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Durable Democracy? Economic Inequality and Democratic Accountability in the New Gilded Age

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Abstract Scholarship in the U.S. provides mounting evidence of a linkage between economic inequality and inequality in representation and policymaking. In response, this article addresses a research question striking at the very heart of the resilience of the democratic capitalist design: Do voters punish elected officials for inequality? We advance the argument that voter punishment of incumbents for inequality will occur when inequality is locally salient and for officeholders that support inequality-enhancing legislation. Relying upon secondary analysis of large-N national survey data, we find that voters residing in high inequality contexts voted against incumbents who supported regressive tax policies and opposed minimum wage increases. Interestingly, for inequality-attenuating incumbents, we find increased support among voters in high inequality contexts. Importantly, robustness checks reveal that observed punishment effects hold for Democratic and Republican incumbents. We conclude by discussing the implications of our findings for American democracy in an era of rising inequality.

Keywords Income inequality · Electoral behavior · Accountability

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Introduction

A central question in the study of democratic politics is whether citizens hold their elected officials accountable for their voting decisions, policy outcomes, and prevailing societal conditions—otherwise known as "democratic accountability." Indeed, in his classic work on congressional behavior, R. Douglas Arnold argued that the extent to which individuals are able to control their government in a representative system "should be one of the central questions in political science" (Arnold 1990, p. 265). In this article, we address a question of pressing importance that has yet to be assessed in the congressional voting and accountability literatures: do voters hold legislators accountable for economic inequality? We find this omission crucial in light of several dominating trends in the economic and political landscape of the nation.

First, income inequality has risen drastically in the United States since the late 1970s (Piketty and Saez 2003) and is now a defining feature of American society. Second, there is mounting evidence of a strong linkage between economic and political inequality, as scholars find that elites are more responsive to the affluent and that policy is more likely to reflect wealthy interests (Bartels 2008; Gilens 2012; Hayes 2013). Moreover, recent scholarship finds that inequality in the U.S. is self-reinforcing over time, and that this is in large part attributable to a "status quo bias" in policy making institutions (Enns et al. 2014). These dominating trends— economic and political inequality—raise several vital issues, but perhaps none more central than the durability and resilience of the American system of democracy. Indeed, such findings spell trouble for the theory of democratic capitalism, which is predicated upon the notion of a free market economy subject to control by a democratic political system.

According to traditional theories of redistributive democracy (Lipset 1981; Kelly and Enns 2010), democracy enables popular majorities to curtail market-driven inequality via demand for redistributive government activity, direct participation in selecting leaders, and indirect participation in policy making. Thus, according to such theories, voters play the most important role in the system—their reactions to market outcomes effectuates the containment of inequality. Recent public opinion research, however, casts doubt on the extent to which American citizens perform this role, as the literature offers mixed findings concerning the effect of income inequality on mass policy preferences. For example, while some studies find that increases in aggregate income inequality are associated with decreases in mass support for redistribution (Kelly and Enns 2010; Luttig 2013), other studies fail to uncover any systematic relationship between aggregate inequality and support for redistribution (Grant and Lebo 2016; Johnston and Newman 2016). Moreover, Hayes (2014) finds that citizens' disapproval of income inequality is only weakly linked to support for inequality-reducing policies, while Franko et al. (2013) find that such disapproval strongly predicts support for redistributive taxation. In light of these findings, we turn our gaze from public opinion to political behavior, and toward a crucial type of behavior used for achieving accountability—punishment of elected officials for economic inequality. Indeed, we view such punitive voting as

constituting the "last stand" of democracy in a system many expert observers have characterized as a "closed game" working for the wealthy and against the average citizen (Bartels 2008; Gilens 2012).

In this article, we tackle the question of voter punishment of elites for inequality head-on. We offer a theory of ***inequality backlash***, which begins with the assertion that voter punishment of elected officials for economic inequality is likely, as prior research firmly documents Americans' dislike for inequality, poverty, and unfairness (Bartels 2008; Drake 2013; McClosky and Zaller 1984). Given this predisposing factor, we argue that punishment of elites will occur among voters as a function of their level of exposure to inequality in their local residential context. We theorize that residence in contexts where inequality is high, and is thus a visible feature of daily life, will enhance the probability of voting against incumbents. In contrast to theories of "blind retrospection" (Achen and Bartels 2002), we argue that voter punishment for inequality will be heightened by an officeholders' culpability for inequality, which in coarse form can be comprised of their record of voting for inequality-enhancing economic policies. Relying upon multiple large-N national survey datasets, we uncover consistent evidence of punishment of inequality-enhancing incumbents among voters exposed to high levels of local economic inequality. Interestingly, we also uncover evidence of reward for inequality-attenuating incumbents among voters exposed to high levels of local inequality. Importantly, we find that while our results do not vary by incumbent party or voter party or income, they do vary by voter's level of political information.

Retrospective Voting and Democratic Accountability

The extent to which citizens hold elected officials accountable is a perennial question in the study of politics (Arnold 1990) and an important measure of democratic performance (Dahl 1971). Elections are the most prominent way in which we are able to measure this performance, as voters elect politicians to represent their interests and have the opportunity to punish and replace those who act contrary to their desires (Mayhew 1974). Macro-level analyses show that policy outcomes move in response to aggregate public opinion (Stimson et al. 1995), and this finding is complemented by work demonstrating that members of Congress (MCs) tend to vote in line with the ideological leanings of their districts (Erikson 1971; Erikson and Wright 2000, 2005). Within the research focusing on the dyadic relationship between elected officials and their constituents, the findings are rather mixed; many studies find that voters rarely hold elected officials accountable (Bernstein 1989; Jacobs and Shapiro 2000; Theriault 2005), while others find voters hold elected officials accountable under specific circumstances, such as when MCs vote for the extreme of their party (Canes-Wrone et al. 2002) or when MCs vote out-of-step with issues their constituents' find important and are knowledgeable about (Hutchings 2003). More recently, Ansolabahere and Jones (2010) find that citizens' level of agreement with legislator policy positions affects approval ratings and the likelihood of voting for incumbent politicians.

While the overall accountability literature has rendered mixed findings—which are underscored by studies demonstrating deficits in citizens' knowledge regarding the positions taken by their representatives (Campbell et al. 1960; Delli Carpini and Keeter 1996; Smith 1989)—a sizeable sub-literature exists offering strong evidence that voters rely on the health of the national economy to evaluate the performance of incumbent representatives. According to theories of retrospective and economic voting (Fiorina 1981), citizens can implement accountability despite low levels of political knowledge; voters only need to evaluate current economic conditions in order to make judgments in current elections. While this form of "accountability" might not be perfect (Achen and Bartels 2002; Stigler 1973), retrospective voting is, according to Fiorina (1978): "a decision rule which cuts information and decision-making costs, which at least offers the voter a way of saying "change!", and which encourages representation by providing an incentive for politicians to anticipate constituents' reactions when they make policy". Within the vast literature on Congressional voting (in both the House and Senate), a common finding is that electoral outcomes can be predicted on the basis of macroeconomic outcomes (Tufte 1975; Hibbs 1982; Abramowitz and Segal 1986; Newman and Ostrom 2002). While a variety of methods are used to approach the effect that economic conditions have on election results, the general finding is that when the national economy booms, candidates of the president's party perform better. Moreover, individual level studies have repeatedly demonstrated this relationship by showing retrospective evaluations of the national economy influence vote choice for the incumbent (Markus 1988; Gomez and Wilson 2001).

Recently, the economic voting literature has moved beyond the national economy to investigate the role that subnational, local economic conditions play in affecting electoral behavior. Theories of regional self-interest (Bishop 2014) and "geotropic" (Reeves and Gimpel 2012) or "communotropic" (Rogers 2014) voting commonly argue that the local economy constitutes an arena of economic experience and concern distinct from the personal or the national, and as such, citizens may broaden calculations of their own self-interest to include those of their surrounding community. The general prediction of these theories is that citizens' will punish elected officials for unfavorable local economic conditions. Evidence in support of this prediction is building, as extant research finds that subjective and objective measures of local economic conditions influence presidential approval (Mondak et al. 1996; Rogers 2014), and that local unemployment, fuel prices, and home foreclosures impacted voting patterns in the 2008 Presidential Election (Cho and Gimpel 2009). Underlying these observed effects on approval and voting is perhaps the more significant finding that local economic conditions strongly influence citizens' evaluations of the health of the national economy (Books and Prysby 1999; Hansford and Gomez 2015; Newman et al. 2015). The basic observation underlying these findings is that, given the average citizens' innumeracy regarding macroeconomic conditions (Lawrence and Sides 2014), citizens use their direct observations of local economic conditions as a source of information for making judgments about the health of the national economy.

In sum, extant research finds that voters can hold elected officials accountable, and that the form of accountability most consistently enacted by voters involves the

punishment of incumbents for unfavorable economic conditions. Moreover, a growing body of research demonstrates the importance of the local economy in this process. What has yet to be explored within the economic voting literature is whether the type of punitive voting behavior observed for downturns in the economy extends to *unequal economic outcomes*. To date, no known research examines whether voters punish incumbents for income inequality; yet, this question is of the utmost importance given the drastic growth in income inequality in the U.S. over the past three to four decades. Additionally, evidence of the political power of the wealthy and the self-perpetuating nature of inequality renders the question of voter punishment of incumbents for inequality more exigent, as such behavior constitutes a potentially effective recourse for citizens to pressure elites to curtail inequality. Therefore, we view the exploration of voter punishment of elites for inequality as not only promising to build an important bridge between the voluminous literature on economic voting and the burgeoning literature on the politics of inequality, but also to uncover results with substantial implications for the durability of the American system of democracy in light of growing economic inequality.

Inequality and Democratic Accountability

In this section, we offer a theory of **inequality backlash**, which argues that voters will hold politicians accountable for inequality. The core prediction of this theory is that exposure to income inequality within one's local residential context will reduce support for incumbent politicians. We expect this to occur because the majority of Americans find inequality disagreeable on multiple levels, voter punishment for inequality represents a plausible extension of punishment already observed for other unfavorable societal conditions, and that local inequality constitutes a powerful treatment given its daily visibility. Further, we expect punishment to be most pronounced for incumbents culpable for inequality, which we conceptualize as roll-call votes that enhance the income of the rich vis-à-vis the lower class.

The starting point for our expectation of voter backlash against economic inequality is the established fact that the vast majority of American citizens dislike economic inequality in principle and reality. Scholarship examining public opinion finds Americans are generally aware of growing inequality over the past decades (Bartels 2008; McCall 2013), are concerned about the effects of this unequal growth (Page and Jacobs 2009), and perceive increasing inequality in the U.S. as a "bad thing" for society (Bartels 2008; Drake 2013). For example, 65% of Americans (accurately) perceive the gap between the rich and poor over the past decade as having increased,[1] 78% view the gap between rich and poor as a big problem,[2] 63% believe the nation is losing ground in addressing the problem of economic

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[1] Source: 2012 Pew Middle Class II Survey, http://www.pewsocialtrends.org/2012/08/27/yes-the-rich-are-different/.

[2] Source: 2014 Pew Global Attitudes Project Poll, http://www.pewglobal.org/2014/09/09/global-public-downbeat-about-economy/.

inequality,[3] and 78% believe the government should work to reduce inequality.[4] Researchers focusing on these figures have offered multiple explanations for American's dislike of inequality, such as their general commitment to egalitarian (Bartels 2008) and democratic (McClosky and Zaller 1984) values, and concomitant concern over the preservation of economic fairness, equal opportunity, and popular sovereignty. Surveys of public opinion reveal that Americans hold lukewarm feelings toward the rich (Bartels 2008), believe the wealthy come to possess their wealth in part through unmeritorious means (e.g., inheritance, political connections, dishonesty) (Kluegel and Smith 1986), and view the rich as having too much power and influence in American society (Eichler 2011; Kohut et al. 2011). Further, a sizeable plurality of Americans attribute income inequality itself to an unfair tax system benefiting the rich, to the power and profiteering of corporations and business executives, and to the political power of the wealthy (Desilver 2014).

In addition to principled objections, Americans' negative appraisal of inequality is likely due to the visible material consequences of, and to the psychological effects of encountering, economic inequality. With respect to the visibility of inequality, prior research finds that Americans are well aware of inequality where it exists, as perceptions of inequality in the nation are strongly linked to sub-national levels of state (Xu and Garand 2010) and local (Newman et al. 2015) income inequality. To be sure, prior research documents that citizens are largely "innumerate" with respect to national economic statistics (Lawrence and Sides 2014), and that public perceptions of economic inequality over time track poorly with year-to-year changes in national levels of inequality (Bartels 2008). However, these findings are countered by recent research demonstrating that citizens are largely aware of sub-national economic conditions (Newman et al. 2015), that local levels of income inequality predict citizens' perceptions of economic inequality (Minkoff and Lyons 2016; Newman et al. 2015), and that public perceptions of inequality over time track well with year-to-year changes in state-level inequality (Franko 2016). Turning to the visibility of the consequences of inequality, Berube (2014) argues that compared to cities with more even income distributions, cities in which the "rich are very rich and the poor very poor" are likely to face many difficulties, such as maintaining mixed income schooling and educational opportunities for low income children, raising revenues for essential city services, and bifurcation in housing stock leaving fewer neighborhoods available to middle-class citizens. Additionally, research has linked income inequality to the breakdown of social capital (Putnam 2001; Kawachi et al. 1997) and to problems in residents' physical and mental health (Diez Roux 2001; Wilkinson 1997). Beyond its negative relationship to various material, social, and health outcomes, extant research demonstrates that encountering economic inequality is subjectively upsetting. Exposure to the homeless has been found to generate sadness, as well as frustration and anger when cast in light of the affluence in American society (Lee et al. 2004). Adding to this, recent work finds that

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exposure to inequality in one's daily environment is disillusioning and undermines belief in the "American dream" (Newman et al. 2015), and that contact with people experiencing economic distress heightens the perceived unfairness of the economic system (Newman 2014).

Taken together, this research strongly positions economic inequality as an aversive characteristic of the economic environment. As such, it is plausible to expect that exposure to inequality holds the potential for a political backlash among voters comparable to backlash observed for other disliked economic conditions, such as unemployment. In the same manner as retrospective and sociotropic theories of voting argue that citizens will use their perception of the health of the economy as a basis for judging the quality of an incumbents' performance, citizens may also use their perception of economic inequality as a basis for evaluating an incumbent's performance. The basic logic of these theories is that economic prosperity is a "valence issue" (Stokes 1963), and thus, high unemployment and contractions in GDP are met with dissatisfaction among voters, which in turn translates into declining approval ratings and vote shares for incumbents perceived as jeopardizing the nation's economic well-being. Given citizens' aversion to inequality, it stands to reason that high inequality should also be met with dissatisfaction among voters, which in turn should translate into withdrawn support for presiding politicians deemed responsible for unequal economic well-being. Much as unemployment in the eyes of voters is deemed a threat to the valence goal of economic prosperity, economic inequality represents unequal prosperity, and as such, should represent a threat in the eyes of voters to other universally desired ends, such as economic fairness, equal opportunity, and popular sovereignty. The suitability of conferring valence issue status to economic inequality is reflected by opinion polls when comparing inequality to other issues typically given valence status. As noted above, roughly 78% of Americans view inequality as a big problem and believe the government should do something to reduce inequality, placing such figures on par with the 77% of Americans that disapprove of cutting spending on education[5] and the 82% of Americans that oppose decreasing spending on fighting crime.[6] Given that inequality is unpopular and that voter punishment for inequality represents a plausible extension of that observed for other unfavorable economic conditions, we offer the following hypothesis:

H₁ Backlash Hypothesis Support for Incumbents should decline as a function of a voter's level of exposure to local economic inequality.

Building on this, our theory of inequality backlash expects that punishment for inequality should be conditional upon an incumbent's voting on economic policies linked to income and wealth distribution. That is, among voters exposed to local income inequality, we expect the greatest withdrawal of support for incumbents among those confronting incumbents who have voted in support of inequality-

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[5] Source: 2012 December Political Survey, Pew Research Center, http://www.people-press.org/2012/12/13/as-fiscal-cliff-nears-democrats-have-public-opinion-on-their-side/.

[6] Source: 2013 February Political Survey, Pew Research Center, http://www.people-press.org/2013/02/22/as-sequester-deadline-looms-little-support-for-cutting-most-programs/.

enhancing economic policies. We conceptualize inequality-enhancing policies as those that reduce, or fail to increase, the income of lower and middle class citizens, as well as those that increase the income of the wealthy. This expectation is issued in response to recent leading research providing evidence of the impact of incongruence between voter preferences and incumbents' voting behavior on voters' electoral support for incumbent legislators. Ansolabahere and Jones (2010) demonstrate that roughly three quarters of voters correctly identify legislator positions on select roll call votes and that citizens' level of agreement with these positions is found to affect both approval ratings and likelihood of voting for incumbent politicians. Further, research indicates that citizens are most likely to be aware of legislators' positions on, and to hold them accountable for, issues they deem important (Bishin 2009; Hutchings 2003). Prior research suggests journalists, interest groups, and challengers often alert voters when incumbents vote out of step with constituent preferences, and citizens are more likely to pick up this information for issues they find salient (Hutchings 2003).[7] We expect daily exposure to economic inequality in one's local context to make inequality salient, and thus, to make those residing in unequal areas more attentive to economic policies impacting the level of inequality and elite position-taking on such issues. With this in mind, we expect voter punishment for inequality, which we hypothesize to stem from local exposure to income inequality, to be influenced by whether an incumbent has acted to promote economic inequality by voting for policies that enhance the income of the wealthy and/or fail to do so for the poor and middle class. This expectation leads to the following sub-hypothesis:

H$_{1A}$ Culpability Hypothesis Voter punishment for inequality should be conditional upon an Incumbent's culpability for inequality, with punishment occurring for Incumbents with a record of voting in support of inequality-enhancing economic policies.

Data and Methods

To test our hypotheses, we draw upon the 2006 ($N = 36,500$) Cooperative Congressional Elections Studies (CCES; Ansolebehere, 2006). This survey contains contextual data for each survey respondent indicating the name, partisanship, and voting record of their two representatives in the Senate, as well as whether the respondent reported voting for an incumbent Senator in the 2006 midterm election. We focus on Senators because they are generally better known than House members, garner more media attention, and represent more diverse constituencies (Fenno 1982; Bernstein 1989; Hibbing and Alford 1990; Krasno 1997). The CCES

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[7] We acknowledge that decades of research on citizen knowledge of governmental affairs often demonstrate Americans have relatively low levels of knowledge or interest in politics (e.g. Converse 1964; Delli Carpini and Keeter 1996; Neuman 1986). However, as we point out, additional studies lend evidence to our expectation that under certain conditions, its possible for citizens to have an increased likelihood of awareness of either legislator positions or salient issues.

codebook recorded which of the fifty states held an election in 2006 (33 states)[8] and whether an incumbent Senator sought reelection (29 states). This information enabled us to retain the subset of respondents from the data that were given the opportunity to vote for or against an incumbent Senator ($N = 25{,}093$) and to analyze the vote choice of the subset of these respondents who reported casting a vote in the Senate election ($N = 17{,}513$). Additionally, the CCES data provides zip codes for each respondent, enabling us to further enhance this data with zip code-level demographic data from the Census Bureau. One benefit of selecting the 2006 CCES is that it occurred before the 2008 Financial Crisis, thereby allowing us to assess the prevalence of voter punishment of incumbents for inequality before inequality became a highly salient issue. In this way, we view this data as offering more conservative tests of our hypotheses than what may obtain with data collected during periods where inequality was a highly salient issue.

The dependent variable for this analysis is a dichotomous variable coded "1" if a respondent reported voting for the incumbent Senator, and "0" if they voted against the incumbent. The independent variable of interest in this analysis is the *Gini Coefficient* in each respondents' zip code of residence,[9] which we use to capture the objective level of, and thus each respondents' degree of exposure to, economic inequality.

As per our ***culpability hypothesis***, our theoretical construct of interest is incumbent Senators' support for inequality enhancing economic policies. We capture this construct with the first dimension DW-NOMINATE scores for the 109th Congress, as these scores are commonly used indicators of liberal-conservative voting on economic policy issues related to government intervention in the economy and redistribution (Poole and Rosenthal 2000). While first dimension NOMINATE scores are explicitly conceptualized as capturing differences in roll call voting decisions as they pertain to "the conflict between the rich and poor" (McCarty et al. 2006, p. 50), this measure typically includes votes unrelated to economic policy. To increase the precision of our measure, we identified the subset of votes in this congressional session that related to economic policy issues. We used the Clausen categorization, which is available on the NOMINATE website and codes each roll call vote according to six categories (government management, social welfare, agriculture, civil liberties, foreign and defense policy, and miscellaneous policy). We then estimated a new *E-NOMINATE* measure using only four of the six categories (excluding foreign and miscellaneous

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[8] The 2006 CCES mistakenly omits the Senate race in Indiana in 2006 in its list of candidates for U.S. Senate (see pg. 88 of Guide). Moreover, the 2006 CCES did not collect data on the vote choice in the Senate Election for respondents from Indiana. This leaves our analysis with only 28 incumbent elections, rather than 29.

[9] Our zip code level estimates of the *Gini Coefficient* are based upon zip code household income data from the 2000 Decennial Census. For more information about the procedure we use to estimate *Gini*, as well as information about the distribution of this measure, see Supplemental Appendix B. As the *Gini Coefficient* is one of several measures of income inequality, we demonstrate that the results presented in Table 1 hold when using an alternative measure, such as the *80/20 Ratio* (See Table C1 in Supplemental Appendix C).

policy votes) using the W-NOMINATE roll-call analysis software for R (Poole et al. 2011).[10]

We interpret higher *E-NOMINATE* scores to indicate greater support for policies that enhance economic inequality and/or opposition to policies that attenuate inequality. To illustrate, among the incumbent Senators in the 2006 Election, those with *E-NOMINATE* scores in the 90th (10th) percentile all supported (opposed) extending the capital gains tax cut and the estate tax cut and opposed (supported) raising the federal minimum wage. Each of these policies had clear effects in terms of the distribution of benefits across the income distribution. The two former policies, engineered by the Bush Administration and referred to as the "Bush tax cuts", primarily benefitted very wealthy taxpayers and constituted a "massive additional government-engineered transfer of wealth from the lower and middle classes to the rich" (Bartels 2008, p. 162). Minimum wage increases are known to enhance income among lower income households (Bernstein and Schmitt 1998). Incumbents' *E-NOMINATE* scores will serve as the moderator in this analysis.

For this analysis, we estimate two models—one model assessing the unconditional effect local inequality on incumbent vote support, and a second interactive model assessing the effect of local inequality conditional upon incumbents' voting record. Our models include a host of controls. At the zip code-level, we control for median income, unemployment, percent black, republican vote, and population density.[11] Including these controls enables us to assess the effect of inequality holding constant key contextual characteristics potentially correlated with inequality, such absolute economic conditions, local political culture, and urbanicity. For our interactive model, we control for interactions between median income and *E-NOMINATE* scores, as well as aggregate partisanship and *E-NOMINATE* scores.[12] By including these additional interactions, we are able to estimate the conditional marginal effects of Gini across *E-NOMINATE* scores separately from the conditional effects of variation in general wealth and local political culture. At the individual level, we include standard demographic (education, age, race, gender,

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[10] Our *E-NOMINATE* measure excludes votes on topics such as defense procurement and all votes concerning internal procedures of Congress. Taking the 109th Congress as an example, the new measure includes votes such as #545 to increase the minimum wage (social welfare) as well as #596 passing pension reform (government management) and excludes votes such as #638 confirming Robert Gates as Defense Secretary (foreign and defense policy) or #630 requesting the attendance of absent Senators (miscellaneous procedure). We include the Civil Rights category as it contains many votes related to economic inequality such as #402 on the topic of campaign contributions, #481 on women's health services, and #13 on protecting veterans from bankruptcy. This category also overlaps with an alternative coding scheme (Peltzman) which includes these votes as domestic social policy.

[11] These zip-code demographic variables were obtained from the 2000 Decennial Census. *Republican Vote* is measured at the county-level, and is the percent of voters in each county voting for Bush in the 2004 Presidential Election. This data was obtained from: http://uselectionatlas.org/.

[12] These controlled interactions are essential. For example, were we to observe that respondents in higher inequality areas are more likely to vote against inequality-enhancing incumbents, one might speculate that such effects are driven by the correlation between Gini and residing in a lower income and democratic context, where what is essentially being observed is the punishment of conservative incumbents by voters in democratic-dominated environments. To separate out the conditional effects of Gini from absolute wealth and political culture, we control for the interaction of these variables with incumbent *E-NOMINATE* scores.

religiosity) and economic controls (income, employment status, homeownership). In line with leading research (Ansolabahere and Jones 2010; Jones 2011; Nyhan et al. 2012), we control for *Party Agreement* between a voter and incumbent Senator, as well as respondents' retrospective evaluations of their state economy. For information about variable measurement, see Appendix A. Given the hierarchical nature of the data, with individuals embedded within zip codes and states, we estimated a multilevel logistic regression model with random intercepts for zip and state. For ease of interpretation, all independent variables (except Age) were recoded to range from 0 to 1.

Results

The results are presented in Table 1. Beginning with the first column of results, we see that variation in local exposure to inequality exerts no effect on the probability of voting for an incumbent. This model, however, fails to take into account variation in the behavior of incumbents with respect to prominent legislation impacting the wages of workers and taxes paid by the wealthy. When turning to the second results column, we observe an intriguing pattern of diverging marginal effects that align with—and surpass—our expectations. The constituent term for Gini indicates that among voters facing an incumbent with a record of inequality-attenuating voting on high profile policies, those residing in high inequality areas are significantly *more likely* to vote for the incumbent than those residing in relatively equal contexts. This finding suggests an unanticipated "reward effect" for inequality-attenuating incumbents among voters residing in economically unequal environments. Turning to the interaction term—the size, direction, and significance of the coefficient indicates a reversal of this effect, such that for incumbents with an inequality-enhancing voting record, exposure to high levels of local inequality is now associated with a *decrease* in the probability of voter support.

Figure 1 depicts the magnitude of these effects by plotting out the predicted probability of a respondent's vote for an incumbent by low and high incumbent *E-NOMINATE* scores across values of Gini. As can be seen, among voters in low inequality environments, there are no significant differences in vote choice. As Gini increases, we see voters diverge as a function of the voting record of an incumbent, with inequality-enhancing incumbents experiencing a .28 decline in the probability of voter support and inequality-attenuating incumbents enjoying a .16 increase in the probability of voter support. What is noteworthy about the pattern of predicted probabilities for inequality-enhancing incumbents (dashed line) is that the probability of individual vote support shifts from well above the 50 percent mark (.70) to just below it (.42), indicating that—holding all else constant—increasing inequality at the local level can alter incumbent support from being most likely to nearly comparable to that of a coin toss. These effects provide strong evidence in support for the culpability hypothesis, as voters exposed to high inequality evince a tendency to reward incumbents with pronounced support for liberal economic policies (e.g., increase workers' wages and eliminate tax cuts for the wealthy) and a
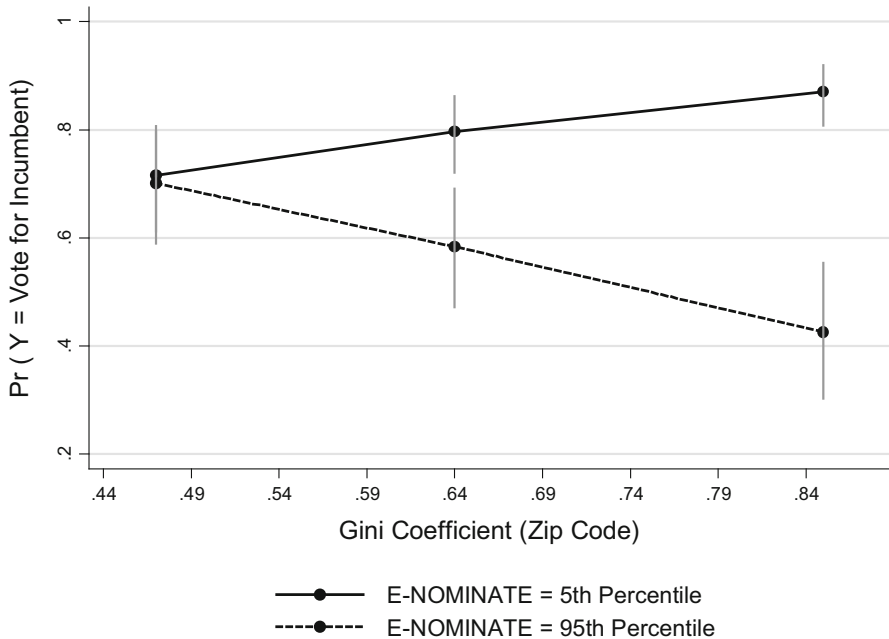
Fig. 1 Conditional effects of local inequality on the probability of voting for incumbent (2006 CCES data). *Note*: Figure presents the predicted probabilities of incumbent vote support across the continuous values of *Gini* when Incumbent *E-NOMINATE Scores* are set to 5th and 95th percentile values, with vertical spikes representing 90% confidence intervals at low, mean, and high values of Gini (0–1 recoded scale). Predicted probabilities were obtained from post-estimation analyses holding all control variables at their mean values

tendency to punish incumbents with pronounced conservative voting records on such policies.

The results in Table 1 also confirm our intuitions behind the inclusion of the additional interactions.[13] As can be seen, moving from poor to wealthy areas has no effect on voting for incumbents with low *E-NOMINATE* scores, but is associated with reduced support for incumbents with high *E-NOMINATE* scores, indicating a backlash against inequality-enhancing incumbents among voters in wealthy versus poor areas. One explanation for this finding is that *Median Income*, despite controlling for political context, may still be picking up the tendency for wealthier areas to be more liberal, as there is a slight negative correlation between *Median Income* and *Republican Vote* in our data ($r = -.13$). Turning to the conditional marginal effects of political context, we find that voters in Republican contexts are less likely to vote for inequality-attenuating incumbents but more likely to vote for inequality-enhancing incumbents. One explanation for this finding is that it derives from processes of in-party reward and out-party punishment, as voters in heavily

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[13] An additional possibility is that population density, given its correlation with Gini, is the driving the interactive results presented in Table 1. To dispel this possibility, we re-estimated the interactive model in Table 1 controlling for the interaction of *Population Density* with *E-NOMINATE Scores*, and find our results hold (see Table C2 in Supplemental Appendix C).

Table 1 The effect of local income inequality and incumbent voting behavior on vote choice (2006 CCES Data)

	Vote for incumbent	
	Basic model	Interactive model
Local inequality		
Gini coefficient	−.040 (.466)	2.90*** (.758)
Moderator		
Incumbent E-NOMINATE		2.37* (1.21)
Interaction		
Gini × E-NOMINATE		−6.33*** (1.26)
Contextual controls		
Median income	−.779^ (.475)	.689 (.677)
Unemployment rate	−.776 (1.03)	−.309 (1.07)
Percent black	−.083 (.238)	−.038 (.242)
Republican vote	−.049 (.217)	−1.10*** (.326)
Population density	.610 (.565)	−.422 (.584)
Individual controls		
Education	.288** (.099)	.303** (.099)
Income	−.306** (.121)	−.305** (.121)
Age	−.0003 (.001)	−.0002 (.001)
Male	−.066 (.049)	−.071 (.049)
Black	.434*** (.106)	.432*** (.106)
Hispanic	.149^ (.086)	.159^ (.086)
Unemployed	.083 (.142)	.088 (.142)
Homeowner	−.066 (.066)	−.069 (.066)
State economic evaluation	−.295** (.096)	−.260** (.095)
Party agreement	4.47*** (.077)	4.44*** (.061)
Religiosity	−.280*** (.069)	−.285*** (.069)
Controlled interactions		
Median Income × E-NOMINATE		−3.30** (1.14)
Republican Vote × E-NOMINATE		2.53*** (.562)
Constant	−.552 (.461)	−1.76^ (.720)
LR Test	584.44***	341.96***
# Level 1 units (Individuals)	17,039	17,039
# Level 2 units (Zips)	7094	7094
# Level 3 units (States)	28	28
$\Delta Pr(y)/\Delta x$		
@ 5th pctl. *E-Nominate*	–	.16
@ 95th pctl. *E-Nominate*	–	−.28

Republican contexts are voting against (inequality-attenuating) *Democrats*. What is important to reiterate is that our core results hold after controlling for these interactions, indicating that the interactive effects observed for Gini and *E-NOMINATE* scores are not capturing unspecified conditional effects of absolute wealth or aggregate partisan leanings.[14]

Punishment by Incumbent Party

One concern with our analysis is the possibility that our results are being driven by the reward of Democratic, and punishment of Republican, incumbents in high inequality (i.e., left-leaning) contexts. Our analysis takes serious steps to address this possibility by (1) controlling for *Party Agreement*, (2) controlling for political context, and (3) controlling for the interaction of political context with incumbent voting records. Despite these efforts, it remains possible that our results are still being driven by the dynamics of in-party reward and out-party punishment. To further address this concern, we re-estimated our model by incumbent partisanship.

The results from these models are presented in Table 2. As can be seen, the general pattern of results for *Gini*, *E-NOMINATE*, and their interaction hold when looking at voter support for Democratic and Republican incumbents separately. For both Democratic and Republican incumbents, we observe a "reward effect", where an increase in Gini is associated with a significant increase in the probability of voting for incumbents with liberal economic voting records. The bottom rows of Table 2 convey the effect sizes associated with changes in Gini at low and high *E-NOMINATE* scores, with low and high scores defined to be within-sample for each partisan incumbent group. For inequality-attenuating Democratic incumbents with extremely liberal economic voting records, such as Edward Kennedy (MA) or Daniel Akaka (HI), moving from voters residing in low to high inequality locales throughout their respective states is associated with over a .38 increase in the probability of voter support. Importantly, such differences in voter support across low and high inequality contexts is *not* found when analyzing economically moderate Democratic incumbents, such as Maria Cantwell (WA), whose *E-NOMINATE* score rests around the mean for Democratic incumbents in 2006. For incumbents like Cantwell, the increase in the probability of support between voters in low and high Gini zip codes is only roughly .08, and is not statistically significant. Turning to Republican incumbents with liberal economic voting records relative to their co-partisans, such as Lincoln Chafee (RI) or Olympia Snowe (ME), moving from voters residing in low to high inequality locales throughout their respective states is associated with over a .13 increase in the probability of voter support. In short, across both parties, holding all else constant, voters exposed to high levels of

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[14] We should note that our results hold when including additional controls for incumbent characteristics (race, gender, tenure in office) and election characteristics (incumbent and challenger campaign spending, and presidential approval) (see Tables C3 in Supplemental Appendix C). Additionally, our results are robust to the exclusion of potentially influential data, such as respondents from states with atypical incumbent Senators like Lincoln Chaffee (R) and Ben Nelson (D) who each voted out of step with their respective parties (see Supplemental Appendix D).

Table 2 Re-analyses by incumbent party (2006 CCES data)

	Democratic incumbents	Republican incumbents
Local inequality		
Gini Coefficient	4.83*** (1.31)	8.66^ (5.33)
Moderator		
E-NOMINATE	27.12*** (7.46)	7.74 (5.99)
Interaction		
Gini × E-NOMINATE	−25.75*** (8.07)	−12.15* (6.29)
Contextual controls		
Median income	2.90** (1.12)	7.19 (6.12)
Unemployment rate	−.254 (1.41)	−.933 (2.02)
Percent black	.508 (.357)	−.411 (.416)
Republican vote	.214 (.590)	1.64 (2.81)
Population density	−.113 (.659)	−5.16* (2.46)
Individual controls		
Education	.874*** (.135)	−.796*** (.173)
Income	−.382* (.165)	−.236 (.208)
Age	.001 (.002)	−.004^ (.002)
Male	−.165* (.067)	−.072 (.084)
Black	1.03*** (.166)	−.042 (.165)
Hispanic	.335** (.116)	−.109 (.158)
Unemployed	.103 (.196)	−.027 (.234)
Homeowner	−.241** (.090)	.158 (.111)
State economic evaluation	−2.49*** (.143)	3.48*** (.184)
Party agreement	4.03*** (.104)	3.93*** (.092)
Religiosity	−1.12*** (.095)	1.22*** (.123)
Controlled interactions		
Median income × E-NOMINATE	−19.82** (7.68)	−11.39 (7.08)
Republican vote × E-NOMINATE	−5.60 (3.65)	−2.01 (3.31)
Constant	−3.39** (1.20)	−7.99 (5.04)
LR test	90.98***	209.19***
# Level 1 units (individuals)	9825	7214
# Level 2 units (zips)	4073	3021
# Level 3 units (states)	15	13
$\Delta Pr(y)/\Delta x$:		
@ Low *E-NOMINATE Score*	.38	.13
@ High *E-NOMINATE Score*	−.42	−.27

inequality are significantly more likely to vote for incumbents with more economically liberal voting records, implying a reward effect for inequality-attenuating incumbents.

Turning to the multiplicative terms in Table 2, we observe negative, statistically significant, and large interaction terms, suggesting a reversal in the effect of Gini for

inequality-enhancing Democratic and Republican incumbents. Inspection of the marginal effect of Gini when *E-NOMINATE* scores are at their highest values (i.e., inequality-enhancing incumbents) reveals significant negative effects for Democratic ($B = -25.75$, SE $= 8.07$, p $< .001$) and Republican ($B = -12.15$, SE $= 6.29$, p $< .05$) incumbents. As for effect sizes, for inequality-enhancing Democratic incumbents with conservative economic voting records relative to their co-partisans, such as Ben Nelson (NE), moving from voters residing in low to high inequality locales throughout their respective states is associated with a .42 decrease in the probability of voter support. Turning to Republican incumbents with inequality-enhancing (i.e., extremely conservative) voting records, such as Craig Thomas (WY) or Jon Kyl (AZ), moving from voters residing in low to high inequality locales is associated with roughly a $-.27$ decrease in the probability of voter support. In sum, we see the retention of the heightened tendency of citizens to vote against inequality-enhancing incumbents when residing in contexts with high income inequality when looking at Democratic and Republican incumbents separately.

Heterogeneous Responses to Inequality

An additional issue that is important to address is the possibility of heterogeneity in citizens' reactions to income inequality. Our theory of inequality backlash rests upon the argument that dislike for inequality has achieved "valence issue" status. While survey evidence largely supports this claim, it also reveals that very small subsets of the American public are either indifferent to growing inequality or actually view it as a "good thing".[15] Given this, it remains possible that punishment of elites for inequality depends upon individual-level characteristics, such as partisanship and personal income, that in theory may influence the likelihood of an aversive reaction to economic inequality.

Beginning with partisanship, Bartels (2008), McCall (2013), and Xu and Garand (2010) each demonstrate that American citizens who identify with the political right are less likely to perceive the existence of economic inequality in the first place, and are less likely to view growing inequality as a "bad thing." Such findings suggest the possibility of voter punishment of incumbents for inequality being conditional upon political orientations, as it is reasonable to expect voters who view inequality as less problematic to be less likely to punish incumbents for inequality. Similarly, it is possible that lower income citizens find inequality more disagreeable than wealthy citizens, and thus, backlash may be stronger among the poor. Xu and

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[15] Indeed, in his analysis of the 2002 and 2004 ANES, Bartels (2008) finds that among Americans who accurately perceive economic inequality as growing (e.g., "much larger" or "somewhat larger"), roughly 4.7% report viewing growing inequality as a "good thing" and roughly 27% report being indifferent or not having thought about it. More recently, the 2012 Middle Class Survey conducted by Pew found that 5.2% of Americans view growing economic inequality as a "good thing" and roughly 7% report being indifferent to growing inequality.

Garand (2010) find that perceptions of inequality are most tightly linked to actual levels of subnational inequality among low income Americans. Further, Kelly and Witko (2012) find that lower income Americans are more likely to view income inequality as haven grown too large and to support government efforts to reduce inequality, and Franko et al. (2013) find that lower income citizens in Washington were more likely to support a ballot measure proposing redistributive taxation. These findings suggest the possibility that the evidence of voter punishment of incumbents for inequality may be conditional upon income.

To test these possibilities, we re-estimated the interactive model presented in Table 1 by respondent partisanship and income level, and present these results in Table 3.[16] As can be seen, for both Democratic and Republican identifying respondents, we observe the retention of the pattern of effects for local inequality and incumbent behavior we observed in the full sample. Importantly, among both Democratic and Republican respondents, we observe a significant reward effect for inequality-attenuating incumbents in response to residing in a high inequality context. While we observe negative coefficients on the interaction term for both groups, we find that the size and significance of the punishment effect is stronger for Democratic than Republican voters. Turning to income, the results in Table 3 reveal retention of the interactive relationship between inequality and incumbent voting behavior among low and high-income voters. First, low and high income voters alike evince a tendency to reward inequality-attenuating incumbents, as indicated by the positive and significant coefficients for Gini for both groups. Importantly, high income voters, like low income voters, punish inequality-enhancing elites in response to high local inequality, as the marginal effect of Gini among high income voters when *E-NOMINATE* score is at its highest value is negative and significant ($B = -11.54$, SE $= 2.91$, p $< .001$). Together, these results mitigate the concern that the findings presented in Table 1 are driven by specific subsets of voters who are particularly likely to dislike inequality. Rather, these additional results align with our view of inequality backlash, which is based upon the proposition that inequality is generally disliked, especially when directly experienced.

In addition to partisanship and income, Table 3 explores the role of *Political Knowledge* in conditioning voter punishment of incumbents for inequality. Indeed, an important deduction from our theory of inequality backlash, and more specifically, our culpability sub-hypothesis, is that punishment of inequality-enhancing incumbents for high levels of local inequality should require voter knowledge of their incumbent's voting behavior. On this point, prior research finds that political information increases Americans' opposition to income inequality, as well as their ability to connect views about inequality to economic policy preferences (Bartels 2008). To test this possibility, we measured respondents' knowledge of their incumbent Senator's economic voting tendencies, and more specifically, their roll call vote on (1) the minimum wage increase, and (2) the capital gains tax cut, as the 2006 CCES each asked respondents to report their belief

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[16] For these subsample analyses, we defined Democratic (Republican) voters as those who self-identified as being strong and weak Democrats (Republicans).

Table 3 Effect of local inequality and incumbent voting on vote choice by voter partisanship, income, and political knowledge (2006 CCES)

	Partisanship		Household income		Knowledge of incumbent voting	
	Democrats	Republicans	1st quartile	4th quartile	Low	High
Local inequality						
Gini Coefficient	3.31* (1.61)	1.90^ (1.15)	3.12^ (1.66)	3.98* (1.66)	1.86 (1.51)	4.32*** (1.30)
Moderator						
E-NOMINATE	3.64 (2.62)	3.42^ (2.11)	1.02 (2.38)	6.88** (2.61)	−.079 (2.24)	3.74^ (2.03)
Interaction						
Gini × E-NOMINATE	−7.44** (2.50)	−2.93 (2.04)	−4.90^ (2.58)	−11.54*** (2.91)	−2.79 (2.51)	−9.08*** (2.20)
Contextual controls						
Median income	3.41* (1.61)	.286 (1.03)	−.425 (1.69)	.832 (1.33)	.266 (1.37)	.948 (1.15)
Unemployment rate	−.598 (2.02)	.023 (1.66)	−1.25 (2.19)	−.359 (2.77)	−1.83 (2.14)	−.30 (1.94)
Percent black	−.263 (.429)	.322 (.457)	−.305 (.458)	.062 (.619)	−.055 (.433)	.778^ (.469)
Republican vote	−1.19 (.778)	−1.26** (.493)	−1.46* (.715)	−1.27^ (.752)	−2.04** (.653)	−1.11** (.552)
Population density	−.749 (1.09)	−1.31 (1.09)	−1.56 (1.25)	−.271 (1.29)	−2.64** (1.23)	−.106 (.839)
Individual controls						
Education	−.303 (.211)	.328* (.153)	.040 (.228)	.684** (.219)	.621** (.192)	.464** (.180)
Income	.084 (.246)	−.185 (.191)	–	–	−.548** (.224)	.068 (.228)
Age	−.002 (.003)	.003 (.002)	−.002 (.003)	.005 (.005)	−.001 (.003)	.002 (.003)
Male	−.329** (.103)	−.032 (.077)	−.207* (.099)	.206^ (.124)	−.008 (.094)	−.020 (.094)
Black	.567** (.184)	.322 (.248)	.500* (.235)	.373^ (.230)	.265 (.198)	.370^ (.199)
Hispanic	.002 (.173)	.139 (.139)	.223 (.204)	.016 (.178)	.269^ (.166)	.180 (.154)
Unemployed	.099 (.260)	.320 (.242)	.332 (.215)	.102 (.495)	.144 (.230)	−.463 (.325)
Homeowner	−.140 (.127)	−.108 (.108)	−.093 (.112)	−.265 (.221)	.148 (.114)	−.290* (.125)
State Econ. Evaluation	.294 (.234)	−.413** (.156)	−.141 (.194)	−.541* (.230)	.064 (.187)	−.0001 (.176)
Party Agreement	4.05*** (.987)	2.81*** (.781)	4.34*** (.126)	4.63*** (.269)	3.39*** (.150)	5.14*** (.117)

Table 3 continued

	Partisanship		Household income		Knowledge of incumbent voting	
	Democrats	Republicans	1st quartile	4th quartile	Low	High
Religiosity	.064 (.148)	−.342** (.111)	−.136 (.142)	−.201 (.165)	−.217^ (.131)	−.595*** (.126)
Controlled interactions						
Median Inc. × E-NOMINATE	−9.52*** (2.51)	−1.37 (1.83)	−1.71 (2.75)	−5.17* (2.40)	−3.96^ (2.29)	−3.21 (2.005)
Rep. vote × E-NOMINATE	2.11^ (1.13)	1.77* (.904)	2.45* (1.13)	1.33 (1.38)	4.24*** (1.09)	2.11* (1.01)
Constant	−2.42 (1.83)	−2.25* (1.05)	−1.35 (1.50)	−3.51** (1.47)	−.406 (1.34)	−3.39** (1.18)
# Level 1 units (individuals)	8149	7359	4155	3200	3938	6461
# Level 2 units (zips)	4754	4495	3074	2273	2968	3750
# Level 3 units (states)	28	28	28	28	28	27
ΔPr(y)/Δx						
@ Low E-NOMINATE	.13	.09	.16	.25	–	.26
@ High E-NOMINATE	−.28	−.04	−.12	−.59	–	−.34

Entries are unstandardized regression coefficients from random intercepts logistic regression models estimated using *xtmelogit* in Stata®, standard errors in parentheses. ΔPr(y)/Δx is the change in the Pr (Y = Vote for Incumbent) associated with a 1st to 99th percentile change in Gini when *E-NOMINATE Scores* are at 5th and 95th percentile values

^p < .10, *p < .05, **p < .01, ***p < .001

Table 4 The effect of local income inequality and incumbent voting behavior on vote choice (2008–2009 and 2012 CCES data)

	2008 election	2012 election
Local inequality		
Gini Coefficient	1.49^ (.928)	1.61*** (.331)
Moderator		
E-NOMINATE	−1.60 (1.04)	−.023 (.569)
Interaction		
Gini × E-NOMINATE	−3.24* (1.43)	−4.31*** (.921)
Contextual controls		
Median income	−1.70* (.812)	−.766** (.247)
Unemployment rate	1.95^ (1.01)	−.312 (.514)
Percent black	.092 (.257)	.151 (.117)
Republican vote	−1.32** (.449)	−1.33*** (.150)
Population density	2.86 (1.84)	−.468^ (.260)
Individual controls		
Education	−.460*** (.106)	.769*** (.052)
Income	.001 (.131)	.043 (.070)
Age	.0007 (.002)	.014*** (.001)
Male	−.088 (.057)	−.215*** (.029)
Black	−.736*** (.118)	−.582*** (.048)
Hispanic	−.136 (.129)	.512*** (.084)
Unemployed	.153 (.117)	−.031 (.051)
Homeowner	−.075 (.073)	.102** (.035)
Party agreement	4.58*** (.096)	−.940*** (.045)
Religiosity	.246** (.095)	1.71*** (.030)
Controlled interactions		
Median Inc. × E-NOMINATE	2.40^ (1.25)	2.48*** (.698)
Rep. Vote × E-NOMINATE	3.79*** (.665)	3.03*** (.364)
Survey-year fixed effect		
2009 dummy	.104^ (.061)	
Constant	−.586 (.667)	−2.73*** (.268)
LR test	316.16***	100.43***
# Level 1 units (individuals)	14,458	26,056
# Level 2 units (zips)	6122	7649
# Level 3 units (states)	27	22
$\Delta Pr(y)/\Delta x$		
@ Low *E-NOMINATE Score*	.10	.05
@ High *E-NOMINATE Score*	−.09	−.13

Entries are unstandardized regression coefficients from a random intercepts logistic regression model estimated using *xtmelogit* in Stata®, standard errors are in parentheses. 2008 election uses the 2008–2009 CCES data sets and the 2012 Election uses the 2012 CCES data. $\Delta Pr(y)/\Delta x$ is the change in the Pr (Y = Vote for Incumbent) associated with a 1st to 99th percentile change in Gini when *E-NOMINATE Scores* are at 5th (low) and 95th (high) percentile values

^ p < .10, * p < .05, ** p < .01, *** p < .001, based upon two-tailed hypothesis tests

regarding their Senators' votes on these two bills.[17] As can be seen in Table 3, among low knowledge voters, our core effects disappear, as *Gini*, *E-NOMINATE*, and their interaction become statistically insignificant. For high knowledge voters, however, we see a retention of the punishment and reward dynamics observed among the full sample in Table 1. These effects add to our confidence in our theory of inequality backlash, as they confirm a key mechanism (i.e., information) implied in the logic of our theory. Together, the findings in Table 3 counter concerns about our main results being driven by the motivations of partisanship or personal economic position, and instead reinforce an account based upon voter aversion to inequality and holding elites accountable for inequality when sufficient knowledge permits.

Replication of Main Results Using the 2008 and 2012 Elections

To assess whether these results extend beyond a single election and set of incumbent Senators, we utilized the 2008 ($N = 32,800$) and 2009 ($N = 13,800$) CCES datasets merged together to perform a replication test for the 2008 Senate Election, as well as the 2012 CCES ($N = 54,535$) to perform a replication test for the 2012 Senate Election. The set-up of these analyses are identical to the prior analysis: we analyze the effect of local inequality conditional upon incumbents' voting record and estimate a three-level MLMs.[18] The results from these analyses are presented in Table 4. As can be seen, the results are consistent with those from the 2006 election, with evidence of voter reward for inequality-attenuating, and punishment of inequality-enhancing, incumbents as a function of zip code inequality. To be sure, the marginal effect of Gini among inequality-enhancing incumbents (i.e., when *E-NOMINATE* scores are at their maximum values) are negative and significant in the 2008 ($B = -3.24$, SE $= 1.43$, $p < .05$) and 2012 ($B = -4.31$, SE $= .921$, $p < .001$) Senate Elections. In terms of magnitude, going from low to high values of Gini (see bottom row of Table 4) are associated with .09 and .13 reductions in the probability of voting for inequality-enhancing incumbents.

These results indicate that our findings go beyond a single election. We view the retention of this effect in 2008 and 2012 impressive given that the elevated salience of inequality during and following the 2008 Financial Crisis stood to potentially undermine the role of local economic conditions in structuring the salience of inequality to voters. Indeed, media coverage and popular discourse served as new

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[17] Low knowledge voters either (a) incorrectly reported the incumbent's position on the minimum wage and capital gains tax cut vote, or (b) reported "Don't know" for each question about these votes. High knowledge voters correctly reported their incumbent's position on both votes. We should note that when we define low knowledge voters as those who reported "Don't Know" to questions about their Senator's votes on minimum wage increases and capital gains tax cuts, the results are more statistically and substantively *insignificant* than those presented in Table 3 (see Supplemental Appendix E).

[18] For the 2008–2009 CCES data, we rely upon NOMINATE scores from the 110th Congress, and for the 2012 CCES data we rely upon NOMINATE scores from the 112th Congress. For this analysis, our contextual data (i.e., Gini) comes from the 2008-12 ACS five-year file. All individual control variables are coded identically to the 2006 CCES analysis. The 2008, 2009, and 2012 CCES did not include a question about perceptions of the state economy.

bases for awareness of inequality among citizens throughout the nation, thus potentially rendering between-community differences inequality a less systematic source of inequality saliency. The results here, however, demonstrate that even in these different election contexts, our core result hold.

Conclusion

Economic inequality has become an important and enduring feature of the contemporary American political landscape. As theories of democratic capitalism hold that democracy is able to balance out large-scale inequalities produced under a free market economic system, voters play a vital role in acting to respond to such inequalities. One of the most important avenues for such a response in a democracy is through electoral punishment of political elites for the outcome of economic inequality. To this end, this article evaluated the degree to which citizens hold their elected officials accountable for inequality. Examining the 2006 CCES, we uncover some intriguing findings. First, we do not observe a punishment effect for inequality when looking at all incumbents regardless of their voting behavior. However, when taking into account incumbent voting behavior, we find that voters in high inequality contexts were more likely to vote against incumbents who were supportive of regressive tax policies and opposed to minimum wage increases. Additionally, we also uncovered evidence that voters in high inequality contexts were more likely than their counterparts in low inequality contexts to vote for inequality-attenuating incumbents. Using the 2008–2009 and 2012 CCES, we replicate these core findings.

While this article makes many important contributions to the growing literature on inequality, our results speak to questions about the extent to which the democratic system can respond to the depredations of free market capitalism, such as rampant economic inequality. Proponents of the "New Gilded Age" thesis have sounded alarm bells that rising economic inequality has led to increasing political inequality through unequal representation (Bartels 2008), that policy outcomes are biased toward the wealthy (Gilens 2012), and that Americans have failed to respond with demands for redistribution (Kelly and Enns 2010). Given these trends, we investigated what we view as one of the "last lines of defense" of democracy in asserting balance against capitalism—the use of vote choice by citizens to counteract inequality. The results from our study provide intriguing initial evidence of the resilience of democracy—in the form of voter backlash against growing and visible inequality in their daily lives. Voters enact punishment for inequality upon elected officials, thus providing some push-back against market forces generating unequal outcomes. One important caveat of our results is that political knowledge conditioned voter punishment of incumbents for inequality, with lower knowledge voters failing to punish inequality-enhancing incumbents in response to high local inequality. This result potentially sheds some light on the broader puzzle of unchecked inequality growth in the U.S. Voters possessing a high level of knowledge about their incumbent Senator's voting behavior constitute only 35 percent of our data, with 28 percent possessing no knowledge of their incumbent's

voting record. One possibility is thus that the relative scarcity of high knowledge voters limits the individual-level voter punishment/reward processes uncovered in our analysis from producing significant constraint on inequality growth in the aggregate. Another caveat is that republican voters enact less punishment of inequality enhancing Senators than do other voters. While this group may be less concerned with inequality than others, this finding is also telling about unchecked inequality growth as elected officials representing highly republican areas may feel less pressure to vote against policy that exacerbates inequality if their core supporters enact little punishment.

The findings offered in this article highlight various directions for future research. First, as our analyses focus on the Senate, future research could examine whether other elected officials are held accountable for increasing inequality. Future research could also examine additional steps in the "correction process" offered by democracy, such as whether and/or how elites respond to voter punishment for inequality. Alternatively, research could examine the ways citizens act to hold elected officials accountable for inequality outside of elections. While certainly the most visible form of accountability, elections are not the only means by which citizens pressure politicians. Lobbying, grassroots activism, protesting, and the building of social movements all provide avenues by which citizens can exert pressure on elected officials. As economic inequality becomes a more pervasive and salient feature of Americans' lives, research addressing the durability of the democratic system is paramount.

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