exploded, as did their budgets (Ferguson, “Legislators Never Bowl Alone: Big Money, Mass Media, and the Polarization of Congress,” presented at the Bretton Woods Conference of the Institute for New Economic Thinking, April 2011, http://ineconomics.org/bretton-woods/paper-presented-bretton-woods-conference-thomas-ferguson). While many of these institutions often target policymakers inside the beltway, the biggest spend considerable time and money trying to influence broader audiences directly and indirectly. And, as the British investigations of the Rupert Murdoch empire vividly illustrate, major media companies are in fact crucial political actors in their own right, not passive transmitters of neutral “news.” A substantial component of public opinion thus has to be considered endogenous, as Gilens himself recognized in a fine previous study.

Finally, I think that Gilens is ill-advised to use his data, however guardedly, as a Paris Meter Bar to gauge responsiveness across different presidencies. National polls are not cheap; they are probably best understood as integral parts of broader efforts to exert influence by various investor blocs, including media companies. They primarily ask questions that serve their ends and studiously avoid formulations that threaten investor blocs in general. Virtually no one, for example, publishes polls on whether the Federal Reserve should worry more about unemployment than inflation. Polls about public attitudes toward banks also mysteriously disappear from major media for long stretches. Nor do many surveys ask about public employment (typically quite popular), while only a few, at special times, allow citizens to indicate a preference for lowering their own taxes and increasing rates on the rich. Gilens, as usual, is aware of these pitfalls, but I think his splendid book would be even better if he foresorew the practice.


— Catherine Paden, Simmons College

In this study, Daniel Gitterman considers the implications of US tax and minimum wage policies on poverty rates among the working poor. Arguing that US policy aimed at addressing state support to the working poor must include analyses of such policies, and not only social welfare policy, he seeks to bridge political and policy analyses through a consideration of the politics involved in the construction of tax and minimum wage policies. He finds that the distributional goals of the Democratic and Republican Parties have shaped policy not simply for ideological reasons, but on the basis of partisan considerations regarding the benefits to constituencies and interest groups. Such considerations have shaped the political coalitions responsible for the development of policy and have led moderates within each party to be critical of both partisan negotiations and the eventual content of policy.

Gitterman offers a concise and impressively clear political history of the development of both tax and minimum wage policies in the United States. More importantly, his analysis effectively demonstrates how the policies must be understood in relation to each other in order to grasp their independent effectiveness as antipoverty tools. Reflecting his focus on the political process behind each policy’s formation and implementation, Boosting Paychecks explains partisan positioning on proposed policies, internal divisions within parties, and the impact of partisan control in Congress and the White House on policy debate and formation. After introducing the reader to the origin and development of federal income tax and minimum wage policies through the 1960s in Chapters 2 and 3, Gitterman devotes single chapters to the policy particulars and political processes behind such policies during the Reagan/George H. W. Bush era (Chapter 4), the Clinton administration (Chapter 5), the George W. Bush administration (Chapter 6), and the first years of the Obama administration (Chapter 7).

The author’s thoughtful and thorough analysis of the historical-political development of tax and wage policies is a unique contribution to analyses of antipoverty policy. As social welfare policy has become more politically contentious since the 1960s and the Great Society programs, income support for the working poor has increasingly been provided through policies such as the Earned Income Tax Credit (p. 87). Therefore, Gitterman’s contribution to an understanding of federal antipoverty policy is clear: Tax and wage policy cannot be overlooked in discussions of aid to the working poor in the United States.

Gitterman might have made the book’s contributions more explicit to readers by providing further discussion of the broader political and economic contexts in which these partisan policy debates occurred. Discussion of the public’s views toward tax and wage policies, changes in the poverty rate, changes to social welfare programming, and the defunding of Great Society programs may have further contextualized the political nature of tax and wage policies for readers. For example, the author traces the political evolution of minimum wage policy beginning with the 1938 Fair Labor Standards Act, when it was presented as a mechanism for boosting pretax income for low-income workers. Even at its inception, the minimum wage was politically controversial and, in fact, did not include many low-wage workers. To pacify southern conservative Democrats, President Franklin D. Roosevelt included exemptions for agricultural and domestic industries from minimum wage coverage. Gitterman explains that these exemptions specifically excluded African Americans in the South, who were “politically weak” (p. 43). In fact, African Americans were explicitly disenfranchised politically in much of the South, and parts of the
North, through the implementation and enforcement of Jim Crow voting laws. FDR’s exemptions reflected a lack of accountability to the subset of constituents who would be disproportionately affected by the exemption—African Americans without citizenship rights living predominately in the South.

Though his analysis focuses on the partisan, and intra-party, divisions concerning tax and minimum wage policies, Gitterman makes reference to the relevance of other political actors in policy battles. For example, in Chapter 4, he explains that Democrats reached out to antipoverty groups during the Reagan administration to encourage them to focus on the implications of changing tax policies, not simply to focus their energies on resisting reductions in budgeting for cash assistance policies to the poor (p. 70). What was the relevance of organizations throughout the tax and minimum wage policy battles? What was the incentive for the Democrats to reach out to such groups? How did the groups respond? Such political questions are important and they unfortunately receive insufficient and undeveloped attention in the book.

In his concluding chapter, Gitterman summarizes his central finding—that since the 1980s, there has been a bipartisan consensus that working families should be the beneficiaries of aid (p. 141). However, he points to a consistent failure in attempts to increase the minimum wage. As he explains, since 1980, the minimum wage has “been below the federal poverty level for a full-time, full-year worker supporting a family of three” (p. 144). Although he convincingly explains the lack of political support for increasing the minimum wage, Boosting Paychecks pays little attention to the incentives that policymakers might have to increase the wage, or to pass tax policy, that benefits the working poor overall.

Such a discussion of incentives, including voting behavior among individuals at various income levels and shifts in public opinion concerning aid to the poor, might have strengthened the political analysis in the book. Who are the constituencies of Democrats and Republicans, in terms of income levels? Do low-wage earners vote at the same rates as their upper income counterparts who, as Gitterman explains, have been more likely to benefit from changes in tax policy? Are the interests of low-wage earners represented in policy debates as powerfully as those who benefit from tax incentives for businesses? Scholars have long established income-based biases in the US political system and it could have been helpful to discuss this literature. Additionally, such a discussion would have allowed Gitterman’s analysis to contribute to a broader discussion of the implications of biased representation in the US political system.

Boosting Paychecks provides a clear and thorough analysis of tax and wage policies and the critical role such policies play in federal efforts to support the working poor. The book can thus serve as a useful launching point for scholars concerned with the multiple policy options, and political processes, geared toward decreasing income inequality in the United States.


Economic crises are commonly viewed as openings for change on a grand scale. This was certainly true of the Great Depression, which ushered Keynesian economics into the mainstream, led to the emergence of the Bretton Woods system, and, specifically in the United States, brought about an extensive renegotiation of the domestic compact and unprecedented regulation of the banking and financial sectors.

This edited volume seeks to measure the corresponding changes that took place in the wake of the 2008 global financial crisis. As it is now common to refer to the crisis as the most destructive since the Great Depression, one might expect significant policy adjustments to have ensued. Yet the authors arrive at the opposite conclusion; the volume amounts to a description of stasis.

One after another, the contributors to The Consequences of the Global Financial Crisis examine different issue areas and country policies, yet arrive at a similar conclusion. Despite the initial jolt of the crisis, despite early signs of political resolve, authors who expected to see the United States regulate the very financial industry that many fault with causing the crisis find modest changes at most; in Europe, hindered by strong concentrated interests in London, financial regulation has been slower still (p. 85). Rating agencies, which were widely condemned for their overly cozy relations with the industry they were in charge of rating, have encountered only a weak regulatory reaction (p. 153). And while the United States might have expected hard times to lead to an expansion of the welfare state, the public debate since the crisis has been dominated, if anything, by talk of cutting back government programs, such as Medicare, that have long been taken for granted (p. 60). Scandinavian countries, in turn, have not abandoned their solidaristic welfare state policies but have reaffirmed them anew (p. 201). Similar continuity is observed in domestic Britain’s policy, and even the push toward regional integration detected in China since the crisis is greatly downplayed in the chapter that examines it.

Why did the crisis not lead to the emergence of political coalitions, either internationally or within affected countries, which stood to gain from an exogenous shock of this scale? The volume’s authors fall short of accounting for the surprising degree of stasis, yet this is a task that may require the benefit of greater hindsight. For now, the sheer...