) and programs related to race, civil rights and affirmative action in particular (Huckfeldt and Kohfeld 1989, 84).

Claims of a reversed role for economic interests in American electoral politics were amplified following the 2016 presidential election (Cohn 2016; McQuarrie 2017; Morgan and Lee 2017; 2018; Zingher 2020). It was asserted that Republican candidate Donald Trump successfully appealed to White working class voters with an anti-immigrant, economic protectionist platform; enabling him to win the electoral college votes of Pennsylvania, Michigan, Wisconsin and Ohio, and the presidency.

*Some theoretical explanations for these observations*

Many of these claims are consistent with the embourgeoisement, death of class and post-materialism theories. These argued that economic and social changes had eroded the political salience of economic interests in mature, affluent liberal democracies.

According to death of class theorists (Clark, Lipset, and Rempel 1993; Pakulski and Waters 1996), traditional economic cleavages that were so important in the politics of many western democracies at the beginning of the $20^{th}$ century were part of specific historical processes linked to the market and its institutionalization during the development of industrial capitalism. As the conditions of industrial societies changed, these cleavages became increasingly irrelevant. The most important aspect of this process was the decline of economic class identities (working class, for instance), ideologies (socialism) and organizations (unions).

Similarly, the embourgeoisement, or affluent worker thesis (one of the earliest statement of which was Zweig 1961), asserted that in advanced industrial society, rising prosperity and a more equal distribution of income and wealth, and increased economic and social mobility (Lipset and Bendix 1959, especially ch. 2), reduced the economic and political differences between high and low income voters, and the social foundation that had helped define the political left and right (Hamilton 1967; Rose 1968). These observations led to the view that the working class itself would entirely disappear as a separate, stratified group, and the reasons for thinking and acting in terms of unique economic interests would be undermined (Kerr et al. 1960; Lipset 1964).

According to the post-materialist thesis, as growing affluence reduced the immediate importance of material needs, the importance of traditional class cleavages declined, and citizens' political preferences became increasingly shaped by non-economic issues. Social, moral and other concerns became more important than economic matters, and class voting declined (Inglehart 1977; Inglehart 1990; Inglehart 1997; Inglehart 2008).

*Alternative views*

Despite the belief that economic cleavages had shifted or become irrelevant being widespread, consensus was far from total (see for instance Goldthorpe et al. 1969; Goldthorpe 2001), and accounts of the inversion of economic cleavages in the American electorate have been empirically critiqued (Bartels 2006; Gelman et al. 2007). Many of the associated claims also fail to hold up to scrutiny. For instance, assertions that the Midwest has turned Republican recently due to the working class abandoning the Democratic Party (by Frank 2017, for example), ignores that voters in Ohio, Michigan, Wisconsin and Pennsylvania have generally supported winning Republican presidential candidates; with George W. Bush the exception, rather than the rule.[2] Political and social scientists have repeatedly provided evidence that traditional income and occupational cleavages remain in the electorate (including Brooks and Manza 1997a; Bartels 2006; Gelman et al. 2007; Ogorzalek, Piston, and Puig 2019); although there is evidence that since the 1960s voters with professional occupations moved towards the Democratic Party (Brooks and Manza 1997a), and blue collar and lower income White voters without a college degree shifted to the Republican Party, particularly in the South (Brooks and Manza 1997a; Bartels 2006).

However, these accounts generally engaged with the idea of economic cleavages as it was framed by the scholars and commentators they were debating. While research on economic interests and electoral behaviour has improved over the past 30 years,[3] a problem with many of the studies addressing economic cleavages in the American electorate is their (frequent) operationalization of the phenomenon without providing a strong theoretical justification for variable selection. This has arguably resulted in the use of oversimplified and ambiguous concepts of economic interests. Occupation and education, in particular, are often conflated with economic interests without seriously interrogating if or why these factors might be the major causes of economic cleavages in the electorate.

### The political importance of private capital

Although it is not the only factor influencing voters' economic interests, private capital plays an important role in the social and economic structure of the US. Rather than capital ownership being interchangeable with occupation, education or even income, I contend the ownership of income-producing assets reflects a separate component of an individual's economic interests; one that plays a large role in influencing access to economic, social and political power and resources.

The uneven distribution of asset ownership reflects broader inequalities in access to resources and status-defining goods and services, separate to these other economic factors. Ownership and control of private wealth (property, capital) matters to sociologists because it reflects unequal access to property rights — which generally confer a claim or monopoly on particular resources, including land or shares in a business — and power in society. This drives unequal life chances and social stratification (Braverman 1988; Wright 1997; 2015; Sørenson 2000), and creates the conditions for the development of disparate policy and

[2] Ohio was won by Republican presidential candidates in 1952, 1956, 1960, 1968, 1972, 1980, 1984, 1988, 2000, 2004, as well as 2016 (and every year the Republican candidate won the presidency since the Civil War); Michigan in 1952, 1956, 1972, 1976, 1980, 1984, 1988, and 2016; Wisconsin in 1952, 1956, 1960, 1968, 1972, 1980, 1984, and 2016; and Pennsylvania in 1952, 1956, 1972, 1980, 1984, 1988, and 2016.

[3] Partially abandoning dichotomous measures of class based on the (sometimes false) distinction of blue and white collar workers (such as the Alford Index; see Alford 1963, 79–80) for multi-category class schemes (for instance Brooks and Manza 1997a). The work on regional variation in the association between partisan support and income (Gelman et al. 2007; Ogorzalek, Piston, and Puig 2019) has also been important.

partisan preferences between citizens who own considerable assets, and those who own none.

As a result, private capital as a driver of mass political preferences and behavior should also matter to political scientists, but is frequently ignored,[4] or poorly operationalized in the study of economic class and interests in American politics.[5] Instead, these studies frequently use other measures to examine the political influence of economic interests; commonly income, education or occupation. However, as asset ownership provides benefits that are not necessarily gained from having a higher income from labor, a college degree, or a more prestigious occupation, these other measures of economic interest cannot always act as effective proxies for the possession of capital. While studies that examine the association between occupational class, education or income and vote political behavior may be observing important phenomena, without the inclusion of an adequate measure for asset ownership they are overlooking an important feature of economic interests, and as I outline in the following section, a still extant economic cleavage in the American electorate.

By missing the significance of assets in their examination of economic cleavages, there has often been a focus on false dichotomies — between those voters in blue collar occupations and the rest of the electorate,[6] and the college educated compared to those without a degree — or have been confused by political divisions within the middle class.[7]

To properly understand how political cleavages can emerge from economic interests, it is necessary to develop a theoretical framework that explains how conflict might emerge from production and market relations, inequalities in power, and access to resources and opportunities; and the ways this can be politicized. In the following sections of this paper, I argue that asset ownership develops into a salient political cleavage in the through three steps: 1) The owners

[4]With a few exceptions, such as Lewis-Beck and Nadeau (2011).

[5]In one recent study, the measurement of asset ownership was limited to the possession of corporate stock (see Zingher 2020). As I show below, shares may not be the most politically salient asset class.

[6]Often operationalized using the Alford Index (see Alford 1963, 79–80; for a recent application, see Aldrich et al. 2018, 157–60)

[7]That voters with professional occupations have tended to side with the Democratic Party in recent decades has been of considerable interest to scholars (Brint 1985; Brooks and Manza 1997b), and is sometimes used to argue that the political importance of economic interests is in decline (Inglehart 1990). That there is a cleavage separating many middle class managers and professionals should perhaps not be overly surprising, though. A distinction can be made between and within the roles and economic interests of managerial and professional occupations (see for instance Braverman 1988). Professionals tend to be employees and mostly earn income through their value-added labor, in which they have generally heavily invested (through higher education), and for which they potentially face greater than average risks from labor market recessions, including long periods of unemployment or decreases in income. They have ample incentive to prefer public insurance to protect their investment against possible future income shocks (see Iversen and Soskice 2001). Conversely, private sector managers are often employed to administer the interests of capital. As I discuss below, a lack of wealth and reliance on earned income can help align the political preferences of some professionals with parts of the working class.

of substantial private capital have different economic interests to the assetless; 2) This leads to divergent economic policy preferences; 3) The Democratic and Republican parties represent these interests and preferences, leading the two groups to support different parties and candidates.

*Production relations, social power and divergent economic interests*

The idea that ownership of assets (or capital) influences political behavior is old, and was most famously articulated by Marx (see Marx, Engels, and Hobsbawm 2012). According to Marxist theory, the economic structure of society is formed by the relationship between labor and capital. Workers and the owners of capital make political choices (in part) based on their economic interest, which will frequently be divergent. In this account, production relations are socially, economically and politically more important than income, education or occupation.

Other theorists have argued that class is multidimensional and cannot be reduced to a single factor, including control of capital. However, most of these scholars acknowledge production and market relations remain highly salient in societies that use forms of market capitalism, and are in effect an expression of social relationships.[8]

While Weber (see Weber, Gerth, and Mills 2009, 180–95) argued that additional market capacities, including education and authority in the workplace, also influenced social status (as have other scholars: see Giddens 1973; Wright 2015), along with non-economic forms of social relations, he largely agreed with Marx on the significance of capital ownership (or property relations). For Weber, economic influence and the control of private capital was one of the more important sources of power in societies that used market economies to allocate resources, and access to economic resources, social status and power were often interlinked. High status individuals and groups also (usually) possess greater economic and political power, and are able to obtain a greater share of valued life-outcomes — including necessities such as housing and medical care, along with luxuries and status-defining goods and services — with each markers of status and influence reinforcing the others.

The death of class (Clark, Lipset, and Rempel 1993; Pakulski and Waters 1996) embourgeoisement (Kerr et al. 1960; Lipset 1964; Rose 1968) and post-materialist (Inglehart 1977) theories claimed increased affluence and social mobility, along with declining inequality, had rendered many of these social and political divisions of the industrial age irrelevant; including the distinctive politics of the working class, and the conflict between labor and capital. However, the unequal distribution of wealth and power identified by Marx, Weber and Giddens, and their implications on access to resources and opportunities, continue to

[8] Although Max Weber's essay on 'Class, Status and Party' is often viewed as a critique of Marx — incorporating the influence of status in his analysis, so that Marxist economic determinism is conditioned by non-economic factors, including religion and (non-economic) signifiers of social position — it acknowledged the often conflicting interests of labor and capital remained salient.

provide the foundations for a salient political cleavage, with the economic and social realities of the contemporary US suggesting that the death of class may have been exaggerated.[9] Significant wealth inequalities remain (and continue to grow), and affluent Americans have greater political influence, superior life chances and very different political interests to the assetless.

The richest Americans are generally not highly paid workers (doctors, lawyers and architects, for instance). They are predominantly capitalists and landlords, earning much of their income from the capital they own; while most middle and working class Americans earn very little income from assets.[10] Wealth is more unequally distributed than income, and its accumulation frequently the result of resource transfers across generations (inheritance), rather than earned in the labor market (Gale and Scholz 1994; Keister and Moller 2000). The income that asset owners derive from capital is very different from income earned through labor. Most importantly, it is unaffected by the earning constraints of labor: hours available for work, unemployment and poor health (see for instance Spilerman 2000). This provides the owners of substantial capital with far fewer limits on earning potential, and a financial safety net that does not exist for most citizens (Pfeffer 2011; Ansell 2014).

The benefits derived from capital accumulation are no mere academic concern. Wealth, and the income it generates, provides its owners access to valued life-outcomes for themselves and their families. Individuals and households that own a greater stock of capital tend to have superior access to education (Pfeffer 2011; Prix and Pfeffer 2017) and health outcomes (including longer life expectancy; see Kennickell 2008). Wealth inequality also remains a major driver of the large and ongoing racial disparities in income and life opportunities in the US (Gittleman and Wolff 2004; Shapiro 2004; Meschede et al. 2017).

These differences in access to resources and life opportunities shape the material reality and lived experiences of both the owners of capital and the assetless. While the former obtain significant economic, social and political benefits from the control of assets, the latter are required to live off their labor or transfers from the state. This creates a divergent set of interests, and may result in different policy preferences.[11] This leads to:

Hypothesis 1. Asset ownership leads to differences in access to resources, life chances, and political power. These differences will be evident in survey data.

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[9] With apologies to Mark Twain.

[10] Nearly 60 cents in every dollar received by Americans with incomes in the top one per cent was obtained from capital. The figure for the top 10 per cent was approximately 40 cents. Both are much higher than the 15 cents in the dollar for the remaining 90 per cent of Americans (Piketty, Saez, and Zucman 2017).

[11] On the preferences of the very affluent, for instance, see Page, Bartels, and Seawright (2013).

*Divergent interests and issue preferences*

A political cleavage may be created by these divergent interests when one or both groups (or the parties and politicians representing them) pursue policy outcomes through the political system that are incompatible with the interests of other groups. Asset ownership has been shown to be politically important in several representative democracies (Nadeau, Foucault, and Lewis-Beck 2010; Foucault, Nadeau, and Lewis-Beck 2013; Lewis-Beck, Nadeau, and Foucault 2013; Lobo 2013; Persson and Martinsson 2018; Quinlan and Okolikj 2019). However, it has generally been under-studied in the US (with a few exceptions, such as Lewis-Beck and Nadeau 2011.).

To test these ideas, let us examine two groups with potentially incompatible economic interests: citizens who own considerable private capital and those who own none. To model and test these ideas, let $c$ be the stock of capital owned by a voter; which can be conceptualized as possessing a claim on resources through property rights, and includes the control of income producing assets,[12] such as land, corporate stock, or a private business.

Group $A$ is comprised of citizens who own few income-generating assets $c$, who instead obtain income through their labor or from state transfers. Members of Group $B$ own considerable capital, which can be used to generate income. When one of these groups seeks greater freedom of action (more flexible labor laws for employers or unionization), or a greater share of the resources available in a society, this creates the opportunity for political conflict. For labor to gain greater income share through a livable minimum wage or increase its bargaining power (via stronger unions or more generous unemployment benefits), the profits from $c$ are reduced, at least in the short term.

The higher $c$ is for the members of Group $B$, the more revenue-generating capital they own, and the greater the resources and power they possess. As $c$ increases, the more we would expect a citizen to benefit from and support a policy regime that reduces taxes on the wealthy and economic redistribution, and liberalizes the labor market. Conversely, we would expect voters in Group $A$ with $c$ at or near zero, who earn income from labor or state transfers, will support large elements of the welfare state to mitigate the risks of income shocks. This is the case regardless of income, education or occupation, with the safety net effect of asset ownership having impacts on policy preferences independent of these other factors.[13] As a result:

Hypothesis 2. Divergent interests will lead to individuals who own considerable assets to generally hold different issue preferences to those who own none. Wealth provides benefits that are not necessarily gained from having higher earned income or levels of education, and that asset ownership results in economic interests separate from and not interchangeable with income, education

[12] Including through business income, rents, dividends, imputed rents and capital gains.

[13] For a discussion on the importance of risk mitigation on support for the welfare state, and public insurance in particular, see Iversen and Soskice (2001), Mares (2003) and Cusack, Iversen, and Rehm (2006).

and occupation, and differences in issue attitudes will remain even after these other factors are controlled for. In particular, higher $c$ will lead to greater opposition to policies that strengthen the bargaining power of labor or otherwise reduce the income derived from $c$.

*Parties as interest aggregators, and politicized economic cleavages*

If the party system of a liberal democracy represents the different economic interests and issue preferences of the owners of capital and the assetless in a meaningful way, it may be difficult for a single party coalition to contain both groups. If asset owners, for instance, attempt to make policy gains that will advantage their interests, but disadvantage those of citizens who do not own assets, political conflict is a likely outcome.

To better understand how this might work in practice, I use the group-centric theories of parties developed by Bawn et al. (2012), Karol (2015) and Baylor (2017) to conceptualize how the interests and issue preferences that emerge from a citizen's relationship with capital may influence partisan support. These scholars view political parties as interest aggregators representing electoral coalitions comprised of politicians, activists, donors and voters, united by compatible policy goals. These actors and groups use their involvement with parties to pursue their interests, generally by influencing party policy and candidate nominations (through primary elections and their support for different candidates). An underlying assumption here is that voters and the actors operating within parties are strategic utility satisficers with bounded rationality.

The economic policies of the Democratic Party $D$ can be written as position $d$, and those of the Republican Party $R$ as position $r$. Policy bundles $d$ and $r$ are shaped by the aggregate nature of the interests that comprise the party coalitions. If the Democratic Party primarily represents Group $A$, for instance, — voters who earn most of their income from labor and transfers — and the Republican Party disproportionately represents Group $B$ — landlords, small business owners and hedge fund managers — we would expect the policy packages of each party and their candidates to be different. The policies that comprise $d$ and $r$ impact on the utility that voters derive from election outcomes, including the income derived from $c$. For instance, asset owners in Group $B$ may support the Republican Party in greater numbers because $r$ includes cuts to taxes on capital and increases income from $c$ at a rate greater than $d$, providing greater utility for their support.

That the Democratic and Republican parties represent different economic interests has long been recognized (see Hibbs and Dennis 1988; Bartels 2010). This is reflected in the legislative priorities of each party when they have the fewest constraints on their ability to enact policy change: when they control both the federal executive and legislature. We see evidence for this when presidents George W. Bush, Donald Trump, and their congressional allies (holding majorities in both chambers), made reducing taxes on capital, and increasing the share of national income going to its owners, the highest priority of their first terms (for details see Firestone 2003; Firestone 2003; Stevenson 2003; Long 2017; Kaplan and Rappeport 2017). Both passed legislation lowering corporate, capital gains and estate taxes (the latter by increasing the exemption amount).[14] The Bush tax cuts[15] were described as 'shifting the burden of taxation onto wage earners and off people who have capital income' (Stevenson 2003); while the Trump cuts[16] included one of the largest single reductions of corporations taxes, substantially increasing US company profits (Tankersley 2018).

Conversely, when the Democratic Party controlled both the White House and Congress at the beginning of the Obama administration, it focused on winding back some of the Bush-era tax cuts for high income Americans, and increased others.[17] This Democatic White House and Congressional majority also attempted to make healthcare more accessible to less affluent individuals and families, in theory growing their allocation of social resources, reducing workers' reliance on employer provided insurance, and increasing labor's bargaining power with capital[18]. The Trump administration subsequently tried to roll back many of these reforms.[19]

These observations lead me to:

Hypothesis 3. If the theoretical framework outlined above has utility, it follows that an approximately continuous relationship between greater $c$ and Republican support at presidential elections will be observable, and that this association will be evident even after other measures of economic interest and demographic differences are controlled for. In practice this will mean Group $A$ will exhibit lower levels of Republican support, and Group $B$ higher levels.

Of course, greater income from their capital is not the only utility an asset owner can obtain from their vote, and so we would not expect all asset owners to support the party that would provide this. However, based on the logic of this argument, I anticipate asset ownership to be associated with partisan support.

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[14]With partisan conflict over the estate tax being well documented by Larry Bartels (2010 ch. 6).

[15]The Economic Growth and Tax Relief Reconciliation Act 2001, and the Jobs and Growth Tax Relief Reconciliation Act 2003.

[16]The Tax Cuts and Jobs Act 2017.

[17]On tax increases related to healthcare reforms, see below. On the rollback of some Bush tax cuts for high incomes, see Hughes (2012).

[18]The Obama administration's Patient Protection and Affordable Care Act 2010 (ACA) attempted to do this by expanding Medicaid, reforming insurance markets, and in some instances subsidizing private health insurance. This was paid for with new taxes on high-incomes (individuals and couples earning over $200,000 or $250,000 respectively) through increases to payroll and investment income taxes, and reduced funding for the less progressive Medicare (Stolberg and Pear 2010; Blumenthal, Abrams, and Nuzum 2015). Similar reforms were also attempted, unsuccessfully, by the Clinton administration (Clymer 1994).

[19]This included an executive order directing federal agencies to scale back as much of the ACA as possible (Davis and Pear 2017). Congressional Republicans also attempted to replace the ACA with the American Health Care Act 2017, which would have repealed the income and wealth taxes, and the Medicaid expansion, that this legislation had introduced. This appears to have been a core goal of the Republican coalition, rather than president Trump himself (Kenny 2017).

### Divergent interests and preferences, leading to an electoral cleavage

One reason so few political scientists have closely studied the significance of wealth and capital in American politics, is that major canonical surveys have not consistently asked many questions on asset ownership. The American National Election Study, for example, has generally been inconsistent with its coverage, asking just two questions in 2008 and 2016, and four in 2012. Questions on home and stock ownership were included in 2008, 2012, 2016. Additional, but arguably less helpful questions were asked in 2012: about possession of an investment property (now or previously), and whether respondents owned other investments (a very unspecific question, asking about ownership of a business, a piece of property, a farm, or livestock). This is attributable to survey time being finite and expensive, requiring certain items to be prioritized over others. Unfortunately, it has led to some gaps in the literature.

To better understand the political importance of the ownership and control of wealth, a number of items on asset ownership, and political preferences and behaviors, were included on a survey fielded on the YouGov US panel over July 23-24, 2019.[20] This contained questions on respondents' ownership of four types of assets: their home, other real estate, shares in listed companies, and a business or trust. Also included were questions on economic policy preferences, presidential vote (in 2016 and intention for 2020), party identification, and items concerning life chances and political efficacy. This provided the opportunity to explore possible mechanisms through which the control and ownership of assets may influence political attitudes and behaviors. Additional details on these items and the survey methodology can be found in Appendix A of the supplementary materials.

Using the data collected through this survey, I test the theoretical framework outlined in the previous section. I show that the ownership of assets $c$ remain politically important in the United States. I demonstrate that those who own assets have different economic and political interests to those who do not, that this leads to divergent economic policy preferences, and that asset owners are more likely to vote for the Republican presidential candidate than the assetless.

*The ongoing relevance of wealth and capital ownership*

High status individuals and groups usually possess greater economic and political power and capital ownership, are better able to obtain valued life-outcomes with each marker of status and influence reinforcing the other. Private capital and the income it generates provides its owners access to valued life-outcomes for themselves and their families. Those respondents in my survey data who owned more of the four types of assets about which they were asked had higher household incomes,[21] were more likely to say they had a college degree, better health and to possess health insurance (displayed in figure 1). A greater

[20] The same panel on which the Cooperative Congressional Election Study is run.
[21] Not a surprise, since most of these assets are (potentially) revenue-generating.

proportion of those who owned multiple assets also identified as White, with racial and ethnic minorities comprising just 20 per cent of asset owners in these data, but nearly half of those who reported owning none of the four asset types.

Not only do they provide for greater life opportunities, production relations are economically and politically important expressions of power (as Weber argued), with asset ownership associated with greater political efficacy. Figure 2 shows that Americans who owned more assets tended to be more likely to say they understand and are better informed about politics, and do not find it complicated. They are generally more likely to say they are satisfied with democracy, and that government is run for the benefit of the people (and conversely, less likely to see it as being run by a few big interests).

The relationship between the number of assets owned, and feelings of political efficacy, is not merely a function of the heterogeneous distribution of assets by party identification. A similar pattern can be seen in figure 3 among Democrats, Independents and Republicans on each of these five items. This suggests that even within supporters of the same party, the owners of a larger number of asset classes on average have an increased sense of political competence and agency.

*The politicization of this cleavage*

These differences in social, political and economic power shape the material interests of the owners of capital and the assetless. This may create a divergent set of policy preferences. These different interests and preferences may result in a salient political cleavage.

Let us look at the two groups discussed above: Group $A$, which is comprised of voters who own few income-generating assets $c$; and Group $B$, which is comprised of voters who own one or more of the types of capital asked about in the survey described above (and in Appendix A). If the ideas outlined in the previous section provide a useful framework for understanding economic cleavages in the American electorate, the distinctive interests of voters who do and do not own significant assets should result in divergent issue preferences.

Of course, asset ownership is not the only possible driver of economic issue preferences. These may also be the product of income, and racial and ethnic identity, gender or age. Above it was noted asset owners were more likely than the assetless to be non-Hispanic White. Perhaps racial or other differences are an explanation for any differences in issue preferences that might exist between the owners of capital and non-owners.

To account for these possible confounding factors, I fit five ordinal logistic regressions, one each to model the probability respondents would agree, disagree or take neither position, on each of five economic policy propositions (for more information about these items, see Appendix A of the supplementary materials).

These models included predictors for a continuous measure of asset ownership (from zero to four assets owned, standardized),[22] and controls for household

[22] Asset ownership, along with age and household income, was mean centered and divided by two standard deviations, converting them to a comparable scale with binary inputs (ie.

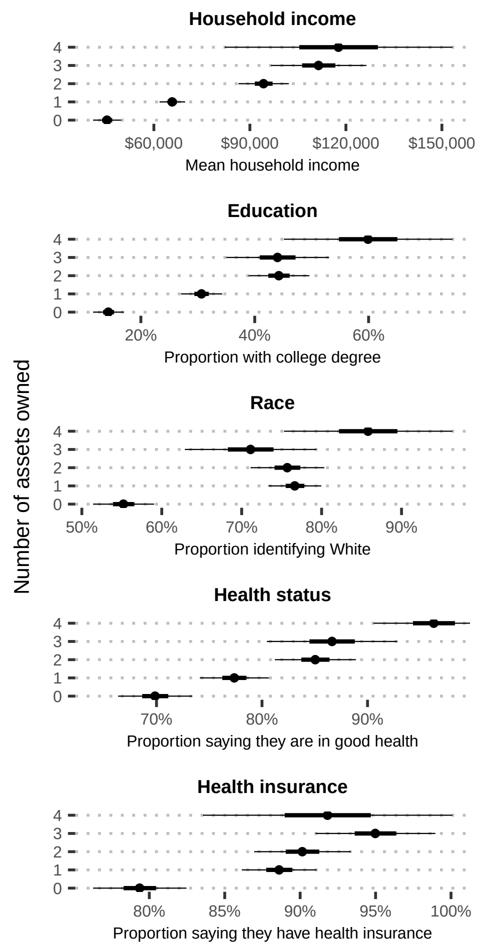


Figure 1: Differences in demographics and ability to obtain valued life-outcomes by assetownership. Horizontal bars are 95 per cent confidence intervals. Data were weighted by gender, age, race, education and 2016 presidential vote.

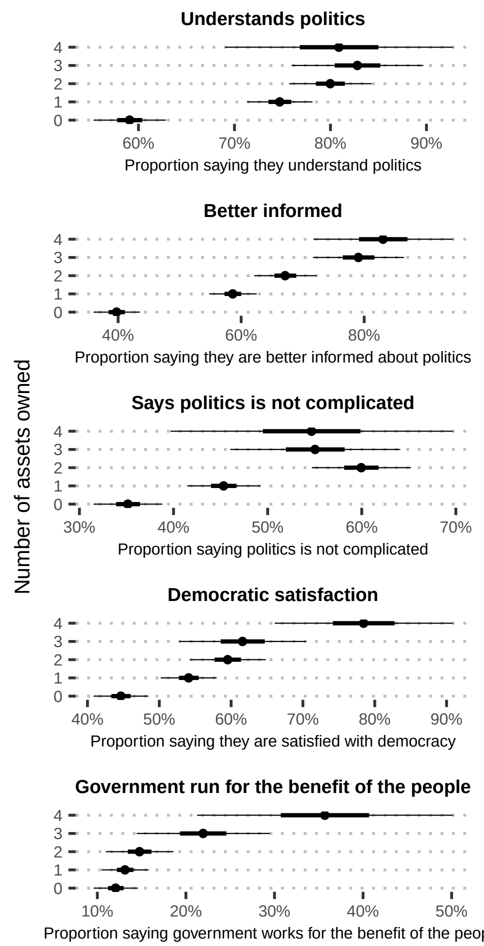


Figure 2: Differences in political efficacy and democratic satisfaction by asset ownership.Horizontal bars are 95 per cent confidence intervals. Data were weighted by gender, age, race, education and 2016 presidential vote.

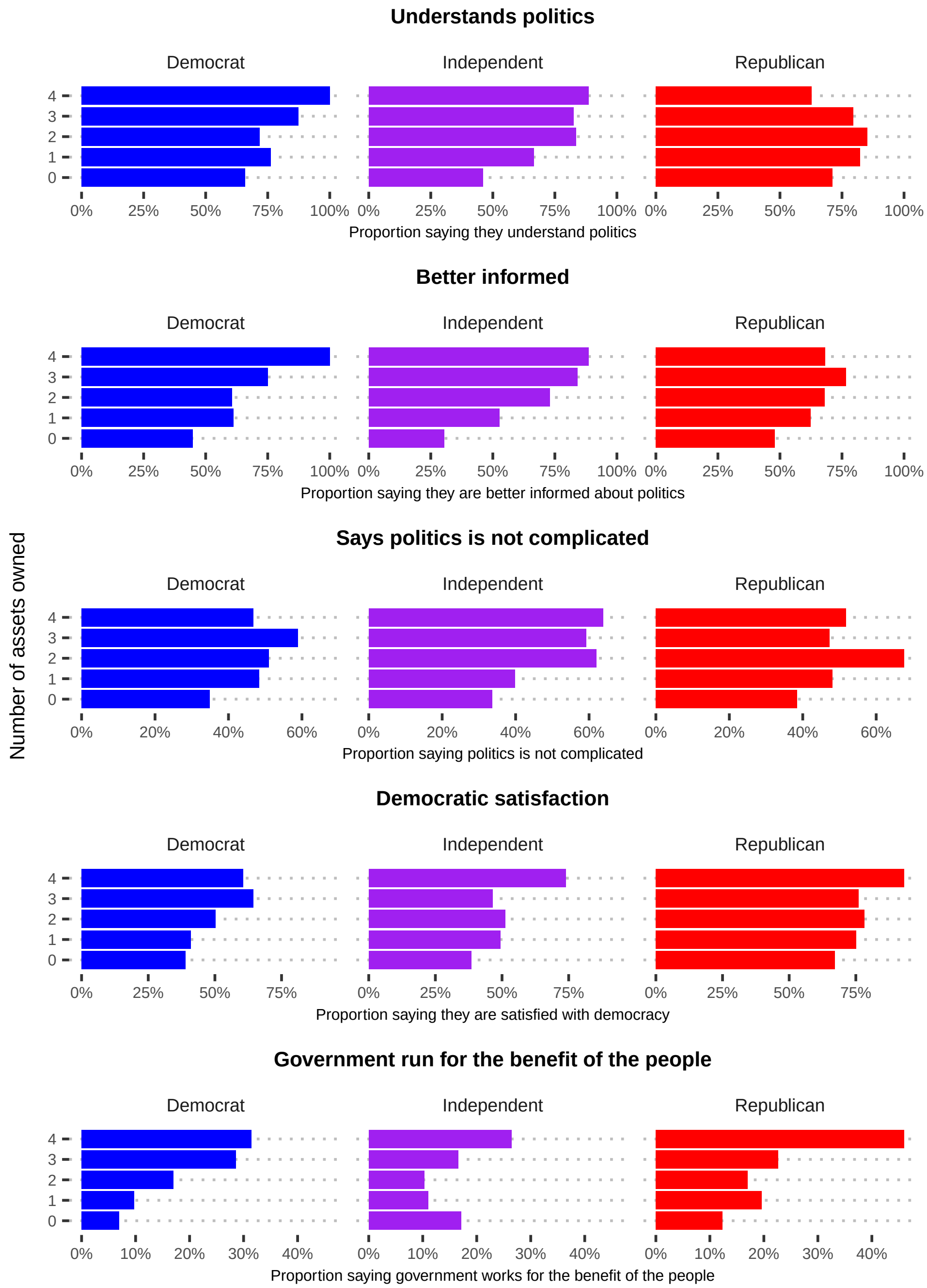


Figure 3: Differences in political efficacy and democratic satisfaction by asset ownership and party identification. Data were weighted by gender, age, race, education and 2016 presidential vote.

income (continuous in dollars, modified from original coding, detailed in Appendix A, standardized); age (continuous in years, standardized as above); race and ethnicity (self-identified non-Hispanic White or minority); gender (male, female); and occupation (manager, manual work, professional, clericial, sales and services, other, not employed). To confirm that income and asset ownership reflect different sets of economic interests, an interaction term between ownership and income is also included in the model.

Even after these other measures of voters' economic interests and demographic characteristics were held at their baseline values,[23] asset owners were still predicted to be more likely to oppose increased government spending for free college education, free hospital treatment for emergencies and on the unemployed, and less likely to support government reducing the differences between the rich and poor or a liveable minimum wage (tables 1 and 2).

Figure 4 shows the estimated net level of agreement (proportion predicted to agree minus those predicted to disagree) derived from these models. These were calculated for each of these five economic issues and the interaction between asset ownership and household income. On all five issues, a difference of 40 and 60 per cent in estimated net-support was observed between respondents with no assets and all four asked about, even after controlling for potentially confounding factors.

Consistent with that part of hypothesis 2, outlined above, that the difference between owners of assets and the assetless would be largest on those issues that might directly reduce income from *c* by improving the bargaining position of labor, respondents who owned my assets were considerably less likely to support more spending on unemployment benefits or a liveable minimum wage. The major exception to this is that we might expect a larger difference between the owners of capital and non-owners on the question of government reducing the difference between the rich and the poor. Here a considerable difference was observed, but it was smaller than what was found for the other issues. This may be because even voters with considerable assets under-estimated their relative wealth.[24] Consistent with the theory discussed previously, the differences between asset owners and non-owners were smaller, but still not insignificant, for public spending on college education and healthcare, and government actions to reduce inequality; also shown in figure 4. Again, this difference remained for respondents with similar household incomes.

In most cases, household income appears to be a far weaker predictor of attitudes on these issues than asset ownership. The difference in preferences held by voters with the same household income, but with more or fewer assets, also supports the hypothesis that rather than asset ownership and income being

gender) and making it is easier to interpret the comparable magnitude of each predictor in the models (see Gelman and Hill 2007, 55–57).

[23]Mean income and age, non-Hispanic White, male, who had not completed high school, with a clericial occupation

[24]On the more affluent tending to under-estimate their relative affluence, see Karadja, Mollerstrom, and Seim (2017).

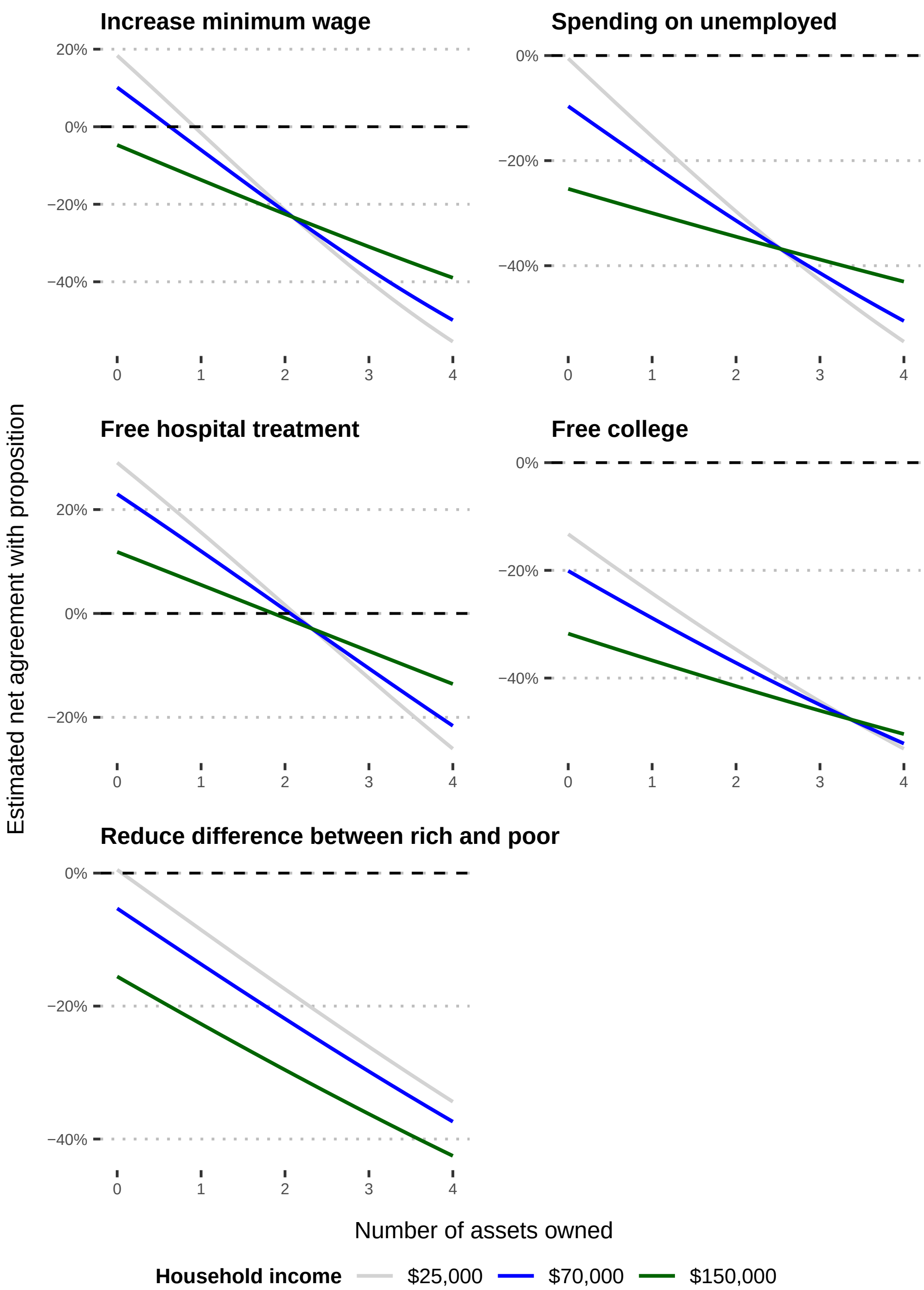


Figure 4: Asset ownership, household income, and economic issue preferences. Each curve represents estimated net agreement on each issue (predicted agreement minus predicted disagreement), as a function of the number of assets owned (of the four asked about) and household income, holding controls at their baseline values: average age (51 years), gender male, race non-Hispanic White, did not complete high school education and clerical occupation. Data are from survey documented above.

interchangeable, the possession of private capital actually reflects a separate and perhaps unique set of economic interests (as discussed above).

The results displayed in figure 4 also indicate that asset ownership may be more politically salient for lower income voters. The liberal positions on these issues tended to be more popular with respondents without assets living in lower income households than they were with those in higher income households. However, support also declined faster with lower income voters as the number of assets owned increased, than it did for those in households with higher incomes; with lower income asset owners generally less liberal. This pattern is less evident for some items, though, including the question on whether government should reduce the difference between the rich and poor.

That it is the two items that might be interpreted as concerning government providing support for and empowering labor which show the largest differences between high and low income asset owners and the assetless is interesting. This may support the theory of the safety net effect of capital, discussed in the previous section. Lower income individuals without assets are particularly vulnerable to income loss associated with unemployment, and often have less bargaining power with employers. It is therefore not surprising they might support a liveable minimum wage and more generous unemployment spending by wide large margins. Voters at all income levels were estimated less supportive of both when they own more assets, but this was particularly the case for voters in lower income households. This may also suggest that lower income asset owners are more sensitive to their economic interests. Those with all four assets in the data examined here own a business or trust, as well as corporate stocks, likely obtain much of their limited income from this capital, and perhaps understand that it is in their interests to maximize the power of this capital versus labor.

These results may explain where low income Republican support is derived: not the working class, but citizens with higher levels of wealth; including low-income but asset-rich voters.

*Asset ownership and partisan support*

Citizens who own or control considerable private assets have different economic interests and issue preferences than those who do not. The higher $c$, the more classes of revenue-generating capital owned by a voter. As $c$ increases, the more likely they are to benefit from and support a policy regime that reduces taxes and economic redistribution and liberalizes the labor market.

If a given political party represents the interests and preferences of either asset owners or the assetless in a meaningful way (not a given, but theorized to be the case above), it may be difficult for it to be the political home of large numbers of voters from both groups $A$ and $B$. If one of these groups attempted to make policy gains that would disadvantage the other, political conflict is a possible outcome.

Examining self-reported two-party presidential voting at the 2016 election, shown in figure 5, supports this contention. There was a clear association between

Table 1: MODELS ESTIMATING ECONOMIC ISSUE PREFERENCES (1)

| | Increase minimum wage | | Spending on unemployed | | Free hospital treatment | |
|---|---|---|---|---|---|---|
| | Estimate | (SE) | Estimate | (SE) | Estimate | (SE) |
| Asset ownership (standardized) | 0.672 | 0.114 | 0.492 | 0.110 | 0.483 | 0.112 |
| Occcupation - Manager | 0.139 | 0.248 | 0.184 | 0.229 | 0.219 | 0.236 |
| Occcupation - Manual work | 0.101 | 0.253 | 0.292 | 0.234 | 0.061 | 0.246 |
| Occupation - Not employed | 0.042 | 0.202 | 0.186 | 0.184 | 0.059 | 0.192 |
| Occupation - Other | 0.332 | 0.250 | 0.341 | 0.232 | 0.170 | 0.244 |
| Occupation - Professional | -0.206 | 0.264 | 0.013 | 0.237 | -0.012 | 0.249 |
| Occupation - Sales and services | 0.128 | 0.257 | 0.023 | 0.239 | -0.053 | 0.247 |
| Household income (standardized) | 0.247 | 0.118 | 0.337 | 0.112 | 0.217 | 0.116 |
| Education - High school | -0.544 | 0.267 | -0.547 | 0.257 | -0.164 | 0.261 |
| Education - Some college | -0.514 | 0.265 | -0.347 | 0.254 | -0.068 | 0.258 |
| Education - College | -0.890 | 0.272 | -0.625 | 0.260 | -0.366 | 0.264 |
| Race - Minority | -0.239 | 0.123 | -0.363 | 0.112 | -0.317 | 0.119 |
| Gender - Female | -0.512 | 0.104 | -0.318 | 0.097 | -0.280 | 0.100 |
| Age (standardized) | 0.245 | 0.116 | 0.529 | 0.109 | 0.674 | 0.113 |
| Assets x income (standardized) | -0.511 | 0.178 | -0.482 | 0.171 | -0.365 | 0.171 |
| Intercept - Agree > Neither | -0.545 | 0.320 | -1.065 | 0.305 | -0.273 | 0.310 |
| Intercept - Neither > Disagree | 0.211 | 0.320 | 0.084 | 0.304 | 0.723 | 0.311 |
| Deviance | 2862.258 | | 3297.581 | | 3082.129 | |
| N | 1580.000 | | | | | |

[a] Estimating economic issue preferences as a function of asset ownership (standardized with a mean of zero and standard deviation of two). Models include controls for age (years, standardized), gender (baseline category, male), race (baseline, non-Hispanic White), education (baseline, did not complete high school), household income (dollars, standardized), occupation (baseline, clerical work), and an interaction between asset ownership and income. Data are from survey documented above.

Table 2: MODELS ESTIMATING ECONOMIC ISSUE PREFERENCES (2)

| | Free college | | Rich-poor difference | |
|---|---|---|---|---|
| | Estimate | (SE) | Estimate | (SE) |
| Asset ownership (standardized) | 0.392 | 0.112 | 0.360 | 0.111 |
| Occcupation - Manager | 0.317 | 0.234 | 0.159 | 0.231 |
| Occcupation - Manual work | 0.204 | 0.240 | -0.019 | 0.238 |
| Occupation - Not employed | 0.197 | 0.186 | -0.070 | 0.185 |
| Occupation - Other | 0.336 | 0.236 | 0.085 | 0.233 |
| Occupation - Professional | 0.014 | 0.240 | -0.387 | 0.239 |
| Occupation - Sales and services | -0.019 | 0.240 | -0.160 | 0.241 |
| Household income (standardized) | 0.300 | 0.116 | 0.331 | 0.112 |
| Education - High school | -0.215 | 0.251 | 0.071 | 0.256 |
| Education - Some college | -0.223 | 0.248 | -0.015 | 0.254 |
| Education - College | -0.383 | 0.254 | -0.315 | 0.261 |
| Race - Minority | -0.578 | 0.114 | -0.330 | 0.112 |
| Gender - Female | -0.428 | 0.100 | -0.346 | 0.098 |
| Age (standardized) | 0.792 | 0.111 | 0.537 | 0.109 |
| Assets x income (standardized) | -0.270 | 0.168 | -0.078 | 0.176 |
| Intercept - Agree > Neither | -1.100 | 0.301 | -0.777 | 0.306 |
| Intercept - Neither > Disagree | -0.201 | 0.300 | 0.145 | 0.305 |
| Deviance | 3142.953 | | 3236.923 | |
| N | 1580.000 | | | |

[a] Estimating economic issue preferences as a function of asset ownership (standardized with a mean of zero and sd of two). As above, models include controls for age (years, standardized), gender (baseline, male), race (baseline, non-Hispanic White), education (baseline, did not complete high school), household income (dollars, standardized), occupation (baseline, clerical work), and an interaction between asset ownership and income. Data are from survey documented above.

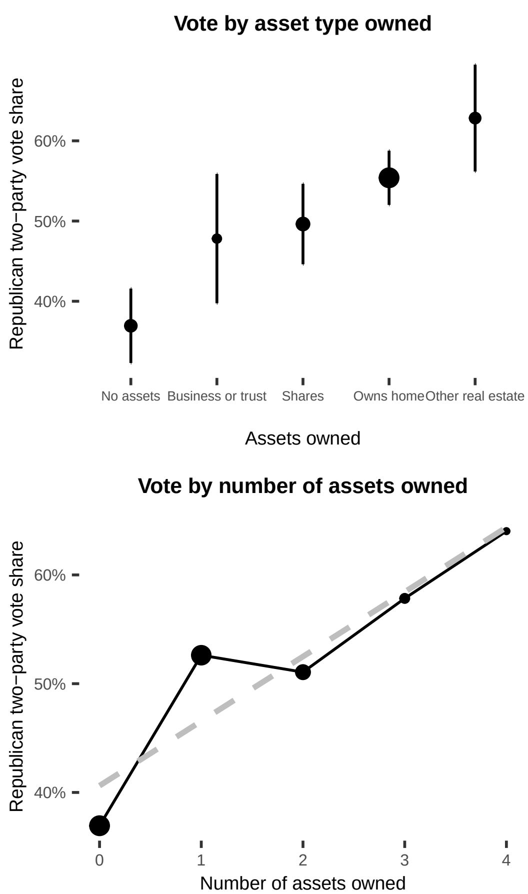


Figure 5: Two-party vote share of Republican presidential candidate Donald Trump, by asset types and number of assets owned. Points are the percentage of voters in each group voting Republican. These are scaled by the proportion of total respondents in each group. Vertical bars in the first plot are 95 per cent confidence intervals. The grey dashed curve in the second represents the linear trend. Data are weighted on a four-way stratification of gender, age, race and education, and 2016 Presidential vote choice.

asset ownership and vote choice.[25] Support for Republican Donald Trump in 2016 was lowest (approximately 37 per cent) among voters who owned none of the four asset types asked about. Business, trust and stock owners were about evenly divided between Donald Trump and Hillary Clinton.[26] Those who owned real estate were considerably more Republican, with a majority of voters who owned their own home (55 per cent) and nearly two-thirds of those who own other real estate (63 per cent) reporting a vote for Trump in 2016.

Consistent with hypothesis 3, that there would be a continuous relationship between higher $c$ and Republican support at presidential elections, these data appear to approximate a linear relationship. Respondents who reported owning three or four of the assets asked about were more likely to say they voted Republican in 2016 than those who owned two or less; although the largest gap was between no assets and the ownership of at least one.

Of course, as above, it may not be asset ownership driving vote intention. Voters who do and do not own capital may have other attributes that differ, and exaggerate the association between the possession of assets and partisan support. To ensure that the relationship between capital ownership and Republican support was robust to these potentially confounding factors, a logistic regression predicting the probability that a voter supported Republican presidential candidate Donald Trump over the Democratic candidate Hillary Clinton at the 2016 election was fit to these data. I present the results of three models in table 3. The first model includes only asset ownership. The second incorporates likely exogenous predictors of vote choice and other measures of economic interests: age, gender, race and ethnicity, education, household income and occupation. The third comprises these, in addition to an interaction term between asset ownership and household income to test the idea, outlined above, that asset ownership and income represent independent components of citizens' economic interests.

The same relationship observed with the descriptive data holds in all three models, with voters owning more assets predicted to have a greater likelihood of voting for Donald Trump. The effect size appears to be smaller than race and ethnicity and education, and similar in magnitude to age and gender. The association between partisan support and the other variables measuring economic interests — occupation and income — were within two standard errors from zero, and it is difficult to say with certainty that when controlling for the other items in the model, they add any meaningful information about vote choice.

While additional explanatory power is provided by the other variables, as figure 6 also shows, they do little to reduce the magnitude of the coefficient for asset ownership. In all three models, the predicted difference in probabilities of voters owning none of the four assets supporting the Republican candidate, and voters owning all four, were of a similar magnitude.

[25] There are of course some problems with recollection two-and-a-half years later. This is discussed below and in Appendix C.

[26] Suggesting that stocks are not the most politically relevant asset class, and perhaps cannot be used as a proxy for total wealth as was the case in Zingher (2020).

Table 3: MODELS ESTIMATING REPUBLICAN VOTE IN 2016

| | Model 1 | | Model 2 | | Model 3 | |
|---|---|---|---|---|---|---|
| | Estimate | (SE) | Estimate | (SE) | Estimate | (SE) |
| Intercept | -0.060 | 0.055 | 0.747 | 0.399 | 0.778 | 0.401 |
| Asset ownership (standardized) | 0.485 | 0.111 | 0.474 | 0.140 | 0.498 | 0.142 |
| Occcupation - Manager | | | 0.073 | 0.291 | 0.077 | 0.291 |
| Occcupation - Manual work | | | 0.438 | 0.298 | 0.436 | 0.298 |
| Occupation - Not employed | | | 0.099 | 0.238 | 0.108 | 0.238 |
| Occupation - Other | | | 0.150 | 0.310 | 0.160 | 0.310 |
| Occupation - Professional | | | -0.257 | 0.308 | -0.254 | 0.308 |
| Occupation - Sales and services | | | -0.105 | 0.303 | -0.100 | 0.303 |
| Household income (standardized) | | | -0.095 | 0.144 | -0.017 | 0.155 |
| Education - High school | | | -0.020 | 0.345 | -0.031 | 0.346 |
| Education - Some college | | | -0.430 | 0.340 | -0.449 | 0.341 |
| Education - College | | | -0.890 | 0.345 | -0.912 | 0.346 |
| Race - Minority | | | -0.942 | 0.153 | -0.925 | 0.153 |
| Gender - Female | | | -0.494 | 0.125 | -0.494 | 0.125 |
| Age (standardized) | | | 0.586 | 0.152 | 0.586 | 0.152 |
| Assets x income (standardized) | | | | | -0.285 | 0.225 |
| Null deviance | 1890.480 | | 1676.820 | | 1676.820 | |
| Deviance | 1870.790 | | 1520.250 | | 1518.640 | |
| Difference | 19.690 | | 156.570 | | 158.180 | |
| N | 1364.000 | | 1211.000 | | 1211.000 | |

[a] Estimating the likelihood of a Republican two-party presidential vote in 2016 as a function of asset ownership. Model 1 measures the association between asset ownership and likelihood of Republican support. Model 2 incorporates controls for age (years, standardized), gender (baseline, male), race (baseline, non-Hispanic White), education (baseline, did not complete high school), household income (dollars, standardized) and occupation (baseline, clerical work). Model 3 includes an interaction term between asset ownership and income. Data are from the survey detailed above.

In the first model, with no controls, it was estimated that a voter with none of these assets would have a 42 per cent probability of voting Republican, compared with 65 per cent for those who owned all four; with voters who owned their own home, other real estate, shares and a business or trust predicted to be 23 per cent more likely to vote Republican than those who owned none of these.

When controls for other economic predictors and possibly confounding demographic factors were included (Model 2), voters who owned all four types of assets asked about were estimated to be 19 per cent more likely to vote Republican than those who said they did not own any of these assets, with the latter having a 62 per cent probability of voting for Donald Trump, while for the former, it was estimated to be an 81 per cent probability.

When examining the interaction between household income and number of assets owned (Model 3), it appears that there was very little difference between the predicted Republican support for citizens at income levels, but the same number of assets. Respondents with none of the assets included in the survey used here were estimated to have lower levels of Republican support, with a partisan gap of similar magnitudes to the other models, regardless of whether their household income was $25,000 or $150,000 each year.

As with economic issue preferences, low income voters appear to be more sensitive to asset ownership, though. Voters with the baseline characteristics in this model — White, male, average age, who did not complete high school, in a clerical occupation — with household incomes of $25,000 and none of the assets asked about, were estimated to be slightly less likely to say they had voted for Donald Trump than those with the same number of assets and income of $70,000 or $150,000 per year: 61 per cent for the former, compared with 62 and 64 per cent.

Conversely, looking at citizens who owned all four asset types, those in lower income households were predicted to have a 84 per cent probability of voting for Trump, compared with approximately 82 per cent for those with household incomes of both $70,000 or $150,000 per cent respectively. That is, voters with very different incomes but who own similar assets showed very little difference in Republican support. Conversely, there was a roughly 20 per cent gap between voters with the same household incomes but who own all four or none of these assets.

As mentioned above, this also says something about the White working class. If this leaned Republican in 2016 (and other elections), it might be more about them being male and White. White male voters appear to lean Republican regardless of income, but those with fewer assets were considerably less likely to say they voted for Donald Trump than those with all four. Conversely, this model estimated that non-White minority women or men with household incomes of $25,000 and no assets were predicted to have 28 and 38 per cent probabilities of voting for Donald Trump in 2016 (holding other model features at their baseline).

These results indicate that asset ownership was a consequential predictor of partisan support at the 2016 election. There are some obvious problems with recollection two-and-a-half years later. To ensure these findings were not specific to the question of retrospective vote recall, I replicated these models for

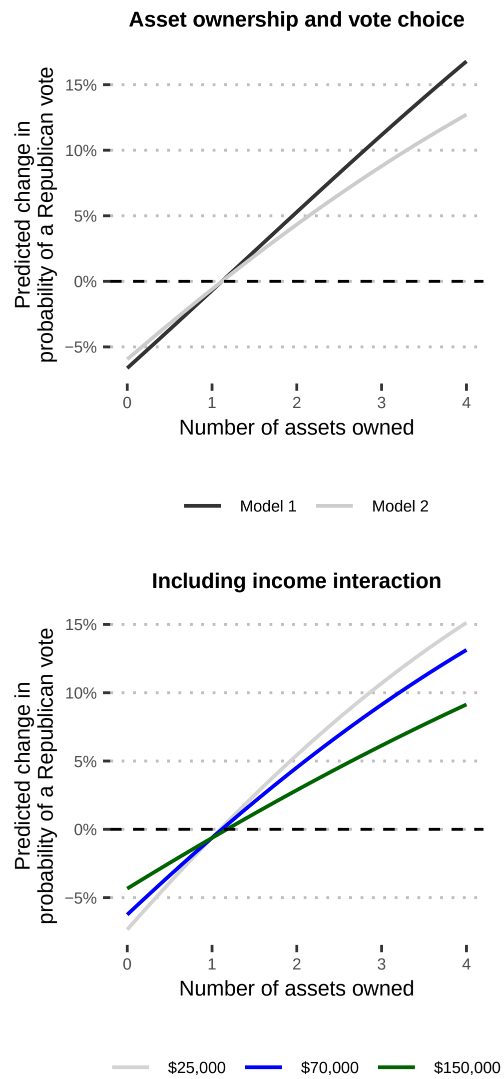


Figure 6: Estimated relationship between asset ownership and Republican support in 2016. Zero percent on the y-axis represents the predicted vote at the average rate of asset ownership. Curves in the first plot represent the change in probability of voting for Republican presidential candidate Donald Trump over Democrat Hillary Clinton in 2016 as the number of assets owned increases or decreases (in model 1); controlling for age, gender, race, education, household income and occupation (in model 2). Curves in the second include an interaction term between asset ownership and household income (from model 3).

party identification and vote intention at the 2020 election. All of these models provided near identical findings, with greater asset ownership always predicting a higher likelihood of identifying as a Republican or voting for Donald Trump in 2016 or 2020, at similar magnitudes (see details and results in Appendix C of the supplementary materials).

### Discussion

A meaningful analysis of economic interests has little to do with whether a voter has a college education, or a blue collar occupation, but rather their access to resources and relationship with capital. All too often, though, the scholarly literature and commentary on American politics has focused on the former at the expense of the latter. One reason for this lack of focus on wealth in the political science literature is that questions about assets are not frequently and consistently included in canonical surveys of American voters, making this a difficult problem for most researchers to study. This has consequences. It has sometimes led to confusion about what the working class is or is not, misses an important component of American political conflict, and incorrectly identifies the nature of the parties' coalitions. As a result, there have been frequent claims in recent decades economic cleavages have become less important.

This view is not entirely new. There has always been doubt about the importance of economic cleavages in American electoral politics. Initially, this manifested in claims that the United States was different to other representative democracies, that unlike European and Antipodean party systems divergent economic interests were not represented by US parties (Hartz 1955; Galenson 1961); although this was not a universal view (Lasswell 1950). These claims were amplified following the electoral success of Donald Trump in 2016, with the Republican Party seen as having won over much of the (White) working class, and the Democratic Party urban minorities and higher income professionals (Cohn 2016; Frank 2017; McQuarrie 2017; Morgan and Lee 2017; 2018; Zingher 2020).

The ownership and control of private capital shapes large parts of American society and its economy. By ignoring or downplaying the role of wealth, an important part of citizens' economic interests have also been ignored. Above, I explained why the association between wealth and political preferences is different from and not interchangeable with other measures of their economic interests, including occupation, education or even income. Its frequent omission leaves a gap in the study of economic cleavages. I test these and other claims with three hypotheses: (1) that asset owners and the assetless will have different economic interests, (2) this leads to divergent policy preferences between voters with different levels of asset ownership *c* and (3) Differences in partisan support.

I find evidence supporting all three. The results documented in the previous section support the theoretical claims that asset owners have better life outcomes and greater feelings of political efficacy than the assetless, different economic interests, and policy and partisan preferences.

Why have I found evidence for an apparently ongoing political role of wealth, when this has been dismissed by others? Part of the reason is that aspects of the literature are poorly theorized, frequently producing oversimplified and ambiguous concepts of economic interests, and ignoring important inequalities and stratifications in American society. This lack of focus on a solid theory on why a particular variable may shape economic interests and political preferences has led to wealth and the production relations being ignored as potential influences on preferences and behaviors of American voters, or operationalized in questionable ways. This has often resulted in the production of an image of the working class that does not necessarily make sense. In particular, many of these studies have tended to use dichotomized definitions of class or interest. Although there has been some improvement (for instance, Brooks and Manza 1997a), simple binomial measures of occupation (blue versus white collar; for instance Aldrich et al. 2018, 157–60) and education (college and non-college) remain regularly used as proxies for voters' economic interests. It is not only those claiming economic cleavages are no longer important who do this. Many of their critiques have allowed these concepts to be framed by those they were debating (for instance, Bartels 2006 when responding to Frank 2004).

*False dichotomies*

That this framing of the problem leads to the conclusion that economic interests are not particularly salient in American electoral politics is not surprising. The largest economic and political differences are not between blue and white collar voters (even ignoring the complexities of these concepts), or the college educated and those without a degree. By missing the importance of assets in their examination of economic cleavages, large parts of the political science literature has focused on false dichotomies.

The division of the electorate into blue collar and the rest places poorly paid laborers and high income self-employed plumbers in the same category, while shop assistants are in another category, along with lawyers, doctors and executives. These divisions are largely meaningless. Similarly, college education is often seen as the marker of the middle classes, and it is true that on average better educated individuals have higher incomes and are more likely to land in professional jobs. However, many well educated voters lack access to substantial wealth, and work in poorly paid, insecure and physically demanding occupations.

Similarly, many professionals, even those with relatively high incomes, have commonalities with the working class that can create political affinities. They tend to be employees and largely earn their income through labor. This is often value added through substantial investments in education and training, which creates substantial risk from prolonged unemployment or other income shocks. This provides a strong incentive to support public income insurance (unemployment benefits, healthcare, industrial relations protections) to minimize these risks to their investments and their livelihoods (Iversen and Soskice 2001).

Conversely, many non-college educated voters own businesses, employ workers and enjoy significant wealth (particularly outside large coastal cities). Although both of these measures can be important, a person with a blue collar job, no college degree, but a high-income and their own business (for instance, a self-employed plumber), is not working class; particularly if they have employees. They are a capitalist. This is not a pejorative. They own capital and profit from their employees' labour. They enjoy the many benefits of asset ownership, including the income safety net it provides, and do not necessarily have the same economic interests as a blue collar wage-earner with a low income.

*Bringing wealth back into political science*

The ownership of assets is not the only driver of a voters' political preferences. Of course occupation, education and income can be politically important, and should be studied. However, an accurate and useful analysis of economic interests cannot be explained by these factors alone. Rather than just arbitrarily dividing voters into different dichotomies, we need to develop theories explaining what factors are most consequential for access to resources, and the formation of life chances and political preferences, and how this might shape the parties' electoral coalitions.

As I have shown above, there are strong theoretical reasons to believe private wealth plays an important role in shaping the life chances, economic interests and political preferences of American citizens. a role that is not interchangeable with other aspects of voters' economic interests, including income. This is supported with empirical evidence.

Incorporating the ownership and control of private capital into our theories of American political behavior can help us better understand the nature and roles of party coalitions; providing a greater perspective on why, for instance, tax cuts, and particularly reduced taxes on wealth, have long been a key priority for the Republican Party. This was observed in the first term of the Bush administration, which was reportedly committed on ending all taxation of corporate dividends (Firestone 2003) and shifting the tax burden from the owners of capital to workers (see Stevenson 2003); and the 2017 Trump tax cuts, which included what has been described as one of the largest single reductions of US corporate taxes, substantially increasing US company profits (Tankersley 2018).

Conversely, the findings above shed light on why core goals the federal Democratic Party have often focused on increasing the share of resources obtained by lower income workers, through minimum wage increases (Bartels 2010, ch. 7), higher taxes on the wealthy[27] and by expanding social programs, including Medicaid (see the discussion on the Obama and Clinton healthcare reforms above).

Despite the well documented differences of the Democratic and Republican parties on economic policy,[28] this divide in American politics has often been ignored, downplayed or turned upside down. Part of the reason that this has

[27]The ACA was funded by a 0.9 per cent Medicare payroll surtax and a 3.8 per cent tax on investment incomes for individuals and couples with incomes over $200,000 and $250,000 respectively; see Gleckman (2015)

[28]See Hibbs and Dennis (1988); Bartels (2010); and the discussion above

occurred, I believe, is that the role of capital ownership and production relations has been ignored. In addition, the political function of production relations is often complicated by other factors, including race, region and gender. Combined with some of the issues of conceptualization outlined above, has often led to confusion about the identity and political preferences of the working class and economic elites. As a result, the nature and political significance of economic interests has not been properly understood or incorporated in many of these studies.

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