

The Paradoxes of American Populism

A Documentary History

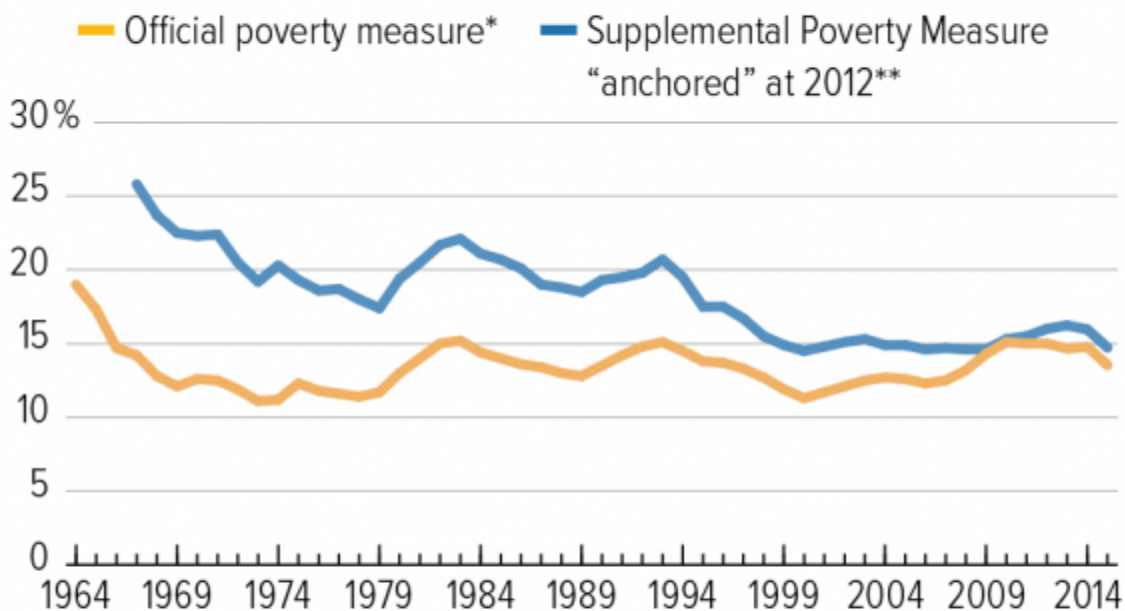
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Abstract: America's founding document declares that "all men are created equal." Yet the same document also gives full license to "liberty and the pursuit of happiness." Both principles open wide the doors to disparate life-paths and potentially large inequalities. Beginning at least with Andrew Jackson, the typical American manifestation of populism is triggered when those disparities are perceived to deviate too far from norms of equality and fairness – fueling sometimes ferocious resentments against those held to be the beneficiaries or the responsible parties. Nativism can sometimes be admixed with that kind of resentment, but radical egalitarianism and its companion, anti-elitism, are at the core of populism in the American experience. Poverty and immiseration *per se* may be necessary but are not sufficient explanations for populist irruptions in the American context; an acute sense of *relative* deprivation is.

Figure 1:

Poverty Has Fallen Significantly Since 1960s Under “Anchored” Supplemental Poverty Measure

Percent of people living in poverty



*Counts only cash income and uses the official poverty line

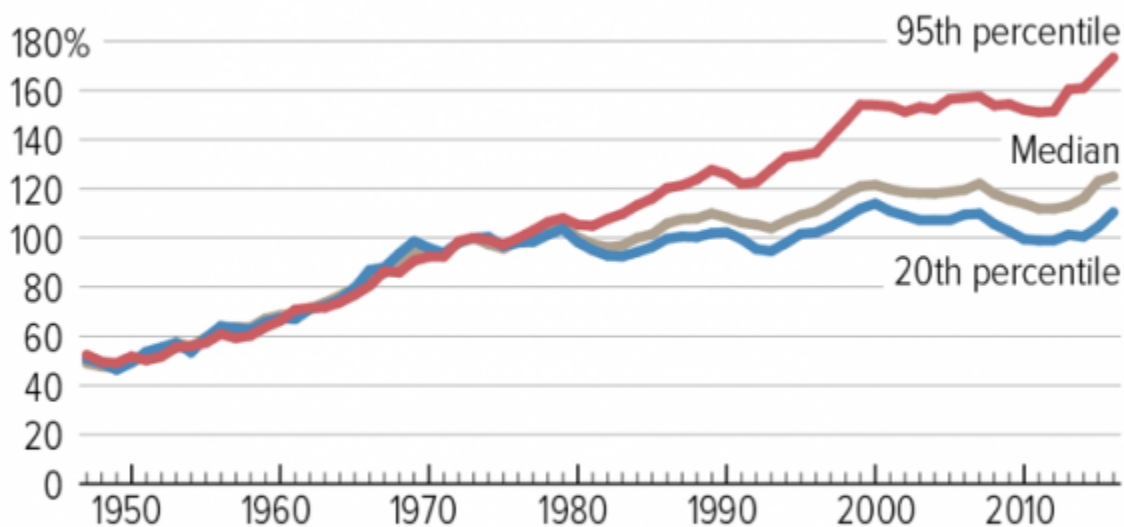
**Counts cash income plus non-cash benefits, reflects the net impact of the tax system, subtracts certain expenses from income, and uses a poverty line based on today's cost of certain necessities adjusted back for inflation.

Source: Christopher Wimer *et al.*, "Trends in Poverty with an Anchored Supplemental Poverty Measure," Columbia Population Research Center, December 2013. For 2013-2015, CBPP analysis of Census Bureau data from the March Current Population Survey and SPM public use files.

Figure 2:

Income Gains Widely Shared in Early Postwar Decades — But Not Since Then

Real family income between 1947 and 2015, as a percentage of 1973 level



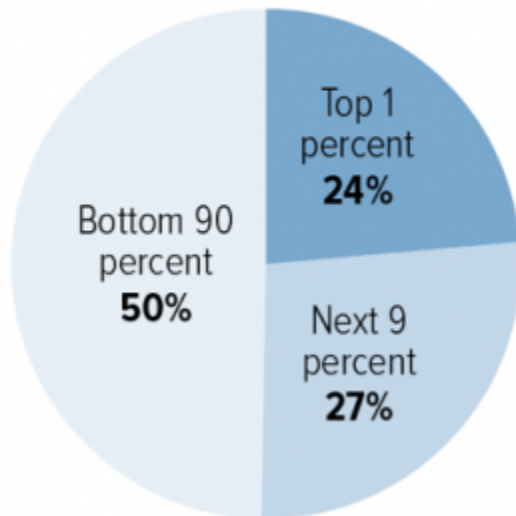
Note: In 2014 Census split its sample of survey respondents into two groups to test a set of redesigned income questions. In 2015 (reporting on 2014 income using the new questions), Census released two estimates of 2013 incomes, one based on the old questions and one on the new. The chart uses the estimate based on the old questions, based on CBPP's judgment that, due in part to sample size, it is likely more accurate for 2013.

Source: CBPP calculations based on U.S. Census Bureau Data

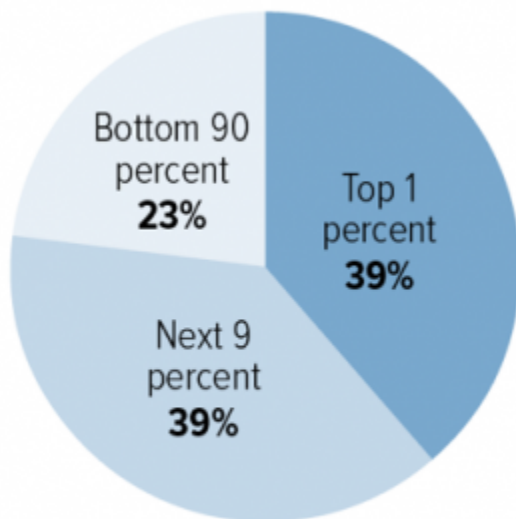
Figure 3:

Wealth Is Even More Concentrated Than Income

Distribution of before-tax income, 2016



Distribution of wealth, 2016



Note: Percentages may not add to 100 percent due to rounding.

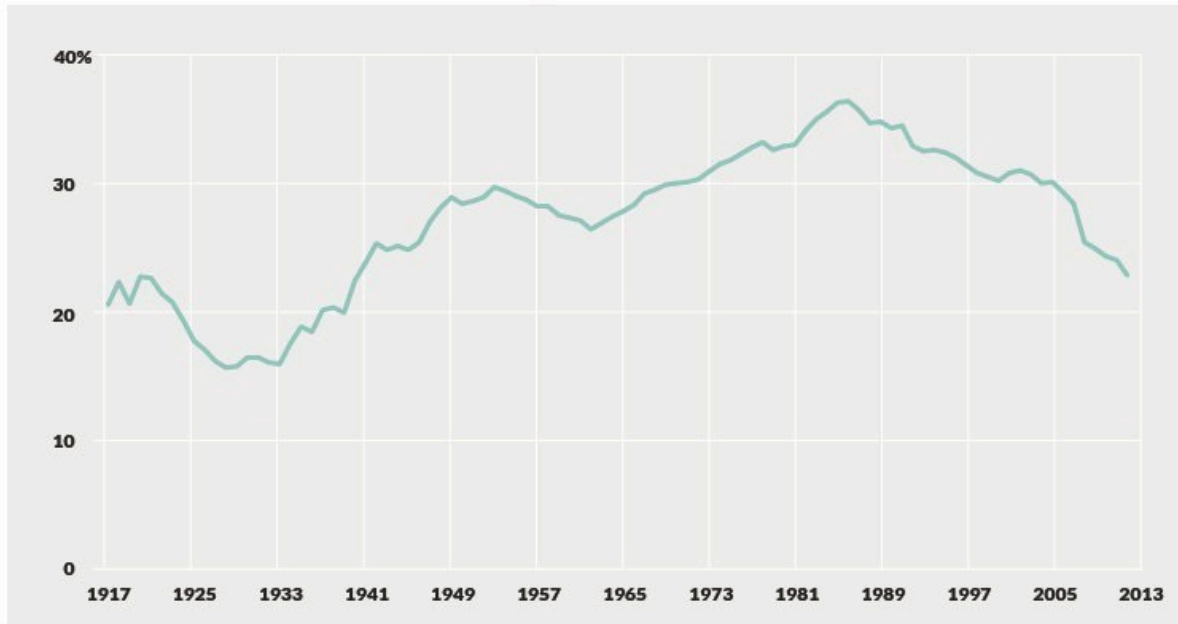
Source: Survey of Consumer Finances 2017

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Figure 4:

The Rise and Fall of Middle-Class Wealth

The share of total U.S. wealth owned by the bottom 90 percent of families, 1917-2012

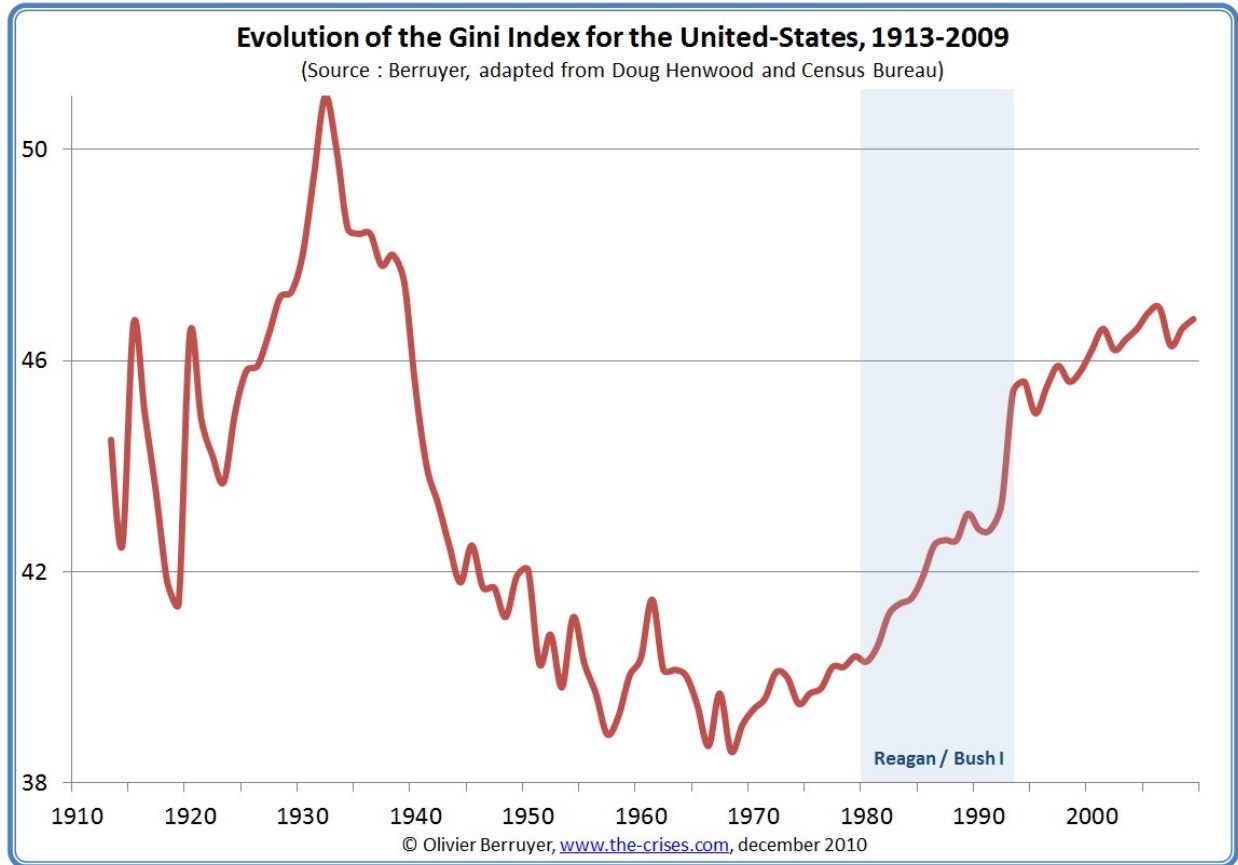


Notes: Wealth is total assets (including real estate and funded pension wealth) net of all debts. Wealth excludes the present value of future government transfers (such as Social Security or Medicare benefits).

Source: Saez, Emmanuel and Gabriel Zucman "Wealth Inequality in the United States since 1913: Evidence from Capitalized Income Tax Data", NBER Working Paper, October 2014, online at <http://gabriel-zucman.eu/uswealth/>

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Figure 5:



Gini Coefficient 2017: U.S. at .45 is in the neighborhood of Peru, Cameroon, Uruguay, and Guyana. Germany, the Netherlands, all Scandinavia are in the .20s; France is at .30.1.

DOCUMENTS

“We hold these truths to be self-evident: that all men are created equal....”

■ *The Declaration of Independence, July 4, 1776*

“... nor shall any State ... deprive any person within its jurisdiction the equal protection of the laws.”

- *Fourteenth Amendment to the Constitution of the United States, ratified 1868*

“Amongst the novel objects that attracted my attention during my stay in the United States, nothing struck me more forcibly than the general equality of condition among the people. I readily discovered the prodigious influence which this primary fact exercises on the whole course of society; it gives a peculiar direction to public opinion, and a peculiar tenor to the laws; it imparts new maxims to the governing authorities, and peculiar habits to the governed.”

- Alexis de Tocqueville, *Democracy in America* (New York: New American Library, 1956), 27.

“It is to be regretted that the rich and powerful too often bend the acts of government to their selfish purposes. Distinctions in society will always exist under every just government. Equality of talents, of education, or of wealth cannot be produced by human institutions. In the full enjoyment of the gifts of Heaven and the fruits of superior industry, economy, and virtue, every man is equally entitled to protection by law; but when the laws undertake to add to these natural and just advantages artificial distinctions, to grant titles, gratuities, and exclusive privileges, to make the rich richer and the potent more powerful, the humble members of society--the farmers, mechanics, and laborers--who have neither the time nor the means of securing like favors to themselves, have a right to complain of the injustice of their Government. There are no necessary evils in government. Its evils exist only in its abuses. If it would confine itself to equal protection, and, as Heaven does its rains,

shower its favors alike on the high and the low, the rich and the poor, it would be an unqualified blessing. In the act before me there seems to be a wide and unnecessary departure from these just principles.”

- Andrew Jackson, Message accompanying his veto of the bill to recharter the Bank of the United States, July 10, 1832.
<https://millercenter.org/the-presidency/presidential-speeches/july-10-1832-bank-veto>

“And who can suffer injury by just taxation, impartial laws and the application of the Jeffersonian doctrine of equal rights to all and special privileges to none? Only those whose accumulations are stained with dishonesty and whose immoral methods have given them a distorted view of business, society and government. Accumulating by conscious frauds more money than they can use upon themselves, wisely distribute or safely leave to their children, these denounce as public enemies all who question their methods or throw a light upon their crimes.

“Plutocracy is abhorrent to a republic; it is more despotic than monarchy, more heartless than aristocracy, more selfish than bureaucracy. It preys upon the nation in time of peace and conspires against it in the hour of its calamity. Conscienceless, compassionless and devoid of wisdom, it enervates its votaries while it impoverishes its victims. It is already sapping the strength of the nation, vulgarizing social life and making a mockery of morals. The time is ripe for the overthrow of this giant wrong. In the name of the counting-rooms which it has denied; in the name of business honor which it has polluted; in the name of the home which it has despoiled; in the name of religion which it has disgraced; in the name of the people whom it has opprest [sic], let us make our appeal to the awakened conscience of the nation.”

- William Jennings Bryan, “Address at Madison Square Garden, New York,” August 30, 1906, in *Speeches of William Jennings Bryan*, Funk & Wagnalls, (1909), 90

“We are a movement of the plain people, very weak in the matter of culture, intellectual support, and trained leadership. We are demanding, and we expect to win, a return of power into the hands of the everyday, not highly cultured, not overly intellectualized, but entirely unspoiled and not de-Americanized, average citizen of the old stock. Our members and leaders are all of this class – the opposition of the intellectuals and liberals who held the leadership, betrayed Americanism, and from whom we expect to wrest control, is almost automatic.

“This is undoubtedly a weakness. It lays us open to the charge of being “hicks” and “rubes,” and “drivers of second hand Fords.” We admit it. Far worse, it makes it hard for us to state our case and advocate our crusade in the most effective way, for most of us lack skill in language.”

- Hiram Wesley Evans, “The Klan’s Fight for Americanism,” *The North American Review* Vol. 223, No. 830 (March – May, 1926), 33-63.

“You are patiently standing in a long line heading up a hill, as in a pilgrimage. You are situated in the middle of this line, along with others who are also white, older, Christian, and predominantly male, some with college degrees, some not.

“Just over the brow of the hill is the American Dream, the goal of everyone waiting in line. Many in the back of the line are people of color – poor, young and old, mainly without college degrees. It’s scary to look back; there are so many behind you, and in principle you wish them well. Still, you’ve waited a long time, worked hard, and the line is barely moving. You deserve to move forward a little faster. You’re patient but weary. You focus ahead, especially on those at the very top of the hill.

“Look! You see people *cutting in line ahead of you!* You’re following the rules. They aren’t. As they cut in, it feels like you are being moved back. How can they just do that? Who are they? Some are black. Through affirmative action plans, pushed by the federal government, they are being given preference for places in colleges and universities, apprenticeships, jobs, welfare payments, and free lunches.... Women, immigrants, refugees, public sector workers – where will it end? Your money is running through a liberal sympathy sieve you don’t control or agree with. These are opportunities you’d have loved to have had in your day – and either you should have them when you were young or the young shouldn’t be getting them now. It’s not fair....

“The brown pelican. Unbelievably, standing ahead of you in line is a brown pelican, fluttering its long, oil-drenched wings.... To keep surviving, it now needs clean fish to eat, clean water to dive in, oil-free marshes, and protection from coastal erosion. That’s why it’s in line ahead of you. But really, it’s just an animal and you’re a human being.

“Blacks, women, immigrants, refugees, brown pelicans –all have cut ahead of you in line. But it’s people like *you* who have made this country great. You feel uneasy. It has to be said: the line cutters irritate you. They are violating rules of fairness. You resent them, and you feel it’s right that you do. So do your friends. Fox commentators reflect your feelings, for your deep story is also the Fox News deep story.

- Arlie Russell Hochschild, *Strangers in Their Own Land: Anger and Mourning on the American right, a Journey to the heart of*

Our Political Divide (New York and London: The New Press, 2016), 136-139.

“The idea of the middle-class constitution is that it’s a constitutional system that requires and is conditioned on the assumption that there is a large middle class, and no big differences between rich and poor in a society....

“What we have is a constitutional system that doesn’t build class in at all, and the reason why is that America was shockingly equal at the time in ways that seem really surprising to us today.”

Ganesh Sitaraman, discussing his 2017 book, *The Crisis of the Middle-Class Constitution* in *The Atlantic*, March 21, 2017 (<https://www.theatlantic.com/business/archive/2017/03/middle-class-constitution/519909/>)