

Interviewing Wealthy Americans

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Abstract

The political and social attitudes and behavior of wealthy Americans are particularly important because the wealthy tend to exert considerably more political influence than their less affluent fellow citizens do. Yet little of a systematic nature is known about these matters. The only major survey of representative samples of the very wealthy (reaching the top 1% of wealth-holders) is the Survey of Consumer Finances or SCF, which is confined to issues of economic resources and economic behavior.

Together with a number of colleagues around the country, we are engaged in a Survey of Economically Successful Americans and the Common Good (SESA), attempting to reach respondents at and above the top-1% level of wealth-holding. We are exploring the reasons that respondents give for their economic success and the lessons they draw from it; their engagement in civic voluntarism and in charitable giving; their political engagement, including high-level contacts with public officials; what problems they see as facing the country; and what stands they take on public policy issues of the day. Our central concern is to what extent the wealthy are concerned about the common good, and how they choose to address it, through private philanthropy, market-based solutions, and/or governmental programs.

The present paper discusses methodological challenges involved in trying to survey wealthy Americans, and the research design that we have developed to meet those challenges. It offers a few preliminary hints at substantive results from the small, Chicago area Pilot Study that is currently being conducted by NORC.

KEY WORDS: wealth, income, common good, civic engagement, political engagement, philanthropy, markets, government programs, policy preferences

Recent quantitative evidence has confirmed what many historians, journalists, and other qualitative observers have long known or suspected: that wealthy Americans wield considerably more political power than other U.S. citizens do (Gilens, 2005, 2009; Bartels, 2008; Jacobs and Page, 2005).¹

But precisely what this means for American democracy is not entirely clear. Highly unequal political influence by affluent or wealthy citizens is bound to be disquieting for any democratic theory that takes political equality as its central tenet. At the same time, certain versions of democratic theory allow for unequal influence based on intense opinions or superior wisdom. Certainly this was the view of several Founders of the United States, including James Madison, who feared that majorities of ordinary citizens – if unrestrained – might be motivated by “passion or interest” and act against both the public good and the rights of other citizens (Hamilton et al., 1961, #10, p.80; but see Dahl, 1989.)

We believe that one’s judgment about these matters should be informed by knowledge of precisely what wealthy Americans want from government.

¹ We are grateful to Eric Wanner and the Russell Sage Foundation for generously funding our Pilot Study; to our research assistants, especially Rachel Moskowitz (who has helped at all stages of the project, including the writing of this paper), Cari Hennessy, Joshua Robison, and Thomas Leeper; to our project colleagues and Advisory Board (listed in the Appendix); to Cathy Haggerty, Fritz Scheuren, and many others at NORC, and to Arthur Kennickell, the founder and director of the Survey of Consumer Finances (SCF), which has pioneered the way. We are also grateful to the economically successful Americans who have taken the time to give many thoughtful and interesting replies to our survey questions.

In particular, do wealthy Americans tend to use politics to pursue their own narrow economic self interests, to the detriment of their fellow citizens? Or do they aim to advance the common good, seeking public policies that will benefit the entire country? If the latter, what is their vision of the common good? How do they think about governments, markets, and private charitable activities? What sorts of policies do they favor? How – if at all – do those policies differ from what average Americans want? What kinds of political activities do the wealthy engage in to get their way? How active are they in charitable or philanthropic work? Among the wealthy, do professionals differ from businesspeople? Does new money differ from old? Workers in certain industrial sectors from those in others?

Popular images of the political and social roles of wealthy Americans tend to reflect the words and actions of a few highly visible individuals, such as the generous philanthropy of Bill Gates or Warren Buffett, or the political activities of George Soros (on the left) or Richard Scaife or the Koch brothers (on the right). Media reports that focus on a few such individuals can create the impression that they are representative of many thousands of wealthy people, when they may not in fact be at all typical. It is possible that a “silent majority” among wealthy Americans holds views quite different from those transmitted in the media.

Curiously, almost nothing of a systematic sort is known about these matters. The Survey of Consumer Finances (SCF) provides excellent data on the economic behavior of wealthy Americans: along with its general public survey it also stratifies by wealth and includes a representative sample of the top 1% of U.S. wealth holders.² But the social

² The SCF is not designed to permit generalizations about fractions of wealth holders more rarified than the top 1%, since the n’s are too small. For example, only a few dozen cases are generally included in the

and political attitudes and behavior of the very wealthy have never, so far as we know, been studied in a systematic, representative way. Recent work by a few political scientists tells us something about the attitudes and/or behavior of roughly the top one third (Bartels 2008) and the top one fifth (Gilens 2005, 2009)³ of U.S. income earners; Page and Hennessey (2010) offer some fragmentary data on the top 4% or so.

This line of work, which has concerned merely “affluent” Americans, suggests certain things that may also be true of the very rich. The affluent, for example, tend to be socially liberal but economically conservative. But we do not know for sure whether even this much is true of the very wealthy. There exists no direct evidence about the political or social views of the top 1% of U.S. wealth holders, let alone the top 1/10 of 1% -- who are sometimes seen as wielding particularly extensive political power (Winters 2011.)

Together with a number of colleagues around the country, we are attempting to remedy this lack of knowledge by means of a Survey of Economically Successful Americans and the Common Good (SESA), which aims to answer many of the questions listed above concerning the political and social attitudes and behavior of wealthy Americans. In the present paper we describe some daunting methodological challenges that face such a study and describe the research design we have devised to deal with those challenges. We also offer some hints about substantive findings, drawing upon a few early interviews from the small (target n=100) Chicago-area Pilot Study that is currently

very top SCF wealth stratum, which appears to correspond roughly to the top 1/10 of 1% of wealth holders. For details on SCF methods and reports, see <http://www.federalreserve.gov/pubs/oss/oss2/method.html>, especially Kennickell (2009) and Kennickell (2007).

³ Gilens imputes the policy preferences of those at the 90th income percentile (that is, the middle of the top one-fifth of income earners) by applying a quadratic model to whatever income categories existed in the original survey in which a particular policy item appeared.

being carried out by NORC. Full reports of findings from the Pilot Study will be given in future papers. When the Pilot Study is complete, it is our hope to move on to conduct a full-scale, national study.

Methodological Challenges in Interviewing the Wealthy

It is extraordinarily difficult to interview a representative sample of wealthy Americans. There are serious problems at every stage of such an endeavor: problems in identifying and sampling wealthy households or individuals⁴; in persuading them to cooperate and give interviews; and in eliciting honest and accurate responses, particularly about personal matters like their income and wealth.

Identifying and sampling the wealthy. In an ideal world, one would first obtain a comprehensive list of all American households with information on each household's net worth. It would then be a simple matter to draw a sample from the list by randomly selecting households with wealth that exceeded a certain threshold level or fell within particular ranges of wealthy, or by selecting households with a probability proportional to their wealth.

But no such list exists in the United States. Indeed, with the exception of the closely scrutinized people on the "*Forbes* 400" list of Americans at the very pinnacle of wealth (it now takes a fortune of about \$1 billion to make the Forbes list),⁵ wealth in the United States is mostly a very private matter.

⁴ Households are generally viewed as the appropriate units for assessing wealth, since legal ownership of assets can be arbitrarily arranged among family members

⁵ See *Forbes* magazine (2010). It is extremely difficult if not impossible to interview people on the *Forbes* 400 list, because they guard their time tenaciously and are surrounded by very protective staffs. The SCF explicitly excludes them from its samples.

For survey research purposes, the closest that researchers have come to a list of wealthy Americans is through the “list samples” provided for the Survey of Consumer Finances (SCF) by the Internal Revenue Service. The IRS, using confidential information from income tax returns, estimates taxpayers’ wealth based on reported income from various sources over the past several years. The IRS then compiles randomly sampled lists of households that meet SCF wealth and geographical criteria. It delivers the lists to SCF, which contacts and interviews household members.

We would very much like to emulate SCF’s sampling method, but this does not appear to be feasible, at least not at the present time. The list-sample arrangement is possible for SCF only because the SCF is sponsored by the Federal Reserve Board and is devoted to achieving public purposes: providing a solid informational base for economic policy making and facilitating the administration of the tax laws. The confidentiality of tax returns is scrupulously protected by law, subject only to a narrowly drawn set of exceptions for specified public purposes and specified public agencies.⁶

Nor is it possible for us or other private researchers to re-contact SCF respondents, or to piggy-back on the SCF survey itself – which is already quite long and is limited to economic topics.

Lacking a comprehensive list of wealthy Americans based on IRS or other definitive data, we have had to scramble to devise a sampling scheme based on publicly available information. The development of our scheme will be described below.

Winning cooperation and scheduling interviews. Refusals to be interviewed are a growing problem, even for surveys of the mass public. Rates of non-response have

⁶ U.S. Code Title 26 (the Internal Revenue Code) sec. 6103 (a) specifies that all tax returns and return information “shall be confidential except as authorized by this article”; (f) lists narrow exceptions for statistical use.

risen markedly, which raises the concern that those who respond may be unrepresentative in important ways that affect the results. This “unit non-response” problem is especially serious when surveying very wealthy people. An American with net assets of, say, \$20 million or \$40 million is likely to be a very busy person who carefully protects his or her time and cherishes his or her privacy. Often he or she has a staff of gatekeepers to keep the world at bay, so that merely getting in direct touch with the wealthy individual can be quite a challenge. Once in touch, asking him or her to complete a 45-minute interview is asking a lot.

This means that in a survey of the wealthy, special efforts must be made to make contact with potential respondents and gain their cooperation. It also means that there need to be careful post-survey analyses of the determinants of non-response, and perhaps post-survey weighting of the data to make up for any major ways in which those interviewed fail to represent the whole population of interest.

SCF faces a particularly daunting problem in this respect, because SCF interviews with the very top SCF stratum of wealth-holders involve hundreds of questions that delve deeply into detailed financial information. (Often an accountant needs to be present to provide accurate answers.) These interviews can go on for two or three hours. Potential respondents, presumably figuring this out ahead of time, tend to be very reluctant to participate; response rates appear to be very low.⁷

NORC, which fields the SCF for the Federal Reserve Board, has developed a number of techniques for gaining the cooperation of wealthy Americans. Contact begins

⁷ The interview completion rate for the very top SCF stratum is only about 10% (Kennickell 2007). Given the branching structure of the SCF questionnaire, not every respondent is asked every question; indeed, no respondent is asked every question. But the wealthiest respondents are asked the most. By our count, the final SCF data set includes approximately 2,600 variables.

with mailings of glossy brochures and cards that emphasize the importance of the survey and feature images of the official Federal Reserve Board seal and the American eagle. Some 32 reasons are given for why the potential respondent should cooperate, including to gain a “voice” in economic policy making. NORC interviewers then try to make contact by telephone or email in order to schedule interviews, showing up at the door in person if given any encouragement. The interviewers have found that often even wealthy people’s gatekeepers have gatekeepers, so that multiple repeated contacts – sometimes dragging on for months – are necessary just in order to get a few words with the potential respondent. At that point, the interviewer’s words need to be very well chosen indeed, if there is to be any hope of getting an interview. Sometimes an appeal to a high authority like the Chairman of the Federal Reserve Board may do the job.⁸

We cannot call upon the authority of Alan Greenspan or Ben Bernanke to win respondents’ cooperation. Yet (as discussed below) it turns out that many of the techniques honed by NORC in conducting the SCF have been very helpful for our more modest survey as well.

Getting full, honest, accurate responses. Accurate data on respondents’ net worth is crucial for any study of the wealthy, and (lacking official data) researchers must rely upon respondents’ own reports for this information. Yet many respondents are very reluctant to talk about their wealth, especially if they suspect that the information might be made public. “Item non-response” can present a serious problem, especially on questions about income or wealth. So can inaccuracy in responses.

⁸ Legend around NORC has it that one very wealthy potential respondent, doubting that an SCF interview would be worth his time, said “get back to me next week; I want to check with Alan [Alan Greenspan, then chairman of the Federal Reserve Board].” This person eventually agreed to be interviewed, noting that “Alan” had told him that the country needed his help; data from the SCF are crucial for effective economic policy making.

The SCF deals with these problems by making clear up front that family finances are a central topic; once someone agrees to be interviewed, questions about wealth and income come as no surprise. The SCF also offers many prompts and probes, helping people provide information on income and wealth piece by piece by means of many questions about specific income sources and particular types of assets.⁹ The SCF also encourages respondents to have financial records and/or an accountant at hand, further facilitating full, accurate responses about income and wealth.

For a survey like ours it would be counterproductive to announce ahead of time that we are going to ask intrusive questions about income and wealth, or to suggest that respondents have financial records or an accountant at hand; that would almost certainly discourage cooperation with the whole interview. Still – as discussed below – we have learned some lessons from SCF in this area as well.

When it comes to our central concern, questions about political and social behavior, we face certain problems not encountered by the SCF. Often wealthy individuals have precise and well-worked-out, but also complex and nuanced, opinions about the issues of the day. This means they may be able to give precise responses concerning matters (e.g., exact percentage tax rates they favor) that can be difficult for the general public. And wealthy respondents are likely to excel at giving open-ended responses, which can be highly valuable in a study like ours. But it also means that wealthy respondents may resist closed-ended questions that they view as ambiguous or simple-minded. Yet it is necessary to use closed-ended questions in order to compare

⁹ To give an idea of SCF's thoroughness: its questions about the specific types of property owned by respondents cover timeshares; vacation homes or ranches; a partnership; a sole-proprietorship; a subchapter S corporation; another type of corporation; an LLC; any cars; any kind of truck, van or sport utility vehicle (SUV); a motor home, RV, motorcycle, boat, or airplane.

respondents on a common metric, and also to compare their responses with those of the general public. We will note below how we are dealing with this problem.

The SESA Research Design

We have begun our research with a Chicago-area Pilot Study, seeking a rather small number of interviews spaced over a rather lengthy period of time. (The goal is to complete 100 interviews over a number of months.) This has been very helpful in permitting continuous efforts to perfect our research design, especially since we have been able to visit NORC headquarters regularly to examine our completed interviews as they come in.¹⁰ It means that we can see how things are going and make mid-course corrections. We have in fact done so, in ways that should greatly improve the full-scale national study that we hope to conduct in the future.

After coming up with the basic idea of studying the politics and sociology of wealthy Americans, we spent a good deal of time learning about the Survey of Consumer Finances (SCF) and other existing studies of the wealthy, and becoming acquainted with the Chicago headquarters of NORC – where the SCF is administered. At NORC we brainstormed about sampling and other issues involved in studying the wealthy.¹¹

Identifying and sampling the wealthy: Wealthfinder and wealth imputation.

By far the most difficult aspect of the study – even more difficult than we anticipated –

¹⁰ Thanks to Cathy Haggerty, Suzanne Bard, and Nola Dutoit for generously making their time and NORC's facilities available for this purpose.

¹¹ Bartels and Page, with much-appreciated help from Larry Jacobs, came up with the basic idea for the study early in the autumn of 2009. Christopher Jencks contributed important ideas from early on. We are grateful to Bob Michael for making key introductions at NORC. At NORC, Cathy Haggerty became our Project Director and assembled the rest of our NORC team; Fritz Scheuren has offered many insights into statistical and other issues; Steven Pedlow, Ned English, and Jizhou Fu have worked on sampling and related matters. As noted below, Jason Seawright extensively analyzed SCF data in order to devise wealth-imputation techniques designed to identify extremely wealthy households.

has proven to be figuring out how to identify and sample extremely wealthy Americans. Unexpected problems have led to significant changes in our sampling design, and we are still in the process of learning just how successful we can be at reaching the very top wealth-holders.

During our early sessions at NORC we considered many possible sampling designs, from piggy-backing on SCF itself (that is, adding our own questions to their survey, or re-interviewing their respondents – these were total non-starters); to obtaining a new list-sample from IRS (ruled out as infeasible, at least for now); to sampling from high-home-value neighborhoods; to using various ad-hoc lists of people who tend to be wealthy – business executives, alumni of prestigious colleges, members of elite clubs or societies, people listed in Who's Who, or the like. Upon examination, most of the best approaches we could come up with turned out not to be feasible, and the most easily feasible approaches turned out to be unsatisfactory because they would provide idiosyncratic, biased lists not representing the whole population of wealthy Americans.¹²

At one of these sessions, however, a NORC statistician with extensive experience at using commercially available data noted that the commercial firm InfoUSA sells lists of all or nearly all U.S. households, arranged into categories that are defined by wealth, income, and other characteristics. In particular, the WealthFinder list of “rank A” households was said to include the top 1.76% of U.S. wealth-holders, with a median net

¹² A recent and quite fruitful example of a sample of convenience is that used by Paul G. Schervish and John Havens at the Boston College Center on Wealth and Philanthropy (CWP) for studying the psychology of the wealthy – particularly their concerns about lack of fulfillment from work, friendships, or love, and their worries about their children. The sample is apparently based on clients of a Boston-area consulting firm that advises the affluent; it includes many genuinely wealthy people, most of them having more than \$25 million in assets. But the respondents appear to over-represent inheritors (rather than first-time earners) of great wealth, and to over-represent those who have family foundations. See Wood (2011). As of this writing (March 17, 2011), the CWP website, <http://www.bc.edu/research/cwp/publications>, did not yet provide details on this study, but it makes available many valuable materials about wealth and philanthropy.

worth of \$1.8 million and estimated median “portfolio market value” of \$2,475,200.¹³

Along with names and contact information, one can purchase household-level data on incomes, home values, and many other characteristics of interest to retailers – interests, hobbies, even ownership of a cat or dog.

Lists and data compiled by Wealthfinder are ordinarily purchased by retailers and service providers in order to target – either nationally or within a particular geographic area – households that may be interested buying what they have to sell. Presumably the most common use of the “rank A” list is to mail out brochures or catalogues touting yachts, jewelry, works of art, Mercedes sedans, or other high-end goods. But the NORC statistician pointed out that such a list could also provide a sampling frame that should cover the entire population of wealthy Americans. He (and we) recognized that such a list was bound to have imperfections, since most retailers are content with an inexpensive list that has less than 100% accuracy; we would have to be alert to, analyze, and correct for any imperfections. But the idea of using the list looked very attractive. A sample drawn from the Wealthfinder rank A list appeared to be as close as we were likely to get to an IRS-provided list sample of wealthy Americans.

If possible, however, we wanted to reach higher into the wealth distribution than the top 2% or so of U.S. wealth-holders that Wealthfinder’s rank A list promised to identify. Ideally we would like to reach the rarified top 1/10 of 1%, who have roughly \$40 million or more in net worth¹⁴ and who are sometimes seen as exercising an

¹³ InfoUSA promotional materials provided to NORC, December 2, 2009. We are not sure that the “top 1.76%” claim is accurate. Our analysis of 2007 SCF data indicates that the top 2% of wealth-holders then had a net worth of at least \$4,700,000.

¹⁴ The latest available SCF data (from 2007) indicate that the top 0.1% of wealth-holders had net worth of \$45,800,000 or more. Presumably this figure dropped markedly with the financial crash of 2008-2009 but then recovered, at least in large part.

especially high level of political influence. Could we devise a way to identify, within the Wealthfinder Rank A list, the elusive top 1/10 of 1% of wealth holders?

After some intensive work we concluded that we could. Wealthfinder does not provide household-level data on wealth that could be used directly to identify higher wealth strata within “rank A.” But it does undertake to provide data on certain key variables, including household income and home values, that are strong predictors of wealth and could in principle be used to impute estimated wealth to individual households. One of us (Seawright) devoted a great deal of effort to penetrating the maze of SCF data, using it to estimate precisely how – within the SCF data – wealth could be predicted by the same household characteristics that Wealthfinder provides measures of in its own data set. Seawright found that within the top 1% of wealth-holders¹⁵ he could account for 64% of the variance in wealth by means of a nonlinear equation that included the variables of family income, home value, age, urban/ rural location, gender, marital status, household size, whether the head of household had completed college, and a set of dummy variables for whether anyone in the household had a bank card, a premium credit card, or a gas card.¹⁶

¹⁵ The appropriate functional form and the precision of wealth predictions vary across different segments of the wealth distribution.

¹⁶ The best-performing equation gave the estimates $E(\text{nat. log}(\text{wealth})) = 7.336 + 0.001*\text{household size} - 0.116*\text{female head of household} + 0.004*\text{age} + 0.00008*\text{age}^2 - 0.172*\text{married} + 0.048*\text{never married} - 0.037*\text{partnered} + 0.280*\text{separated} - 0.137*\text{widowed} + 0.118*\text{bank card} - 0.013*\text{gas card} - 0.032*\text{premium card} + 0.143*\text{rural} - 0.020*\text{college} + 0.00000005*\text{income} + 0.578*\text{log}(\text{income}) + 0.0000002*\text{real estate value} + 0.0002*\text{log}(\text{real estate value})$. The income variables predict 39% of the total variation in wealth, net of all the others. Real estate property contributes 5%, net of income and the other control variables. All of the other variables combined predict about 5% of the total variation in wealth, net of income and real estate property. Thus, the remaining variables make a real but delimited contribution to the identification of wealth; most of the work is done by income and property value. Note that the percentages of variance explained in this footnote do not sum to the total variance explained because some of the predictable variation in wealth is common to multiple variables and thus cannot be attributed to any variable in particular.

Our idea was to record the estimated coefficients from these SCF-based wealth predictions; to apply them, within the Wealthfinder “rank A” data set, to the values of the Wealthfinder-provided variables on family income, home values, and the like; and to impute an estimated value of net worth for each “rank A” household. These imputed wealth figures would, of course, be subject to error; we could not be certain whether or not a particular household belonged in our targeted wealth category (the top 1/10th of 1%). But Seawright devised a sampling scheme that would trade off erroneous inclusions in, and erroneous exclusions from, the targeted part of the distribution, so that roughly half of our interviews should turn out to be with the top 1/10 of 1% of wealth-holders and nearly all of the other half should fall well within the top 1%. The bottom half of wealth cases would provide useful comparisons with the top half: suggesting, for example, what sort of gradient – if any – there is in political attitudes and behavior as one moves up toward the very top of the wealth distribution.¹⁷

Alas, however, it proved impossible to implement our wealth imputations or our sampling scheme properly. After a false start that produced respondents with reported wealth no higher than \$20 million or \$10 million (often less; too little to be accounted for by the expected tendency for “easy,” lower-wealth interviews to be completed before the hardest, highest-wealth interviews), we suspended interviewing and examined what had gone wrong.¹⁸

¹⁷ Comparisons of income earners at various levels in existing research – Bartels’ [2008] top third, Gilens’ [2005, 2009] top fifth, Page and Hennessey’s [2010] top 4% - suggests that there is a gentle but distinct gradient toward increasing social liberalism and increasing economic conservatism as one moves up the income scale.

¹⁸ We completed 15 interviews before their too-low levels of reported wealth clearly signaled that the sampling scheme was not working properly; we then proceeded to interview only six more respondents who had already been contacted and agreed to be interviewed. Our 21 early interviews are by no means useless; even they represent holders of substantial wealth, who gave substantively interesting responses and can be compared with future, wealthier respondents.

It turned out that – contrary to our original understanding – the crucial household income variable in Wealthfinder is not a precise, interval-level measure covering the whole range of possible incomes. Instead, it consists of estimates based on commercially available information (including mailed-in warranty cards as indicators of consumption), with substantial error. Worse, it is top-coded at \$500,000: that is, all households with incomes of \$500,000 or more are lumped together into a single category. A bottom threshold of \$500,000 income is far too low to identify the top 1/10 of 1% of wealth holders, who have roughly \$40,000,000 or more in net worth; \$500,000 in income tends to be associated with just \$10,000,000 or so in wealth. We needed a new way to isolate the top wealth holders within “rank A.”

The new sampling scheme: Wealthfinder, Execureach, and the imputation of wealth. After the suspension of interviews, our NORC team launched an intensive effort to locate data from InfoUSA or other commercial vendors that could be merged into the Wealthfinder data and be used to estimate the wealth of high-end Wealthfinder households with greater precision. Over a period of two or three months they thoroughly explored the complex world of commercial data providers, many of whom buy and sell data to and from each other (making the provenance of certain measures complicated), as well as selling to outside customers. In the process of contacting salespeople, managers, and higher officials of these firms we encountered some initial puzzlement about what we are trying to do, but eventually got substantial help.

For us there was some bad news: no one we talked to could offer household income data going above Wealthfinder’s \$500,000 top-coded category. In fact other firms generally make more modest claims for their income measures (for example, top-

coding them at \$250,000.) Furthermore, as we ferreted out information about various pieces of commercially available data we became all the more aware of its fragility and its susceptibility to measurement error. Only limited information can be obtained about the primary sources of the data or about these firms' estimation techniques, which are viewed as proprietary and highly confidential. Users like ourselves must bear most of the burden of exploring the properties of the data and validating it.

But we also got some good news. We discovered that Axciom (through MSG) could provide a measure of home values that goes as high as \$10 million, higher than Wealthfinder's measure. Better still, Experian (also through MSG) provided a promising measure of "income-producing assets," which (though unfortunately top-coded at \$2 million) should be directly related to wealth. We began to think in terms of selecting for our sample Wealthfinder Rank A respondents who pass all of three tests: incomes at or above the \$500,000 top-coded level; home values over a specified level (we considered \$1 million, \$2 million, \$5 million, or \$10 million); and income-producing assets at or above the top-coded value of \$2 million.

Moreover, our NORC team discovered a promising new source of data on a particular segment of wealthy Americans: business executives. InfoUSA provides an "Execureach" list that potentially covers all executives in the country, together with data on such matters as the size (gross sales or revenue) of their firms and the job titles of the individuals listed. Execureach has some idiosyncrasies and imperfections; it is far from complete, especially on lower-level executives of smaller firms, whose job titles are often missing or who are omitted from the list altogether. But the very focus of the Execureach list on high-level executives of large, publicly listed firms seems generally compatible

with our search for the wealthiest Americans. We decided to explore the possibility of sampling partly from the Execureach list and comparing the resulting interviews with those from a Wealthfinder-based sample. This comparison could produce results of substantive interest (for example, do business executives differ in attitudes or behavior from high-wealth professionals?), as well as providing methodological information about alternative or complementary approaches to sampling wealthy Americans.

A preliminary step was for our NORC team to merge into a single, individual-level file all the data we had gathered from Wealthfinder, Execureach and other sources. This was no trivial task, since we had to cope with variant spellings of names, errors in addresses, and the like. We then analyzed the overlaps between names on the different lists, and relationships among the different variables. We found, not surprisingly, that alternative commercially available measures of income, home value, and the like are correlated with each other positively but far from perfectly. Measurement error is indeed a problem. Moreover, only part of the Execureach list of names overlaps with the larger Wealthfinder “rank A” list. A fair number of names appear on one (either one) of those lists but not the other. A substantial number of top-level Execureach executives, however (owners, CEOs, CFOs, chairmen, partners, and the like), at larger firms (with, say, \$10 million or more per year in gross revenue), tend out to come out fairly high on the various measures of income, home value, and income-producing assets. They look like a promising group to sample in order to reach some very wealthy respondents.¹⁹

Based on these analyses, we decided upon a new, three-part sampling scheme for the new stage of the Pilot Study. We will aim to get perhaps 20-30 new interviews

¹⁹ We are very grateful to Steven Pedlow, Ned English, and Jizhou Fu for unearthing the new sources of wealth-related data and analyzing their inter-relationships.

(more than that, if the first ones go well), in roughly equal numbers from each of the following groups:

1) Households listed in Wealthfinder – but not Execureach – with incomes of \$500,000 or more, income-producing assets of \$2 million or more, and home values of \$1 million or more.²⁰

2) Households listed in Execureach – but not Wealthfinder – that include a high-level executive of a fairly large (\$10 million or more in annual revenue) firm.

3) Households appearing on both lists and meeting the Execureach criteria of high-level job title in a large firm.

These three approaches constitute three distinct ways to identify and sample extremely wealthy Americans. Comparisons among them should prove to be both methodologically and substantively interesting.

We have barely begun interviewing based on this new sampling scheme, but the initial results are quite promising. Among our first eight interviews, median wealth is about \$20 million, a good neighborhood to be in. The two highest-wealth respondents – with \$50 million and \$100+ million – fall well within the top 1/10 of 1% group. Moreover, there is reason to believe that these first cases tend to represent relatively easy-to-interview people (hence generally less wealthy ones), so that persistent efforts to get at the hardest-to-reach, most protected of the sampled names should produce more and more very high-wealth interviews.

²⁰ We found that setting the home-value threshold higher than \$1 million (at, say, \$5 million or \$10 million) would eliminate too many very wealthy people who either live modestly or live in homes whose values are underestimated in the data. Such underestimation apparently tends to occur in places like downtown Chicago, where the wealthy live close to people with much less wealth. This is an example of possible bias in the sampling scheme that could be corrected by post-survey weighting.

We have some confidence that even if only a moderate fraction of our interviews turn out to be with people over the magic wealth figure of \$40 million (the approximate criterion for membership in the top 1/10 of 1% of wealth holders), most of the new interviews should be over \$20 million, putting them in the top three-tenths of 1% of the distribution.²¹ Time will tell.

Persuading people to be interviewed. We believe that potential respondents' willingness to cooperate in a survey can be greatly enhanced by clear communication of several key points: that the investigators and the survey firm are reputable, experienced, and unbiased; that the topics of the survey are important and interesting; that interviews can be arranged flexibly and can be completed easily within a short time; and that the identity of respondents will be kept absolutely confidential. These points need to be communicated multiple times and in multiple ways.

Accordingly – with extensive help from NORC designers – we developed a number of recruitment materials. For this Pilot Study we could not afford SCF-style glossy printed brochures. But on a lower-budget basis we have self-published full-color materials, including an attractive “invitation” card (postage-stamped rather than metered) that invites participation, gives a response telephone number, and promises future contact; a brochure describing the study; and a list of many reasons for participating. We have also established a NORC website with full information on the study; publicized a phone number for inquiries; given interviewers extensive instructions on how to answer the most commonly asked questions; and promised project reports to those who want them.

²¹ According to our analysis of the 2007 SCF data, \$20 million in wealth corresponds to the 99.7th percentile of the wealth distribution.

Our materials emphasize NORC's long-time experience at conducting major surveys on important topics and its affiliation with the University of Chicago, as well as the association of the principal investigators with Northwestern and Princeton. They highlight benefits to the respondents ("have a voice") and to the country of participating in the survey, and promise a short (45 minute) interview that can be scheduled and conducted with great flexibility: at any time and place of the respondent's choosing, by personal interview or by telephone (most so far have chosen the phone.) Indeed, at one respondent's insistence we later created and printed a mail-back, self-administered questionnaire, providing a third alternative mode.²² The materials convey an absolute pledge of confidentiality.

Our materials are decorated with a dignified "SESA" logo and with colorful images of eagles, flags, a space rocket, and other materials designed to evoke American patriotism and our theme of the common good. The title of the study, "Survey of Economically Successful Americans and the Common Good," is prominently featured. This title is intended to make clear the nature of our study in a way that is attractive rather than off-putting to potential respondents. "Economically successful" alludes to the population studied and to two topics of the survey: how respondents' made their money, and what lessons they may want to suggest for others who seek economic success. "The Common Good" alludes to our central concerns: respondents' attitudes and behavior concerning civic engagement, philanthropy, and charitable contributions, and their views of problems facing the country and solutions in terms of markets and/or government and

²² For the special population of interest to us – very wealthy Americans – we believe that survey mode effects are likely to be minimal. These are people who have firm, clear opinions on many matters, and plenty of facility at expressing themselves in various modes. The one self-administered questionnaire used so far was returned faithfully with nearly every question answered.

public policy. Concerns that this phrase might bias the pool of people cooperating with the survey appear not to be well founded.²³

Getting interviews with the wealthy cannot depend solely upon attractive promotional materials; for reasons noted above, it also depends upon articulate, persistent, tenacious efforts by interviewers to penetrate gate-keeping staffs, to contact the wealthy themselves, and to persuade them to cooperate. We are fortunate to have on our project an exceptionally talented set of NORC interviewers, including several who have had experience interviewing very wealthy respondents for SCF.²⁴ They are not afraid to approach mansions or executive suites and are not intimidated by butlers or icy personal assistants. Moreover, it turns out (somewhat to our surprise) that several of our interviewers, moonlighting from retirement or from high-prestige jobs, are used to moving in much the same social circles as our wealthy respondents. Our interviewers know how to talk with people of means.

Our interviewers also know how to get access: when to phone and when to email; what to say; how often, and how, to come back repeatedly; how to work up through a series of gatekeepers; how to make the final pitch with assurance and conviction; how to slip an interview into a respondent's busy schedule. All this is time-consuming and

²³ We worried that the term "common good" might differentially attract more altruistic or perhaps more liberal respondents, biasing our results. We plan to check systematically on this possibility and to correct for it if necessary, through post-sample weighting or by other means. Sure enough, at least one respondent has complained at some length that the investigators must be "liberal do-gooders." But this respondent appears to have been reassured by our insistence that we want to conduct an objective, scientific study; our personal political views don't come into it. Moreover, the recruitment materials and the questionnaire itself make clear that respondents are invited to express opinions on quite different ways by which one might want to further the common good, through market-based solutions (embraced by most of our respondents) or private contributions and philanthropy, not just government programs. The substantial frequency of conservative Republicans among our respondents is also reassuring from the point of view of not over-representing liberals.

²⁴ Our interviewers have been selected, trained, and supervised by Suzanne Bard, with assistance from Nola Detoit.

expensive, but it is essential in order to get a reasonable level of responses from very wealthy Americans.

A final issue related to maximizing interviews from the sampled population involves precisely who is permitted to be a respondent once an interviewer has his or her foot in the door. Since the household is our unit of analysis, and since we want to get hold of any appropriate respondent we can within a wealthy household, we are open to conducting interviews with well-informed spouses or partners of the main income earner rather than with the main earner him- or herself. We can easily test whether the views of such respondents differ in the aggregate from the views of main income-earners. In practice, the vast majority of our interviews have in fact been with the main earners or (much less frequently) with someone who reports “equal” earning capacity. We briefly experimented with allowing interviews with adult children living at home, but we abandoned that plan after completing one disappointing interview with an adult child who confessed to knowing little or nothing about the family’s finances. (We have gone back to pursue the parents.)

Getting complete and accurate answers. Once an interview is under way, we still face the problem of getting wealthy people to give honest, complete, and factually correct responses – especially on the sensitive topics of family income, net worth, and past inheritances. We have placed such questions near the end of the interview, so that respondents have plenty of chance to get into the rhythm of answering our questions and so that they can see that such data are important to the study. We introduce this section with a reminder that we need these data for statistical purposes but that the information will be kept entirely confidential.

In our income question we remind respondents to include a number of specific types of income (all wages and salaries, bonuses, pensions or annuities, income from a business or farm, interest or dividends from investments, capital gains or losses that they realized, and “all other income from any source”), before taxes. To help ensure accurate recording of responses, we instruct interviewers to write out the replies in words as well as in numerals. We then ask respondents approximately what percentage of their household’s total income has come from each of six different types of sources.

On wealth, we ask for an approximate estimate of the household’s net wealth, listing a number of different types of assets that should be included (cash, stocks, bonds, mutual funds, trusts, your own business, stock options, your home and other real estate [minus any mortgage debts], collectibles, and “all other assets,” including any vested retirement savings but excluding the value of defined benefit plans.) As with income, the detailed list of sources is intended to spark memories and to encourage more accurate responses, which are recorded in words as well as numerals.

We ease into the sensitive area of inheritance by asking whether “you or someone in your household” ever inherited “a substantial amount of money: that is, more than a few thousand dollars.” We then ask in approximately what year this occurred (an important datum to permit adjustments for inflation or expected capital gains over time), and finally inquire “roughly what was the monetary value of that inheritance at the time?” Again the interviewer is instructed to write out the value in words as well as in numerals.

Our interviewers have been told that these questions are very important to the study; they are urged to probe for answers. We seem to have no trouble learning about inheritances. In our early interviews, however, we had a number of absolute refusals to

respond about wealth or (in a few cases) about income, presumably because of reluctance to reveal very high levels of affluence.²⁵ For the new round of interviews, therefore, we have further emphasized to our interviewers the great importance of ascertaining respondents' income and wealth. And we have provided a back-up plan in case respondents refuse to provide point estimates of wealth: we ask for an "approximate range," starting with "above or below \$20 million" as a key dividing line and probing for various divisions either above or below that level, including the important \$40 million figure. The results so far have been gratifying. In the first eight of our new interviews we had only a single refusal to give at least a range of wealth. By mentioning the \$20 million up figure up front, we presumably reassure respondents that they are not the only people we are talking to who have a great deal of wealth; they fit right in to the study.²⁶

Once again a mid-course correction appears to have significantly improved our Pilot Study and told us something about how a full-scale national survey should be conducted.

Another important topic on which it has proved difficult to get full and honest answers concerns the nature and purpose of respondents' high-level political contacts. After asking a series of yes/ no questions about whether or not the respondent has initiated any contacts with each of six types of federal official, we ask for the title or position of the official in the respondent's "most important" recent contact. Respondents show little reticence about divulging this information, which is sometimes eye-popping.

²⁵ One respondent who had earlier reported annual charitable contributions as being "in six figures," for example, refused to state a figure for income or wealth. If his contributions amounted to just \$100,000, and if they followed usual patterns, the respondent's income may well exceed \$1 million per year and his wealth may exceed \$20 million.

²⁶ One respondent, after replying "\$40 million or more," went back and specified that he had \$50 million in net wealth.

Nor do they hesitate to report their satisfaction or dissatisfaction with the result. In the early interviews, however, we got disappointing returns from an important open-ended question: “In a few words, please tell us what your main purpose was in making this contact.” Too many responses were bland or anodyne (“to discuss a matter of public policy,” or the like). This is not of much use in sorting out, for example, whether the contact was motivated by self interest or by concern about the common good. To be sure, we have always known that survey questions are unlikely to elicit details of any horse-trading or pressuring, let alone any improper or illegal self-interested requests that may have been made. But we need to know at least the general outlines of the subject matter discussed. We need more than the few nuggets we have so far received.

For the new round of interviews, therefore, we instructed the interviewers to concentrate particular attention on this question and to probe for any details they can get. Initial results suggest that we have had some success (see below.)

A final issue about eliciting full and accurate responses (while not upsetting respondents) concerns our questions about public policy alternatives. An important aspect of our study involves comparing the responses of wealthy Americans with those of the general public. For this purpose, in the Pilot Study (lacking a parallel survey of the general public) we need to ask questions with wording exactly the same as that of questions recently asked of the general public by various other survey organizations. Yet – as NORC question-wording experts insisted in no uncertain terms, and as we recognize ourselves – the best available items on certain topics of public policy are not always very

good; they are sometimes vague, ambiguous, double-barreled, or laden with dubious assumptions.²⁷

As part of our system for obtaining quick feedback from respondents, we asked interviewers to record and to show us every word of comment that respondents uttered in response to any question, open or closed. The interviewers have passed along an earful of objections about question wording: “stupid question!”; “weasel wording”; “surely they can do better than this,” and the like. Some respondents have devoted a good deal of time to critiquing question wording, and some have refused to answer questions they object to.

In the new round of interviewing we intend to do a better job of explaining to respondents precisely why we need to ask some imperfect closed questions. We are also keeping careful track of respondents’ objections to question wordings. In some cases we have changed the wording, even at some cost in comparability to general public surveys.²⁸ If we are able to conduct a full-scale national study, we hope to minimize this problem by carrying out a parallel general public survey of our own, using questions identical to those asked of the wealthy. Then we will be able to adopt – or design – only items that meet the highest standard of question wording.

To be clear, however: in the Pilot Study, the vast majority of respondents so far have provided answers to nearly all our policy questions in exactly the form we originally

²⁷ Bernard Dugoni, who scrutinized our draft questionnaire with great care, was particularly trenchant in pointing out such defects.

²⁸ For example, we changed the two GSS questions concerning the salary of “the chairman of a large national corporation,” substituting “the CEO,” after many respondents insisted that that we must mean the CEO since the chairman is sometimes just a figurehead. This will entail some loss of comparability with GSS results for the general public (perhaps not much loss; many ordinary citizens may be fuzzy about the distinction), but it gets more precisely at what we mean. In a number of other cases we have had to tolerate minor changes in wording, especially of prologues, in order to accommodate a different questionnaire context such as the presence or absence of a battery of related questions. We believe that these changes are likely to have only very minor effects on responses.

asked them.²⁹ The answers suggest some interesting patterns of thinking about U.S. public policy.

Hints at Substantive Findings

We are in the very early stages of conducting interviews with respondents drawn from our new sampling scheme. But careful reading of our 21 early interviews plus seven new ones from the new sampling scheme provides some hints about possible patterns that may be emerging.

Lessons of economic success. Our respondents so far have tended to attribute their economic success to such individual-based factors as hard work, a good education, setting long-term goals, personal sacrifice, and risk-taking. “Luck” has rarely been assigned an important role. Nor has a head start due to wealthy or well-educated parents, or help from the community or from government.

Examples: “Hard work is very important factor. When I was in college, while everyone was watching a football game, I stayed and studied. To this day there is no one else who work[s] on Saturday in my industry except for my company.” “You have to be willing to make investments in your life....You must sacrifice by taking jobs you may not want to but you have to....When I started out, I worked midnight shifts for the railroad industry and had to make many sacrifices not having a family life. But I was passionate about my job and believed that my hard work would be rewarded in the future.”³⁰

²⁹ It should also be said that some respondents’ reluctance to answer closed questions may reflect factors other than defects in items, including disquiet at being put on the spot. A person who favors lower levels of unemployment insurance, for example, may not want to express opposition to providing “a decent standard of living” (perhaps too loaded a phrase, perhaps not) to the unemployed.

³⁰ We transcribed respondents’ comments from the abbreviated notes written by interviewers onto interview sheets. In this paper we have attempted to restore the full language used orally by the respondents, spelling out interviewers’ abbreviations and supplying minor missing words (e.g., articles and

When a full complement of interviews has been completed, we will test whether or not individualistic (as vs. community- or luck-based) attributions of success are associated with less support for government programs to help the unsuccessful, and whether a propensity to take risks goes along with opposition to defined-benefit social safety nets.

Our open-ended question about lessons for others produced much advice to work hard and get a good education, but also some less expected, heartfelt comments: “Do something you love!”; “Lead a full life”; “mentors are crucial.”

Civic engagement and volunteerism. Some of our older respondents have reported that they “used to” belong to many organizations and used to do a lot of volunteer work, but no longer do so. A good many of our wealthy interviewees, however, do manage to find the time and energy for extensive volunteer activities, often related to the environment, education, or youth programs. Anti-poverty efforts are less common, though not absent. Our respondents report belonging to professional and other organizations at a high frequency.

Charitable contributions and philanthropy. Our respondents have tended to report giving substantial amounts of money to charity.³¹ While substantial, however, these amounts rarely rise to the level of 10% of annual incomes, which is a benchmark for Christians’ and others’ practice of “tithing.” Giving of an amount less than 5% of income is much more common. This pattern is consistent with data for the nation as a

conjunctions), being careful not to alter the meaning. All words or letters we have supplied that may have substantive importance are surrounded by [brackets].

³¹ One respondent reported giving only goods, not money – presumably for reasons of control, efficiency, and/or access to wholesale prices – after carefully scrutinizing the activities of many potential recipient groups.

whole.³² We Americans may tend to imagine that we sacrifice more for others than we actually do.

The recipients of charitable giving by our respondents tend to feature educational, medical, arts and humanities, and religious (as well as some environmental) causes. Again this fits with data for the nation as a whole. The wealthy are less likely to give to religious causes or congregations than other households, but more likely to give to education, human services, and arts and culture.³³ Our survey questions are not sufficiently fine-grained to determine the precise nature of the recipients of this giving, but there are indications that the recipients often include universities (sometimes the donor's alma mater); hospitals; arts institutions (e.g., opera companies and symphony orchestras); religious institutions (including the donor's own house of worship); and other causes or institutions with a somewhat middle-class or upper-middle-class flavor. Giving for "poverty and the needy," for direct relief of poverty, illness, unemployment, homelessness and the like, appears to be relatively uncommon, though we have found some clear counter-examples.

Our inquiries about family foundations (starting, "We know that some economically successful people set up private foundations....Have you or your family established such a foundation?") have so far elicited only a handful of positive replies. We expect to get more of them, along with responses to our open-ended question about the "main purpose or mission" of such foundations, as more interviews come in from highly wealthy respondents.

³² Based on 2001 SCF data, the roughly 5% of U.S. families with net worth over \$2.5 million contributed about 40% of all the private donations received by charitable foundations in the year 2000. As a proportion of income, however, the contributions of all families were fairly equal, except for those at the highest income/ wealth brackets (Schervish and Havens 2003, pp.1, 2; Havens, O'Herlihy, and Schervish 2006.)

³³ Havens, O'Herlihy, and Schervish (2006, p.558); Giving USA Foundation (2008, pp.10-11).

One comment on why a respondent created a family foundation: “That is a good question! I feel I can do more good with my money rather [than] having it go the government when I ‘turn up my toes.’”

Political engagement. Our respondents so far show an exceptionally high level of political engagement, at least in terms of thinking and talking about politics. (Less so for certain time-consuming, possibly plebian campaign activities.) Many claim to talk about politics seven days a week. One “seven-days-a-week” respondent commented, “This is Chicago!” Another hyperbolically reported talking politics “ten days a week.” Still another said “Constantly.”

Most respondents so far, in much higher proportions than Americans generally, have reported giving at least some money to political causes or political campaigns. But the dollar amounts of contributions reported have mostly been rather small. Only two respondents so far have said that they have “bundled” contributions from others. (Notably, however, those two expressed more satisfaction with the outcome of their high-level political contacts than others did.) We expect to say much more about the important topic of major financial contributions as we get more interviews with very wealthy people.

High-level political contacts. Particularly striking has been the remarkably frequency with which our respondents have reported initiating political contacts with high-level federal government officials. We asked a series of yes/no questions about recent contacts with various types of officials: the respondent’s own congressional Representative; his or her Senator; a Representative or Senator from outside his or her district; someone in a regulatory agency; someone in the executive branch; or someone at

the White House. We then asked the title of the most important recent contact, what was discussed, and how satisfied the respondent was.

Among our 28 respondents to date – quite unlike average Americans – nearly all reported initiating contact with at least one of our listed types of official. Most reported several. Quite a few of our respondents named a very high-ranking official: “the Secretary of Treasury”; “Rahm Emmanuel”; even “the President.”

Of course more wealthy people who live in the Chicago metropolitan area (where our Pilot Study is being conducted) than who live in other places may be in contact with the Obama administration, since the President himself and several of his top officials and staffers come from Chicago. Only a national study will enable us to pin down the extent of any such difference. Still, the very high frequency in our interviews of reported contacts with Representatives and Senators – which should not be much affected by the Obama-home-town factor – suggests that a substantial part of this pattern of frequent high-level contacting may be typical of wealthy Americans more generally.

As noted earlier, some of the reports of the purpose of contact have been rather bland. But we have also obtained a few nuggets, such as the banker who contacted a high official about getting TARP money that had been promised to a Chicago-area bank (he declared himself “not at all satisfied” with the results of the contact.) A real estate developer was “fairly” satisfied with his contact with a Fish and Wildlife official about a permit for developing land. On the more common-good-oriented side of the ledger, one respondent described his contacts as “All in the context of air traffic control. All FAA high-level execs.” Purpose: “Part of pro-bono work on a sub-committee.” We are

looking forward to more detailed responses about such contacts as our interviewers make increased efforts to probe for them.

Caring about the common good. The responses mentioned above concerning civic engagement and charitable contributions suggest a substantial level of concern, among many of our respondents, for doing something to advance the common good. The same is true of responses to our open-ended questions about the “most important problem” facing the country. Most respondents so far have mentioned “the economy,” “deficits,” or “unemployment”; a number have alluded to education. Examples: “Deficits!”; “There are so many [problems]! Dealing with the unemployment issue in the short run. In the long run, make government more efficient and stop using social programs to solve problems.” “Our education system—we are not investing enough to keep up, we have fallen behind.” “Education: we must have a good educational system that can train a productive work force.” “Energy: renewable energy development that can free us from fossil fuel dependency.”

A few have mentioned particular problems that seem possibly related to their own economic interests: “The banking system: unwillingness to loan to businesses, too stringent lending requirements.” (Solution: “By federal regulation getting out of the banking system....The Treasury Dept. and federal bank examiners [and] auditors should stay out of lending decisions.”)

In response to our open-ended question about how the cited problem should be addressed, most respondents have made serious suggestions (some of which would involve sacrifice on their own part), though a few expressed despair. Some responses have pointed toward private-market solutions: “reduce government spending first and

foremost.” Others have been ambiguous on the public/ private dimension, or pointed toward government action: “At every [educational] level, starting with pre-school, eliminat[e] the dropout [rate] and get families interested in schools.”

Policy preferences and reactions to inequality. A full treatment of respondents’ policy preferences must await more interviews, so that we can tabulate and cross-tabulate the responses to our dozens of policy-preference questions. At this point we can offer only a few general impressions.

Our respondents so far have not generally taken positions on public policy that purely reflect their narrow economic self interests, which (in many if not all cases) would presumably involve paying little or no taxes and letting their less-affluent fellow citizens fend for themselves. Most respondents, for example, have expressed support for substantial and significantly progressive tax rates, including proportionally higher income taxes on high-income people (one rare respondent even favored a top-bracket income tax rate of 50%); non-zero estate tax rates, usually higher on estates of \$100 million than on those of \$10 million; and at least some taxes on realized capital gains.

Similarly, many of our respondents have favored some substantial level of government regulation of the economy, including increased regulation of Wall Street and large oil companies; substantial investment in domestic-oriented public goods like education and infrastructure; and substantial spending for certain kinds of social safety net programs, notably including Social Security. A fair number have said they are willing to pay “more” taxes for certain of these purposes.

Only a tiny minority of our respondents so far have embraced the extreme Libertarian position that they would “like to live in a society where the government does

nothing except provide national defense and police protection, so that people would be left alone to earn whatever they could.”

At the same time, there has been very little support for government action aimed at major redistribution of income or wealth, even among the many respondents who say that corporate CEOs and hedge fund managers “should” get a dollar amount of wages much lower than what they think those people “actually” receive at present. Only one or two respondents have said that our government “should...redistribute wealth by heavy taxes on the rich.” Perhaps not surprisingly, few of our wealthy respondents want government to take away a lot of their wealth.

The tax rates favored by our respondents have rarely been higher than (usually lower than or exactly the same as) those presently in force: a 35% marginal rate on top wage and salary incomes, and 15% on realized capital gains. Not many have favored estate tax rates much higher than 20%, even on quite large (\$100 million) estates, though a few have suggested 40% or even 50%.³⁴

Further, the support of our respondents for government spending or regulatory action has not been very strong. Given a list of various types of government programs, most respondents want to “cut back” more programs than they want to “expand.” Reacting to a list of possible targets for government regulation, most have named more cases in which they want “less” regulation than where they want “more.” Most (including most of those who say that education is the “most important problem” facing the country) favor market-oriented solutions like merit pay, charter schools, and vouchers, rather than increased public spending. Majorities of our respondents appear to

³⁴ Since 2010 the actual estate tax rate has been zero. By statute this is a temporary situation that must be revisited by policy makers.

oppose a number of specific social welfare programs that are favored by large majorities of the general public.

In general terms, many of our respondents – even in the Democratic-inclined Chicago area, site of our Pilot Study – have labeled themselves as Republicans or as Independents who feel closer to the Republican Party than to the Democratic. On a liberal/ conservative self-rating scale, most call themselves at least “slightly” conservative, though a few have specified that they are economically conservative but socially liberal. (Consistently with others’ evidence, our few questions about social issues have produced very little evidence of social conservatism among our wealthy respondents.)

In future reports we will have much more to say about these patterns, including any changes that may emerge as we complete our interviewing.

Conclusion

When we first undertook this project we had barely a clue about how difficult it would be to identify, sample, and interview very wealthy Americans. The process of figuring out exactly how to do it has not been entirely free of hitches. But of course that is the point of a conducting a Pilot Study. In trying something new and potentially risky, it makes sense to do so on a scale that is small enough so that vast amounts of resources are not put at hazard, and to do it in a slow, deliberate fashion that permits immediate feedback and quick mid-course corrections.

We are amazed at how much we have learned already, after having completed barely more than two dozen interviews. We believe that we have developed a sampling

scheme that shows signs of working well; excellent techniques of contacting and interviewing; and a solid questionnaire that gets at many intriguing aspects of the political and social attitudes and behavior of wealthy Americans.

We anticipate learning much more by the time we complete our Chicago-area Pilot Study. We hope that what we learn will make clear the desirability of conducting a full-scale national study, and that we will have developed methods by which such a study can be done successfully.

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Appendix. SESA Advisory Board and study participants

Advisory Board

Christopher Jencks (Chair). Sociologist, Harvard University
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