NEOLIBERALISM, INEQUALITY, and VIOLENCE

Jacob Hall

Faculty Adviser: Dr. Sheila Rucki, Department of Political Science

Abstract

There was a drastic shift in the United States economic policy that began in the 1970s and 1980s. These policies can be ideologically categorized as neoliberal policies.¹ The purpose of this study is to examine the relationship between neoliberal policies and social tension through a mediating variable of economic inequality. The goal is to explore a potential connection between neoliberal policies and social tension from the 1970s and 1980s to the present. This study used a methodology that entailed creating a timeline of neoliberal policy implementation, then comparing it to historical data on inequality. Inequality data was collected from the Gini coefficient and index which are a statistical measurement of income and wealth inequality. Gini coefficient and index data was then compared to violent crime rates and racial hate crime rates in a correlational analysis. Violent crime rates and racial hate crime rates were used as an indicator for the variable of social tension. Data availability on racial violence was a major limiting factor to the original goal of the study. The analysis indicated that there is a temporal correlation between neoliberal policy implementation and growth in inequality, but a more complex relationship between inequality and social tension exists than originally hypothesized. There are additional extraneous variables influencing social tension that were not present in this analysis. Further examination of influential factors that contribute to - or reduce - social tension should be explored.

Keywords

Neoliberalism, Gini coefficient, Social tension.

¹ The author would like to thank the following people for their contributions in support of writing this essay: Dr. Sheila Rucki, the editorial staff at The Rowdy Scholar, my anonymous reviewers, and Carolyn at the Metropolitan State University of Denver Writing Center.

Introduction

The premise of this study was to examine the association between neoliberal economic policy and social tension mediated by economic inequality from the 1970s and 1980s to the present. This premise is reflected in the theories and trends explored in the literature review. A limiting factor of this proposition was acquiring quantitative data to operationalize social tension. While not fully encompassing the broad scope of social tension, the statistics of violent crime rates and hate crime rates were selected as indicators for this variable. To perform assessment, data was collected from a variety of primary and secondary sources. A timeline of neoliberal policy events was constructed, and then correlation was measured between crime rates and inequality. There were still limiting factors to the analysis conducted. The most notable of which was the limited data available on racial hate crime rates. The source of this data was the annual Federal Bureau of Investigation's (FBI) Uniform Crime Reporting (UCR) publication Hate Crime Statistics. The FBI began this publication in 1996 and it provides only partial insight into the topic. The goal of this study is to investigate the association of neoliberal economic policy and inequality on social tension. With social tension being defined within the limited scope of violent crime rates and racial hate crime rates. Understanding these relationships may offer support to future policy makers, helping them to make more accurate policy determinations.

Literature Review

Classical Liberal Economy, Neoliberalism, Globalization, and Inequality

Classical economic liberalism was built on the ideas of Adam Smith and David Ricardo. These ideas are rooted in three primary concepts: a free market, specialization, and comparative advantage. Smith popularized the idea of division of labor, in which participants could specialize in certain aspects of production. This specialization would increase total production and benefit all of society (Strange 2020, 29). To expand on the concepts of Smith, Ricardo recognized the benefit of comparative advantage and international trade. These concepts assert that more efficient production could be achieved if countries focused productive efforts into industries in which they had a comparative advantage and traded for goods from those in which they did not. These concepts lead to increased trade, more efficient markets, and increases in wealth (Strange 2020, 31-2).

Neoliberal ideologies expanded on these classical roots and grew to be the recognized hegemonic dialogue from the early 1980s to at least 2008 (Harvey 2007, 28-9; Rucki 2013, 343). The foundations of neoliberal ideologies, in relation to economic policy, are deregulation, financialization, and privatization. The burgeoning of neoliberal ideals in the early 1980s was an attempt to curtail growing stagflation that resulted from the breakdown of Keynesian interventionist policies in the 1960s and 70s (Gamble 2001, 128-30; Harvey 2007, 27). Keynesian interventionist policies included the ability for the government to spend to stimulate the economy or to increase taxes when the economy was overheating. Neoliberal ideals materialized as a return to a more classical role of the government in economic issues with a narrowed focus on only three key factors: "defining property rights, enforcing contracts, and regulating the money supply" (Kotz 2002, 64). However, there were more intrusive realities to neoliberal policies that greatly benefited the wealthy class while creating disadvantages for lower classes.

Harvey (2007) posits that this neoliberalist impulse was "redistributive rather than generative" and aimed at reestablishing economic power in the upper class (28-34). There were four primary mechanisms utilized for this refocusing of economic power. These were privatization, financialization, management and manipulation of crises, and state redistributions (Harvey 2007, 35-8). In a recent article, Harvey (2007) describes these processes as "wide-ranging, sophisticated, frequently masked by ideological gambits, but devastating for the dignity and social well-being of vulnerable populations and territories" (39). Furthermore, Arestis (2016) examined the time following financial liberalization in the 1970s and found "strong evidence of the proposition that financial liberalization increases the likelihood of systematic banking crisis" (p. 20).

Neoliberal policies on an international scale have the effect of liberalizing trade and lend support to globalization. As Litonjua (2008) argues, this process of globalization is not a natural process but an ideological struggle and within this process there is unequal distribution of benefits (253). There has been a glorification of this market liberalization. Ravenhill (2017) elaborates on this glorification stating that "[t]he praise for globalization, and the hard-wiring of neoliberal globalization norms into international treaties and the operating procedures of international organization, illustrates history being written and rules being set by the winners" (324). The managers of capital that have benefited from these policies are maintaining strong lobbying and advocacy groups to perpetuate this beneficial arrangement (Ravenhill 2017, 323).

The way neoliberal policies have impacted inequality and have been glorified is an indication of the hegemonic influence of a dominant owner class over those providing labor. Those who benefit are controlling the narrative and perpetuating workingclass exploitation. This exploitive class dynamic was recognized in the critical theories of Karl Marx. The economic policies have decreased the benefit of the product for the laborer and constitute the "estrangement of the worker and his production" or proliferated "alienated labor" driving class divides (Cahn 2012, 866). The glorification of neoliberal ideals is an indication of the Gramscian idea of cultural hegemony that has been perpetuated by, and benefited, capitalists within the elite class (Cox 1983, 163-4).

While many assert the neoliberal ideals of deregulation are the foundation of increased levels of inequality, there is another aspect to consider. Chambers and O'Reilly (2021) maintain an opposing mechanism to explain the continued expansion of inequality. From 1997-2015 there has been a steady increase in the number of federal regulations as measured by the Federal Regulation and State Enterprise (FRASE) index (Chambers and O'Reilly 2021, 2). Over the same time, there has been a growth of inequality measured by the Gini coefficient. Within a state-to-state comparison a "10 percent increase in exposure of a state to federal regulations based on the state's industrial composition corresponds to a 0.5 percent increase in income inequality" (Chambers and O'Reilly 2021, 14). Their findings complicate the notion that it is simply neoliberal deregulations that correlate with inequality.

An explanation for this complication may be found in examining and distinguishing the types of deregulations prevalent at the onset of neoliberal policy implementation compared to the gradual rise of domestic regulation described above. As Harvey (2007) explains, due to the expansion of financialization, or the deregulation of financial markets, in 1983 there was \$2.3 billion in international financial market transactions ballooning to \$130 billion in 2001 (36). The deregulation of financial markets held a powerful redistributive effect by concentrating profits in the most monopolistic firms. At the same time, privatization of previously public industries allowed for private entities to profit off previously inaccessible industries. This is exemplified in the privatization of utilities, welfare programs, public

institutions, the elimination of labor and environmental protections, and the solidification of private health care (Harvey 2007, 35-6). In congruence with the wave of privatization, international markets became more widely accessible with the removal of protectionist policies. Tariff rates in the early 1990s were around 40% falling to around 6% in 2010 (Ravenhill 2017, 328). With these forms of privatization and international deregulation taken into consideration, the gradual increase of federal and state regulations in the years after neoliberal privatization and financialization have cemented large international firms' control over these sectors by adding barriers to entry for smaller or domestic manufacturing firms. Neoliberal policy implementations have plowed fertile ground in which societal inequalities can flourish.

Inequality and Psychological Social Cohesion

Inequality has been on an upward trend in the United States. From 1969 to 1993, the poorest 5% of Americans saw their income fall 34% and the richest 5% saw their income rise 43% (Burtless 1996). There is a psychological connection between the negative effects of inequality and the cohesion of social environments. Wilkinson (2006) explains that, while we primarily focus on how humans have evolved relative to the natural environment, the most antagonistic evolutionary power that humans have faced is other humans (55). This human-to-human interrelationship adds clarity to why growing divergences in income can lead to polarization, spark violence, and drive animosity between community members.

The relationship between inequality and social cohesion seems to be connected to the notions social status, respect, and dignity. The of psychological drive to achieve higher status in the social hierarchy can be attributed to "agonic' (those social systems based on power and dominance hierarchies)" evolutionary dynamics (Wilkinson 1999, 51). From this viewpoint, individuals with higher social status have greater access to resources, respect, personal dignity, and higher chances of survival. Agonic societal dynamics can be contrasted with "hedonic' (those based on more egalitarian cooperation)" forms of societies that reward teamwork, friendship, and sharing (Wilkinson 1999, 51). While modern society reflects both agonic and hedonic frameworks, the widening income equality gap illustrates the strengthening agonic influence.

These psychological relationships can help explain the importance, and potential detrimental impact, of widening income inequality. Wilkinson (1999) summarizes this analysis stating "[i]t is understandable, where income inequalities are greater and more people are denied access to the conventional sources of respect and status in terms of jobs and money, that people become increasingly vulnerable to signs of disrespect, that they are being treated or regarded as inferior, insignificant, and worthless" (54). This has been supported with the correlational relationship between income inequality and violence that has been observed in a granular examination. Areas with higher homicide rates show an overlap with higher inequality rates in the United States (Wilkinson 1999, 53).

Often, the hierarchy of social status is linked to intuitive social comparisons and assumptions that those at the top of the hierarchy are more adept and deserving of their high status. Yet, with decreases in economic opportunities, exclusionary market competition, and racially motivated ingroups and out-groups, opportunities to achieve acceptable social status are shrinking and social tensions are growing, as discussed in more detail below. People are looking for an explanation for their lack of opportunity.

Broad ideas of personal status as a cause for violence are reinforced with the concepts of conflict theory, most notably realistic conflict theory and its critique of social identity theory (Kassin, Fein, and Markus, 2016 pp. 182-85). Realistic conflict theory suggests the cause of intergroup conflict is rooted in real or perceived competition for scarce resources. In contrast, social identity theory indicates that the root of conflict is reduced to merely individuals' selfesteem being intertwined with their group identity. Increases in inequality can easily contribute to the above-described conflict theories.

Understanding that there is a psychological relationship between status and security and economic standing, the proposal that violence and racial violence variation could be correlated with inequality should be explored in greater detail. The neoliberal principles of deregulation and wealth accumulations in the higher class can contribute to the creation of a vulnerable lower class. The creation of a newly vulnerable class has the potential to exacerbate the existing social tension within the country.

Racial Considerations

The long-established history of racism and racial tension in the United States ranges from the legal and regulated slave trade of 1807-50 (Schermerhorn 2014, 897-911) to the recent police brutality protests following the killing of George Floyd in 2020 (Okri 2021, 45-6). Historian Peter Turchin (2012) stresses the historical relationship of racial tension and social unrest stating "[a]s to the issues motivating political violence, the most common is race or ethnicity" (586). This issue has consistently been a source of tension and violence. As discussed above, the crux of these racial cleavages are more than individual feelings of racial prejudice but a broader collective perspective of social group position and group dynamics (Blumer 1958, 3-4; Knowles et al., 2013, 2-4). The formation

of group positions has been perpetuated by a multitude of legal and cultural mechanisms.

During the first half of the twentieth century, there was a steep increase in racial segregation followed by a slow decline in the second half (Brazil 2016, 568). Brazil (2016) explains this phenomenon with the following:

> The first-half increase in segregation was primarily due to legalized forms of housing discrimination in Northern cities that pushed migrating blacks from the South into poor neighborhoods. urban Scholars have attributed the decrease in segregation after the 1960s to a number of factors, including sweeping national civil rights reforms, changes in public attitudes toward blacks, increased economic opportunities for minorities, the growth of multiethnic metropolises, regional population shifts, and black suburbanization (568-69).

This apex of segregation in the mid twentieth century was connected to racially motivated riots that broke out in major cities and spurred the passage of the Civil Rights Act in 1964. While there seemed to be a trend toward a reduction in racial tension after the midpoint of the twentieth century, the media's portrayal of the 1960s riots fueled racial prejudice and exacerbated existing negative stereotypes of Blacks withing the white ingroup (Brazil 2016, 570). The aggravation of negative Black stereotypes was fueled by the perception that the riots were a violent attack on the controlling status of whites (Brazil 2016, 570).

In the years following the financial crisis of 2008, strong political uprisings rallied in opposition to the government's attempts to manage the crisis. most notably the Tea Party. The Tea Party, seen as both a response to government market intervention and a reaction to the election of President Obama, publicly stood in vigorous support of neoliberal and small government principles (Knowles et al 2013, 3). The Tea Party has shown support for neoliberal policies such as reducing taxes, removing environmental regulations, and removing funding for welfare programs (Robinson and Barrera 2011, 25-6). They also endorsed a host of regressive social positions voicing veiled anti-immigrant, anti-Latino, anti-Black, and anti-gay rhetoric (Robinson and Barrera 2011, 25-6). The Tea Party's support of neoliberal ideals and demonization of minority groups demonstrates the hypocritical way these policies can contribute to increases in racial tension. It is the neoliberal ideals they show support for that have had a detrimental impact on domestic manufacturing industries and income equality. Additionally, their regressive positions have further entrenched existing racial and cultural divisions.

The topics discussed above coalesce in a study of hate crimes in the wake of trade liberalization with China in 2000. Ortega, Fruscia, and Louise (2020) examine the occurrence of hate crimes in areas of the United States with the highest exposure to import competition compared to less exposed areas. Their findings "indicate that areas most exposed to import competition experienced 14-21 more anti-Black hate crimes than those less exposed" (Ortega, Fruscia, and Louise 2020, 203). These findings are congruent with the criminological perspective of strain theory. Strain theory asserts that when an individual experiences a dislocation from security and increases in stress or strain, such as economic strain, it fosters negative emotions and increases the likelihood of criminal activities (Agnew and Scheuermen 2019; Ortega, Fruscia, and Louise 2020, 194-5

Research Question

Under what conditions do the neoliberal policies of the 1970s and 1980s and their impact on inequality contribute to social tension in the United States?

Hypothesis

Neoliberal policies such as financialization, deregulation, and privatization have spurred increases in inequality between socioeconomic classes starting in the 1970s and 1980s. This inequality is a mediating variable on social tension, indicated through increased violent crime rates and hate crime rates. In short, Neoliberal policies enacted in the 1970s and 1980s are associated with increased levels of inequality, which are associated with higher levels of social tension.

Model Articulation and Data Collection

This hypothesis will be measured by historical observation of the application of neoliberal policies typified by policies that contribute to financialization, deregulation, and privatization. These neoliberal policies will need to be enacted prior to substantial growth in inequality measured by the Gini coefficient. With consideration of this relationship, the impact of that inequality will be correlated to rates of violence quantified as national violent crime rates and racial violence quantified by hate crimes. The hypothesis will be supported if there is a significant positive correlation. The theoretical foundations for this expectation are found in critical Marxist theories of class struggle and a criminological perspective of the general strain theory of conflict and deviance.

Quantitative data was collected from a plethora of sources. Crime data was collected from the Federal Bureau of Investigations (FBI) crime statistics database on hate crimes and the Disaster Center for violent crime rates from 1960-2019. Inequality data was collected from the Gini index on income distribution from the Federal Reserve Economic Database from 1997-2018. Gini coefficient data on earning inequality was gathered from social security data from 1960-2004; this information was contained in a Kopczuk, Saez, and Song (2010) paper on earnings inequality. Information came from the United States Census Bureau on family poverty levels from 1960-2019. Finally, trade union density trends were collected from a John Peters (2017) paper on market deregulation. Trade union density reductions are an indication of expanding free market ideals. Recent levels of manufacturing compared to service employment in the United States was collected from an Edward J. Martin (2009) paper on social class and inequality.

Because I was unable to find quality sources on quantitative data regarding the history of riots in the United States, a tertiary source from Wikipedia was included as a method to examine racially motivated social unrest. This is not included in the statistical analysis and only acts as a helpful illustration of the relationship between inequality and racial violence.

Sources for policy enactment and qualitative data was also collected from a variety of sources. An overview of deregulation and financialization was collected from a Tomaskovic-Devey (2013) paper on financialization. Examples of privatization and deinstitutionalization were found in a Nazareno (2018) paper on deinstitutionalization. The primary source I utilized was the United States Congress database on past legislation, discussed in more detail below.

Results

Neoliberal Policy and Inequality

One of the most influential neoliberal policy changes happened from 1979-81 as the Federal Reserve Bank drastically increased interest rates to curb inflation (Tomaskovic-Devey 2013, 171). In 1978, the Supreme Court allowed credit card companies to charge interest from the state they were headquartered in, rather than where they were specifically operating, leading to most banks incorporating in states without usury laws (Tomaskovic-Devey 2013, 171). The Depository Institutions Deregulation and Monetary Control Act passed in 1980 removed interest payment caps on savings and checking accounts allowing for interest payments on said accounts (H.R.4986 – 96th Congress 1980). In 1984, the Reagan administration eliminated the 30 percent tax on foreign interest income, incentivizing increased flow of foreign investment into the United States, and in 1985 the Federal Reserve Bank granted allowance for banking companies to own banks in more than one state (Tomaskovic-Devey 2013, 171-2).

In 1994, the United States Congress passed the North American Free Trade Agreement (NAFTA) which liberalized trade in the north American region (H.R.3450 – 103rd Congress 1994). Additionally, in 1994, the Riegle-Neal Interstate Banking and Branching Act repealed regulations preventing interstate banking operations. This resulted in numerous mergers and a consolidation of banking operations into a few large companies (Tomaskovic-Devey 2013, 172). Parts of the 1933 Glass-Steagall Act were repealed by the Gramm-Leach-Bailey Act of 1999, which allowed for a single banking company to conduct investment and insurance services in addition to commercial and household banking (Gramm-Leach-Bailey 1999). In 2000, China was granted most-favored-nation status, which resulted in normalized trade relations with China (Ortega, Fruscia, and Louise 2020,194-96).

The era from 1955-1980 is known as the deinstitutionalization era. During this time, large portions of state mental hospitals and care facilities were closed and replaced by private service providers (Nazareno 2018, 247). The privatization of the corrections industry began in the 1980s, beginning with state prison systems giving contracts to private companies, and by the late 1990s this practice had spread to the federal corrections industry (Geiger 2020). The privatization of education, telecommunication, air and surface transportation, and government services on all levels has mushroomed. This growth was exemplified with the transition of 51 government's air traffic control functions from government regulatory bodies into private commercial entities between 1990 and 2011 (Gilroy 2011).

Establishing a timeline of neoliberal policy indicates there is a clear cluster of enactments in the late 1970s and early 1980s. However, these policy implementations continue into the turn of the century as shown in Figure 1. The strength of this trend is demonstrated with the disparity in manufacturing employment compared to service employment over a similar timeframe shown in Figure 2. Additional evidence showing the impact of neoliberal policy at many levels is revealed in the density of trade unions, which plummeted from 1970- 2002. This pattern is displayed in a compilation of these data sets over the

timeframe from 1960-2019 in Figure 3.

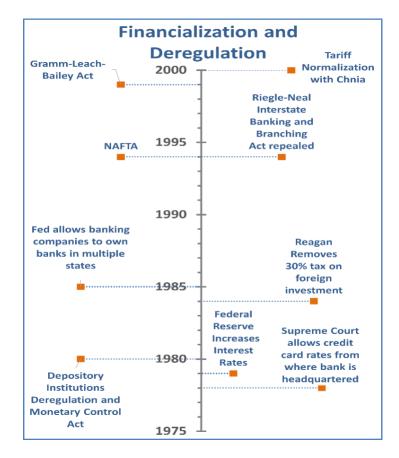


Figure 1, Timeline of Neoliberal Policies. Information obtained from sources listed above.

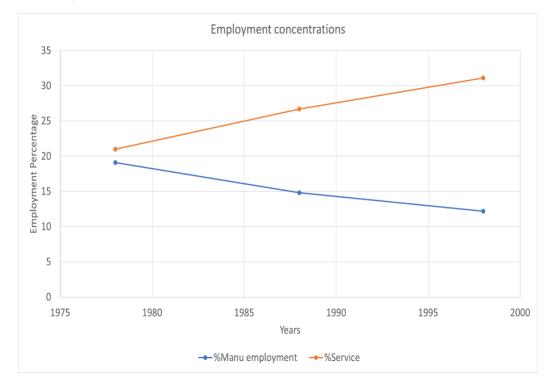


Figure 2. Data obtained from Edward Martin, Critical Social Analysis and Service Learning Methods: Investigating Social Class and Inequality (Public Administration Quarterly, 2009), 610-634.

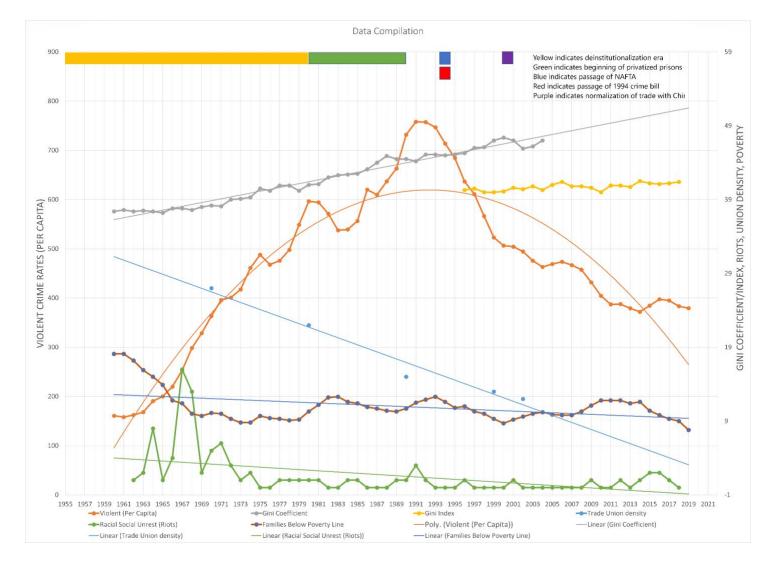


Figure 3. A compilation of data obtained from sources listed above.

The Gini coefficient, combined with the index, parallels these policy changes and maintains a strong upward trend from 1960 onward. Figure 3 displays the relatively low Gini coefficient in the 1950s and 1960s prior to these policy changes. The Gini coefficient growth beginning in the 1970s and 80s

demonstrates a temporal correlation between neoliberal policy proliferation and growth in inequality. However, the scope of this analysis is limited, and the relationship may be spurious as there could be several extraneous variables.

Violence, Inequality, and Hate Crimes

Examining violent crime rates from 1960 to 2019 indicates a polynomial trend with an upward movement extending from 1960, peaking in the late 1980s and early 1990s, then showing a steep decline in the following years. The data on hate crimes is much more limited, only ranging from 1996-2020. However, even with this limited data, there is an observable downward trend. Within this limited range, there is a very strong correlation between overall violent crime and the limited data on hate crimes with a correlation of r = .79. With this very strong relationship, it may be true that hate crime rates run similarly to violent crime rates, and there was strong growth until the early 1990s in hate crime as well. However, this is an extrapolation from a very limited data set and could easily be incorrect. More detailed data is needed to examine this assumption. An observation that diminished the hypothesized conclusion is the polynomial trend in violent crimes and the linear trend in the Gini coefficient and index. If there was an explanatory relationship between inequality and violent crime, the trends would not show this distinction. Analyzing the timeframe prior to the peak in violent crime shows a very strong correlation between violent crime rates and Gini coefficient levels with an r = .94 in the range between 1960-1994. In the following years of 1996-2018, there is a divergence with a strong negative correlation of r = -.59. When comparing overall hate crimes to the Gini index between 1996-2018, the relationship is similar to violent crimes with a moderate negative correlation and an r = -.44. This is mirrored in racially motivated hate crimes in the 1996-2018 timeframe showing a weak negative

correlation with an r = -.38. Results of this analysis are shown in Figures 4 and 5.

	Total	
	Number	GINI
Hate Crimes	Incidents	Index
Total Number of		
Incidents (Hate Crimes)	1	
GINI Index	-0.44	1
Range 1996-2018		
	Racially	
Racially Motivated Hate	Motivated	
Crimes	Incidents	Index
Racially Motivated		
Incidents	1	
GINI Index	-0.38	3
Range 1996-2018		
gure 4.		
Violent ('Per	
Violent (Violent Crimes Capito		Coefficient
		Coefficient
Violent Crimes Capito		Coefficient
Violent Crimes Capita Violent Crime (Per Capita)	a) Gini	Coefficient

	Violent (Per	Gini
Violent Crimes	Capita)	Index
Violent Crime		
(Per Capita)	1	
Gini Index	-0.59	1
Range 1996-2018		

Figure 5.

The strength of the relationship in the timeframe of 1960-1994 showed promise that hypothesis would be supported. However, the appearance of negative correlations is an exact contradiction to the expectation and provides strong evidence to reject the hypothesis. These results indicate that there are clearly additional mechanisms influencing the relationship that should be examined further.

Discussion

These results do little to accurately diagnose the impact of inequality on violent crime and racial crime, but they do provide evidence that neoliberal policy enactments are associated with increased levels of inequality. Again, this relationship requires more in-depth analysis as there could be additional extraneous variables to examine.

A curious observation is the relationship between hate groups and hate crimes. From 1997-2007 there was an overall downward trend in hate crimes but an upward trend in hate group chapters (Mulholland 2012). This could be an indication of increasing racial tension that is not transitioning into racial violence. This relationship could be a productive avenue for additional research.

Another insightful observation the is relationship between inequality and family poverty levels. Often, the justification for neoliberal policies is to allow the market to provide goods and services unrestricted by the government. This freedom allows for businesses to be more efficient than they would be with regulations and restrictions. From the this contributes observed data. to unequal distributions of income and wealth but does not increase poverty. The family poverty rate from 1960-2019 fluctuated slightly but showed a weak negative correlation with the increases in inequality with an r = -.42. This is evidence that increases in inequality are associated with fewer families below the poverty line. This topic demands greater investigation as this is a small sample of only family poverty rates.

Insight into Political Instability or Social Tension

Peter Turchin (2012) conducted a spectral analysis of political instability and violence from 1780-2010 and found that there are important contributing factors that foster political instability and violence. The primary factors include growth in economic inequality, a rapidly growing population resulting in a large youth population, elite overproduction demonstrated by a large college educated population with few job opportunities, and high unemployment centered in the large youth population (Turchin 2012, 581). There are additional factors that contribute; however, Turchin identifies the above as the most crucial. It is noteworthy that not all these circumstances seem to be consistently present in the period between 1970-2020. This lack of primary factors seems to be reflected in the tertiary data on racially motivated riots compared to the Gini coefficient and index. There is little to no observable

impact on the rates of racially motivated riots related to the increase of inequality alone. The findings of this study seem to be in congruence with the results of Turchin. While neoliberal policies have cultivated some of the factors necessary for violence, key factors are missing. Thus, the expected increase in violence is missing.

Additional Considerations

Acknowledging that rates of violent crimes seem to be disconnected from growth in inequality, the events of the late 1980s and early 1990s should be examined in greater detail. This examination should be aimed at exploring the peak and trend reversal in violent crimes. The passage of the Violent Crime Control and Law Enforcement Act of 1994 could be a fruitful avenue of investigation (H.R.3355 103rd Congress 1994). While arguably its passage came after the violent crime rate had already peaked, the timing may be contributing to the long-lasting decreases over the next two decades.

A drawback of this study may have been the scope of analysis. This scope was very wide and did not examine more granular aspects of these issues. Other studies seem to indicate a relationship between racial violence and inequality or economic burdens. These studies include Ortega, Frusci and Louise's (2020) investigation into trade liberalization and racial animosity that found higher hate crime rates in counties most impacted by trade liberalization (203-6) and Wilkinson's (1999) inquiry into the social determinants of health that found correlations of higher homicide rates in areas with higher inequality rates (53). The lack of relationship on a more macro level is an indication of more nuanced contributory variables.

There are bountiful areas for additional research surrounding these topics. A particular area of interest is the relationship between political polarization, violence, and inequality. There has been vast growth in political polarization over a similar timeframe that inequality has grown. Contemporary political tension is a concerning phenomenon and an examination of how inequality and political polarization relate could add important clarity to both topics.

Another topic ripe for study is the relationship between political participation and violence. Do increased levels of political participation decrease levels of violence as individuals utilize political systems to alleviate their frustrations as opposed to resorting to violence? The relationship between hate crimes and hate groups, discussed above, may be an indication of this phenomenon.

Conclusion

While the results of this paper were inadequate in establishing a relationship between inequality and social tension, the connections between neoliberal policies and inequality should not be ignored. The consequences of all four of these topics are fundamentally important. These topics relate to how a civilization conducts itself and the quality-of-life citizens of that society experience. Understanding how to produce adequate goods and services for everyone while not creating a harmful environment that breeds social tension is an issue humankind has been facing since the beginning of civilization. Considering the truly vast impact of economic policy, comprehension of their influence in the clearest detail is essential to the pursuit of a more just world.

References

- Arestis, Philip. "Financial Liberalization, the Finance–Growth Nexus, Financial Crises and Policy Implications." *Financial Liberalization*, 2016, 1-42. doi:10.1007/978-3-319-41219-1_1.
- Blumer, Herbert. "Race Prejudice as a Sense of Group Position." *The Pacific Sociological Review* 1, no. 1 (1958), 3-7. doi:10.2307/1388607.
- Brazil, Noli. "Large-Scale Urban Riots and Residential Segregation: A Case Study of the 1960s U.S. Riots." *Demography* 53, no. 2 (2016), 567-595. doi:10.1007/s13524-016-0459-9.
- Burtless, Gary. "Worsening American Income: Inequality: Is World Trade to Blame?" Brookings. Last modified 1996. https://www.brookings.edu/articles/worsening-americanincome-inequality-is-world-trade-to-blame/.
- Cahn, Steven M. *Classics of Political and Moral Philosophy*, 2nd ed. New York: Oxford University Press, USA, 2012.
- Chambers, Dustin, and Colin O'Reilly. "Regulation and Income Inequality in the United States." *European Journal of Political Economy*, 2021, 102101. doi:10.1016/j.ejpoleco.2021.102101.
- Cox, Robert W. "Gramsci, Hegemony and International Relations: An Essay in Method." *Gramsci, Historical Materialism and International Relations* 12, no. 2 (1993), 49-66. doi:10.1017/cbo9780511558993.003.
- Gamble, Andrew. "Neo-Liberalism." *Capital & Class* 25, no. 3 (October 2001), 127-134. https://doi-org.aurarialibrary.idm.oclc.org/10.1177%2F030981680107500111.
- Geiger, A. W. "U.S. Private Prison Population Has Declined in Recent Years." *Pew Research Center*. Last modified May 30, 2020. https://www.pewresearch.org/fact-tank/2017/04/11/u-s-private-prison-population-has-declined-in-recent-years/.
- Gilroy, Leonard. "Annual Privatization Report 2011." *Reason Foundation*. Last modified May 1, 2012. https://reason.org/privatization-report/annual-privatization-report-2011/.
- "Gini Index for the United States." Federal Reserve Economic Data | FRED | St. Louis Fed. Last modified March 22, 2021. https://fred.stlouisfed.org/series/SIPOVGINIUSA.
- Gramm-Leach-Bailey Act. Washington D.C.: 106th Congress, 1999. https://www.congress.gov/106/plaws/publ102/PLAW-106publ102.pdf.

- Harvey, David. "Neoliberalism as Creative Destruction." *The Annals of the American Academy of Political and Social Science* 610, no. 1 (March 2007), 21-44. https://doiorg.aurarialibrary.idm.oclc.org/10.1177%2F0002716206296780.
- "Hate Crime." *Federal Bureau of Investigation*. Last modified September 14, 2018. <u>https://www.fbi.gov/services/cjis/ucr/hate-crime</u>.
- "H.R.3355 103rd Congress (1993-1994): Violent Crime Control and Law Enforcement Act of 1994." Congress.gov | Library of Congress. Last modified September 13, 1994. https://www.congress.gov/bill/103rd-congress/house-bill/3355/text.
- "H.R.3450 103rd Congress (1993-1994): North American Free Trade Agreement Implementation Act. December 8, 1993. https://www.congress.gov/bill/103rdcongress/house-bill/3450.
- "H.R.4986 96th Congress (1979-1980): Depository Institutions Deregulation and Monetary Control Act of 1980." Congress.gov | Library of Congress. Last modified March 31, 1980. https://www.congress.gov/bill/96th-congress/house-bill/4986.
- Kassin, Saul, Steven Fein, and Hazel R. Markus. *Social Psychology*, 10th ed. Boston: Cengage Learning, 2016.
- Knowles, Eric D., Brian S. Lowery, Elizabeth P. Shulman, and Rebecca L. Schaumberg. "Race, Ideology, and the Tea Party: A Longitudinal Study." *PLoS ONE* 8, no. 6 (2013), 1-11. doi:10.1371/journal.pone.0067110.
- Kopczuk, Wojciech, Emmanuel Saez, and Jae Song. "Earnings Inequality and Mobility in the United States: Evidence from Social Security Data since 1937*." *Quarterly Journal of Economics 125*, no. 1 (2010), 91-128. doi:10.1162/qjec.2010.125.1.91.
- Kotz, David M. "Globalization and Neoliberalism." *Rethinking Marxism* 14, no. 2 (2002), 64-79. doi:10.1080/089356902101242189.
- Litonjua, M. D. "The Socio-Political Construction of Globalization." *International Review of Modern Sociology* 24, no. 2 (October/November 2008), 253-278. https://www.jstor.org/stable/41421681.
- Martin, Edward J. "Critical Social Analysis and Service Learning Methods: Investigating Social Class and Inequality Through MPA Courses." *Public Administration Quarterly* 33, no. 4 (December 2009), 610-634. https://www.jstor.org/stable/41220000.
- Mulholland, Sean E. "White Supremacist Groups and Hate Crime." *Public Choice* 157, no. 1-2 (2012), 91-113. doi:10.1007/s11127-012-0045-7.

- Nazareno, Jennifer. "Welfare State Replacements: Deinstitutionalization, Privatization and the Outsourcing to Immigrant Women Enterprise." *International Journal of Health Services* 48, no. 2 (2018), 247-266. doi:10.1177/0020731418759876.
- Okri, Ben. "'I can't breathe: Why George Floyd's Words Reverberate Around the World." *Journal of Transnational American Studies* 12, no. 1 (2021), 45-47. doi:10.5070/t812154907.
- Ortega, Alberto, Ema Di Fruscia, and Bryn Louise. "Trade Liberalization and Racial Animus." *Contemporary Economic Policy* 39, no. 1 (2020), 194-204. doi:10.1111/coep.12494.
- Peters, John. "Labour Market Deregulation and the Decline of Labour Power in North America and Western Europe." *Policy and Society* 27, no. 1 (2008), 83-98. doi:10.1016/j.polsoc.2008.07.007.
- Ravenhill, John. Global Political Economy, 5th ed. New York: Oxford University Press, 2017.
- Robinson, William I., and Mario Barrera. "Global Capitalism and Twenty-First Century Fascism: a US Case Study." *Race & Class* 53, no. 3 (2011), 4-29. doi:10.1177/0306396811425983.
- Rucki, Sheila M. "Global Economic Crisis and China's Challenge to Global Hegemony: A Neo-Gramscian Approach." *New Political Science* 33, no. 3 (2011), 335-355. doi:10.1080/07393148.2011.592022.
- Schermerhorn, Calvin. "Capitalism's Captives: The Maritime United States Slave Trade, 1807-1850." *Journal of Social History* 47, no. 4 (2014), 897-921. https://www.jstor.org/stable/43308821.
- Strange, Gerard. "Debating Free International Trade." *American Journal of Economics and Sociology* 79, no. 1 (2020), 25-47. doi:10.1111/ajes.12310.
- Tomaskovic-Devey, Donald. "Financialization: Causes, Inequality Consequences, and Policy Implications." *North Carolina Banking Institute* 18, no. 1 (n.d.), 168-194. https://scholarship.law.unc.edu/cgi/viewcontent.cgi?article=1365&context=ncbi.
- Turchin, Peter. "Dynamics of Political Instability in the United States, 1780–2010." *Journal of Peace Research* 49, no. 4 (2012), 577-591. doi:10.1177/0022343312442078.
- Wilkinson, Richard G. "Health, Hierarchy, and Social Anxiety." *Annals of the New York Academy of Sciences* 896, no. 1 (1999), 48-63. doi:10.1111/j.1749-6632.1999.tb08104.x.