

Introduction to Economic History

(Master PPD & APE)

(EHESS & Paris School of Economics)

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Academic year 2018-2019

Lecture 8: The rise of the fiscal, social and capital state

(check [on line](#) for updated versions)

Roadmap of lecture 8

- State formation & government regulation in history
- State power and extreme inequality regimes
- The rise of the modern social and fiscal state
- The rise and fall of tax progressivity
- Why doesn't democracy always lead to declining inequality?
- Political beliefs & the changing structures of party cleavages on inequality: Brahmin left vs Merchant right
- Organizing democracy: electoral & party systems, nation-states, federations, empires
- History and the dimensions of political conflict

State formation & government regulation in historical perspective

- **The rise of the fiscal and social state (taxes < 10% of national income Y until WW1, vs. 30-50% Y in all rich countries today) is a crucial evolution that we will address today: from minimal state to educational, developmental and welfare state; major social, economic & political transformation**
- **But: (1) In order to appreciate this transformation, one needs to look into aggregate taxes & spendings.** Tax progressivity or regressivity? Who really benefits from public spendings?
- We have seen many historical examples where the fiscal & social state has been used to reinforce elite domination rather than to reduce inequality. Key question: who controls the state & why?
- Examples. 19^c: fiscal system used to transfer resources from average taxpayers to property owners (public debt, slave compensation, colonial coercion, etc.) (e.g. UK). 21^c: very unequal access to higher education spendings (meritocratic myth).

- **(2) The rise of fiscal & social state represents only one aspect of state formation & government regulation.** As we've seen in this course, the general set of laws and rules enforced by govt can be even more important than the fiscal system and public spendings.
 - **Basic civil & political rights:** forced vs free labor, restrictions on mobility, occupational & voting rights (major historical role)
 - **Property regimes:** legal system shapes balance of power between owners & non-owners; public vs private property; workers rights & labor law (co-determination, unions); tenants rights & inheritance; intellectual property rights; monetary regimes & capital controls
- **there are many different complementary ways to evaluate the size & importance of government regulation**
- Exemple: should we look at share of govt tax revenues in national income Y , or at the share of govt property in national capital K ?
- China vs Europe: Chinese govt has smaller tax share in Y , but higher share in K ownership. Which state is most powerful?

- **Family vs government roles:** conflict about marriage, fertility, gender, education, etc.
- **Political regimes** and the organization of government: electoral & party systems, nations-states, federations, empires
→ **the capital & democratic state** (the set of legal rules and institutions governing property, labor and political relations between individuals) **encompasses the fiscal & social state** and allows for a broader view of state formation & government regulation
- **During 21^c, just like in previous centuries, the evolution of fiscal and social institutions will be largely determined by the evolution of legal and political institutions:** financial transparency & participatory governance; international legal systems; democracy vs automatic rules on property or debt; development of supranational (un)democratic institutions?

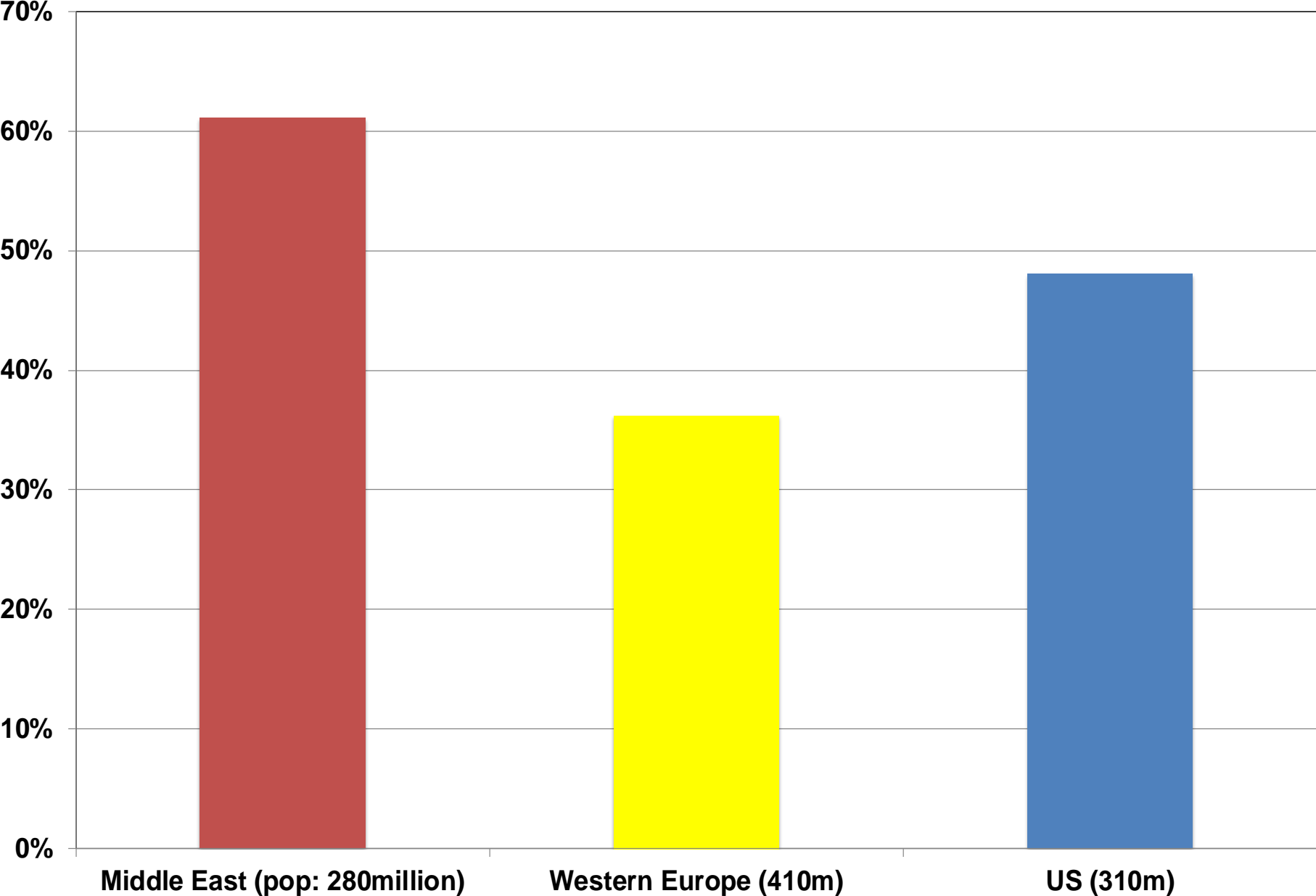
State power & extreme inequality regimes

- Today we tend to view the state as a force to reduce inequality and enforce equal rights
- However historically state power has often been used as a tool for the elite to enforce extreme inequality regimes, often based upon extreme forms of property: slavery, serfdom, forced labor
- State power can still be used as a tool of elite domination today and in the future (possibly via more subtle forms than in the past: e.g. protection of wealthy via legal system, tax havens, gated communities and universities, etc.).
- So it is important to put the study of state power and inequality into a broad historical perspective

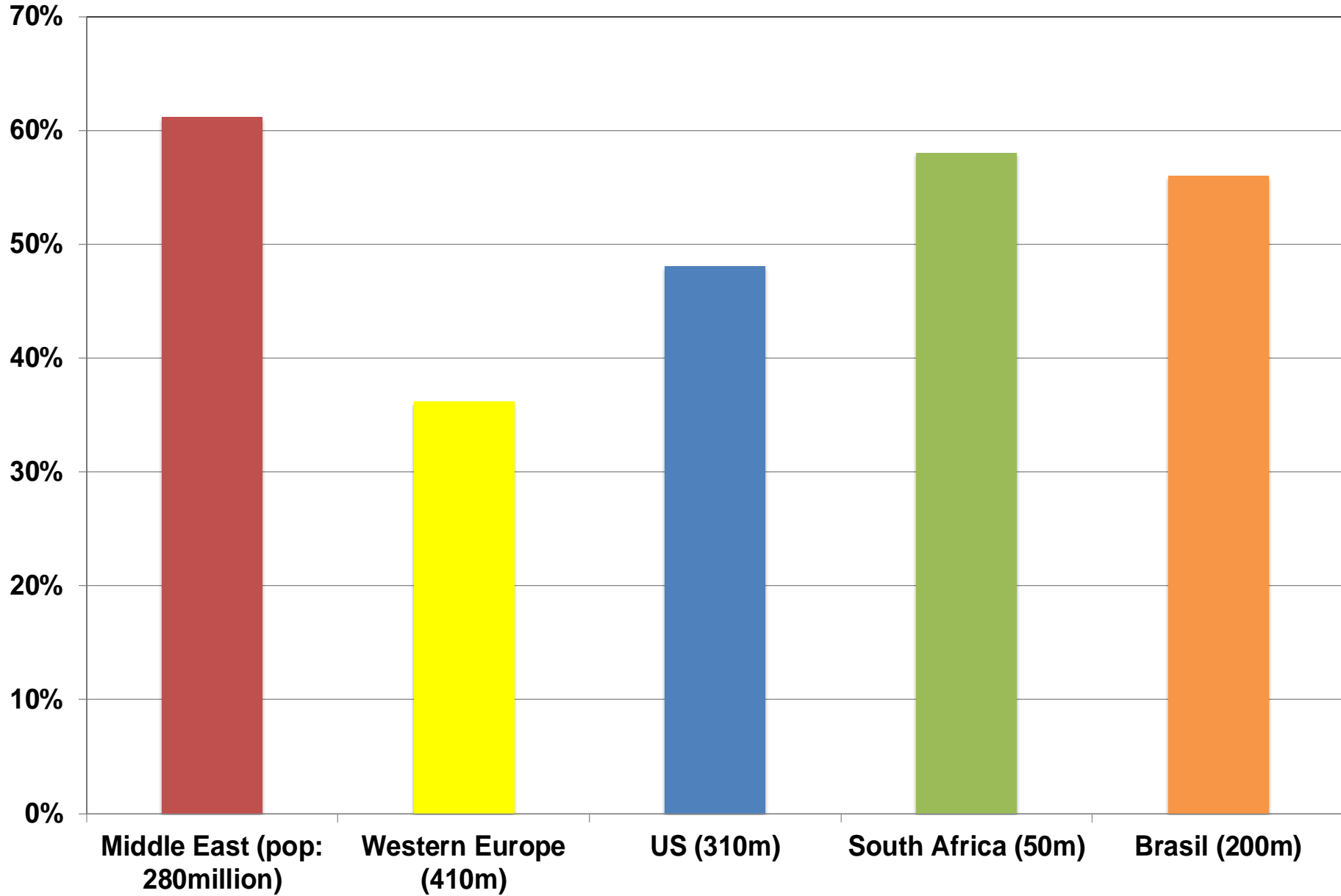
- **If we look at countries with extreme inequality levels in the world today, we find that they are usually associated by an historical legacy of state-sponsored racial discrimination and rigid inequality of status.**
- **South Africa.** Apartheid until 1994, no right to property or mobility for 90% of the population, no redistribution since the end of Apartheid (no land reform, no wealth redistribution).
- **Brasil.** Slavery until 1887 (last country to abolish slavery, with slaves = 30% of pop in 1887), huge regional disparities.
- **US.** Slavery until 1865 in the South (40% of pop), legal racial discrimination until 1960s.
- There are exceptions, but they also involve state power.
- E.g. **Middle East:** the most unequal region in the world, due to different factors: geographical concentration of oil resources, arbitrary frontiers drawn and protected by the West since 1916 (until recently...), role of sovereign wealth funds and global financial markets to transform oil rent into perpetual financial rent. **Oil and finance can be more powerful inequality-generating mechanisms than slavery and racial discrimination.**

- **If we measure income inequality at the level of the region taken as a whole, then the Middle East appears as the most unequal region in the world.**
Top 10% income share \approx 60% of total income in Middle East (lower bound, i.e. assuming low within-country inequality)
 \approx 35% in Europe, 45-50% in USA, 55-60% in South Africa or Brasil
- **This is due to huge inequality between Middle East countries, itself due to concentration of oil resources in small territories with limited population.**
E.g. total educational investment of Egypt (80m pop) is 100 times smaller than oil revenues in UAE-Qatar (1m pop).

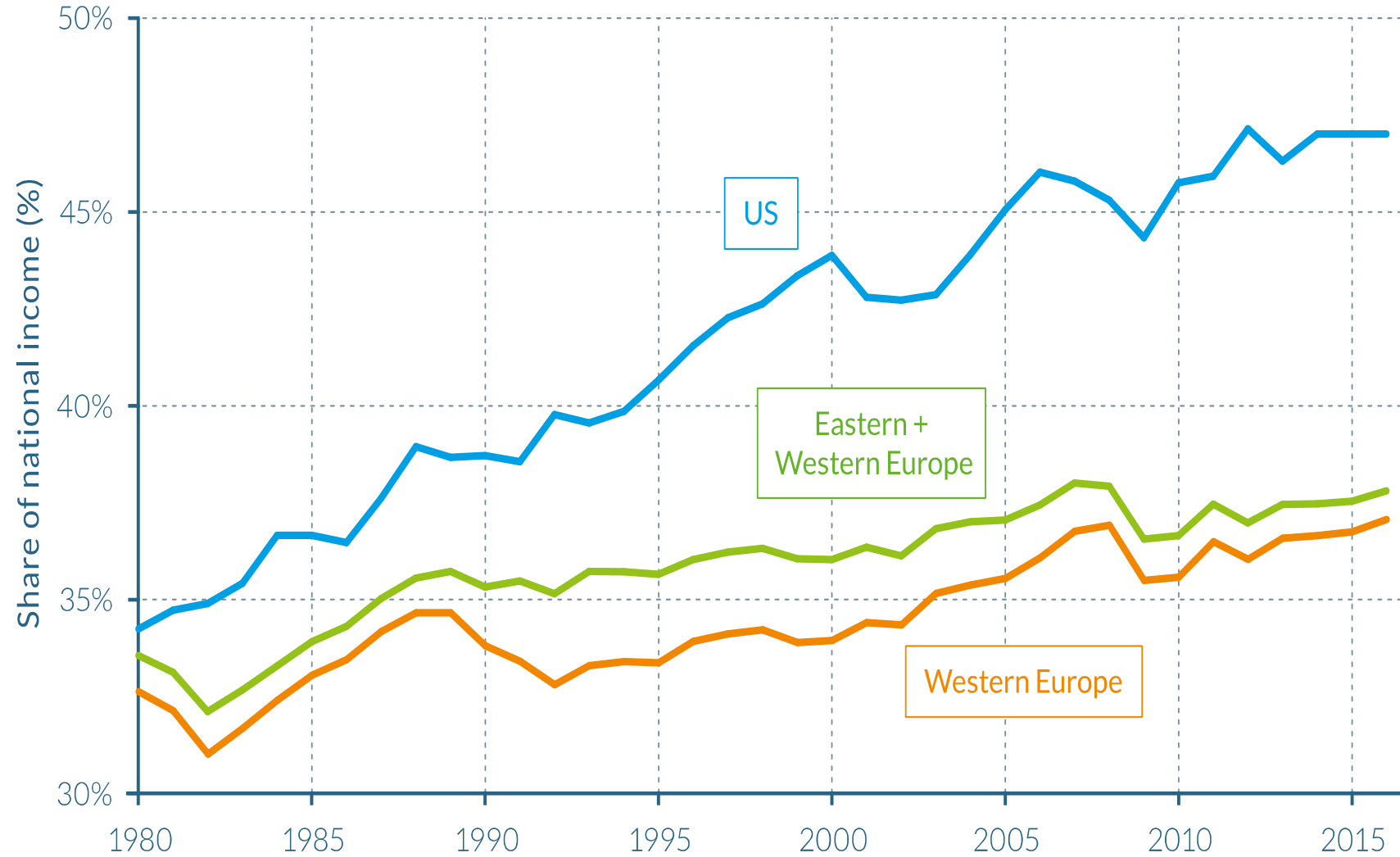
Top 10% income share



Top 10% income share



Top 10% national income share in Europe and the US, 1980–2016

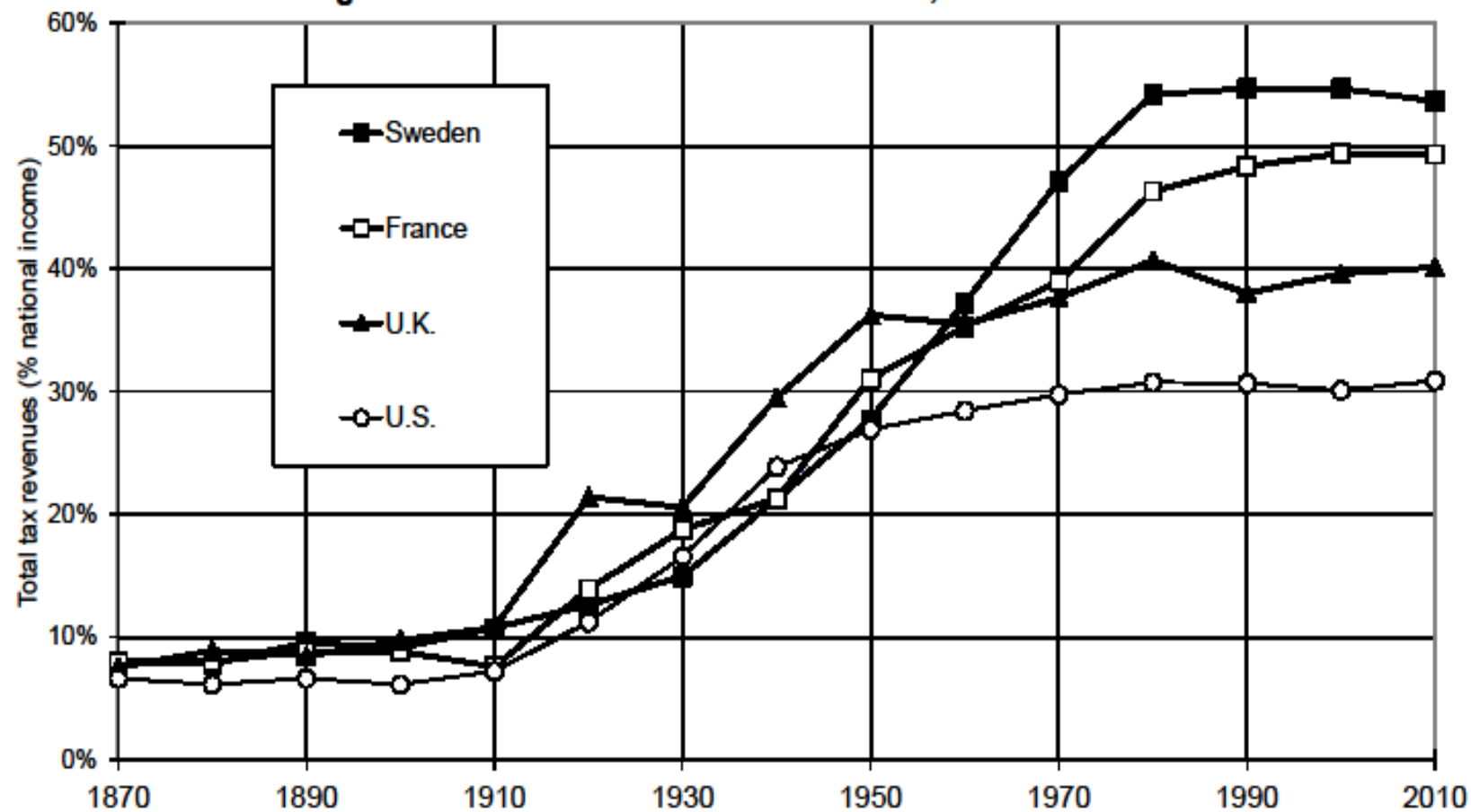


- **Ideally, the Middle East would need regional political integration and redistribution of oil and other resources.**
- Very difficult to organize peacefully... especially if Western countries do everything they can to preserve the high-inequality status quo (support to oil regimes and gun trade rather than development).
- Regional European funds: some redistribution from Western and Northern Europe to Eastern and Southern Europe.
- Not a perfect system, but still a better mechanism than Egypt begging Saudi king.
- But huge opposition to regional redistribution (big issue in Brexit campaign)

The rise of the modern fiscal & social state

- During 20^c, huge rise of tax revenues (from 10% to 30-50% of national income Y) = rise of the modern fiscal and social state, partly as a response to high inequality generated by free market capitalism
- This rise of the modern fiscal state corresponds both to a change in the form of taxation (from indirect & trade taxes to income taxes and social contributions) and to a change in the type of spending, i.e. the rise of the social state: rise in education, health & welfare spendings (pensions, unemployment insurance)
- Since the 1980s-1990s: stabilisation of T/Y in all rich countries (regardless of political evolutions), but at different levels (Sweden > France > Germany > UK > US : here politics matters)
- More on the different forms of taxes & spendings: see Lindert, *Growing Public- Social Spending and Economic Growth since the 18th Century*, OUP 2004, and [Public economics](#) course

Figure 13.1. Tax revenues in rich countries, 1870-2010



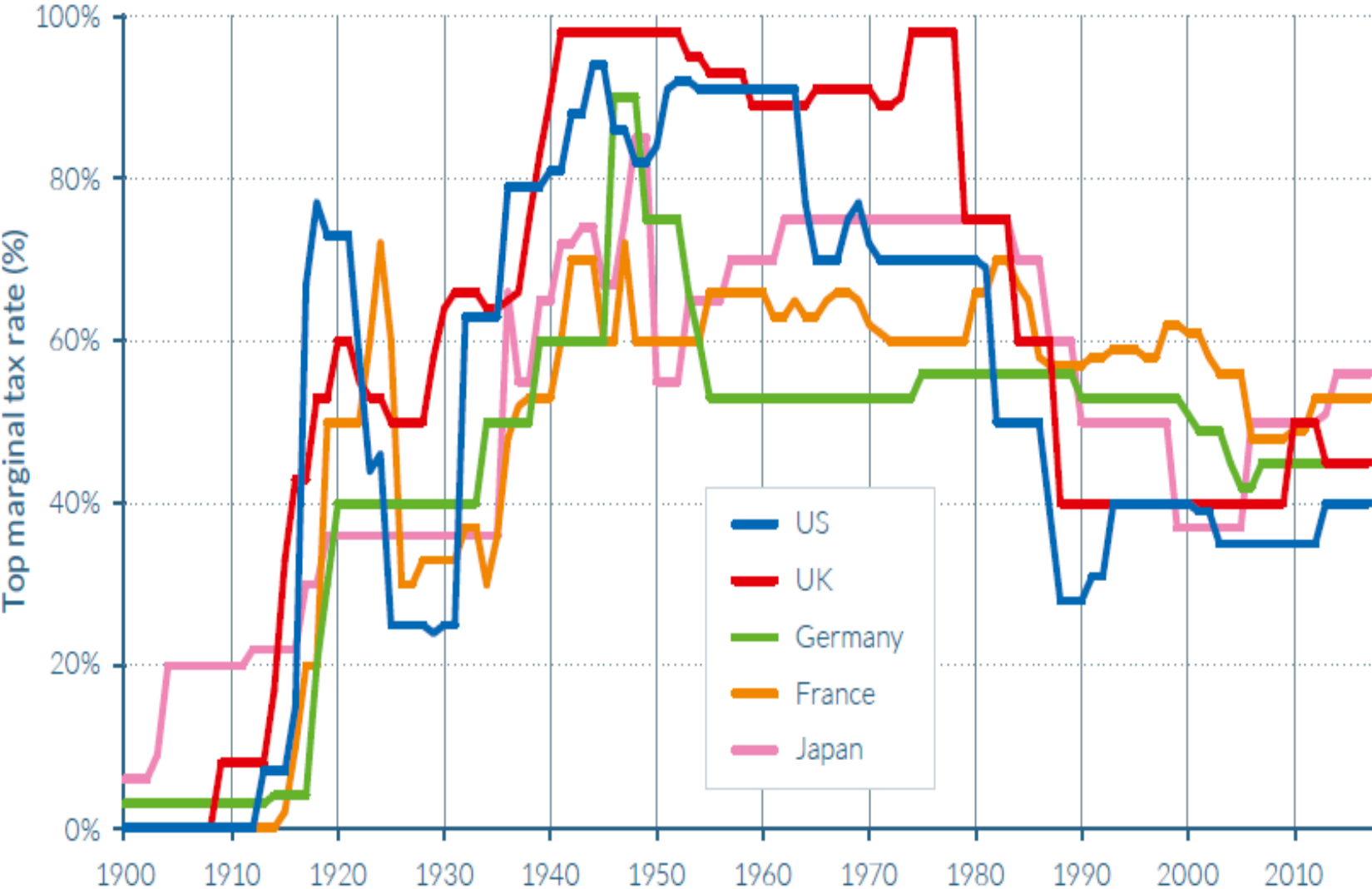
Total tax revenues were less than 10% of national income in rich countries until 1900-1910; they represent between 30% and 55% of national income in 2000-2010. Sources and series: see piketty.pse.ens.fr/capital21c.

- This « great leap forward » of tax revenues from 10% to 30-50% Y is not going to happen again: during 21^c, tax revenues are likely to stabilize or to rise a little bit (or maybe to decline if rising tax competition & continuing anti-state ideological shift), not to rise again to 70-80% GDP
- The 21^c challenge is probably not to make govt bigger (at least in rich countries); this does not mean that nothing can be changed; for a given T/Y, there are many ways to organize the structure of taxes and public spending, and there are many changes in regulatory, property and legal regimes that make an enormous difference; but this explains why the post-2008 legacy is complicated (both markets and govt were accused)

The rise and fall of tax progressivity

- Tryptic of progressive taxation: income tax, inheritance tax, wealth tax
- **Little or no progressive taxation until WW1**
- **General decline in tax progressivity since 1980s, in spite of the rise (or stabilisation) in total tax burden**
- Progressive income tax: basic pillar for financing public goods and social spendings (together with social contributions)
- Progressive inheritance tax: lower tax revenue than income tax (say, $<1\% Y$ vs $10\% Y$), but important role to limit perpetuation & concentration of wealth & power in the same families
- **The US invented very steeply progressive taxation of income and inherited wealth in the 1920s-1930s, partly because the US did not want to become as unequal as Europe**
- See [Fisher 1919](#) about the “undemocratic” concentration of wealth (top 2% owned 50% of US wealth at the time: less than in Europe, but already too much according to mainstream US economists of the time)

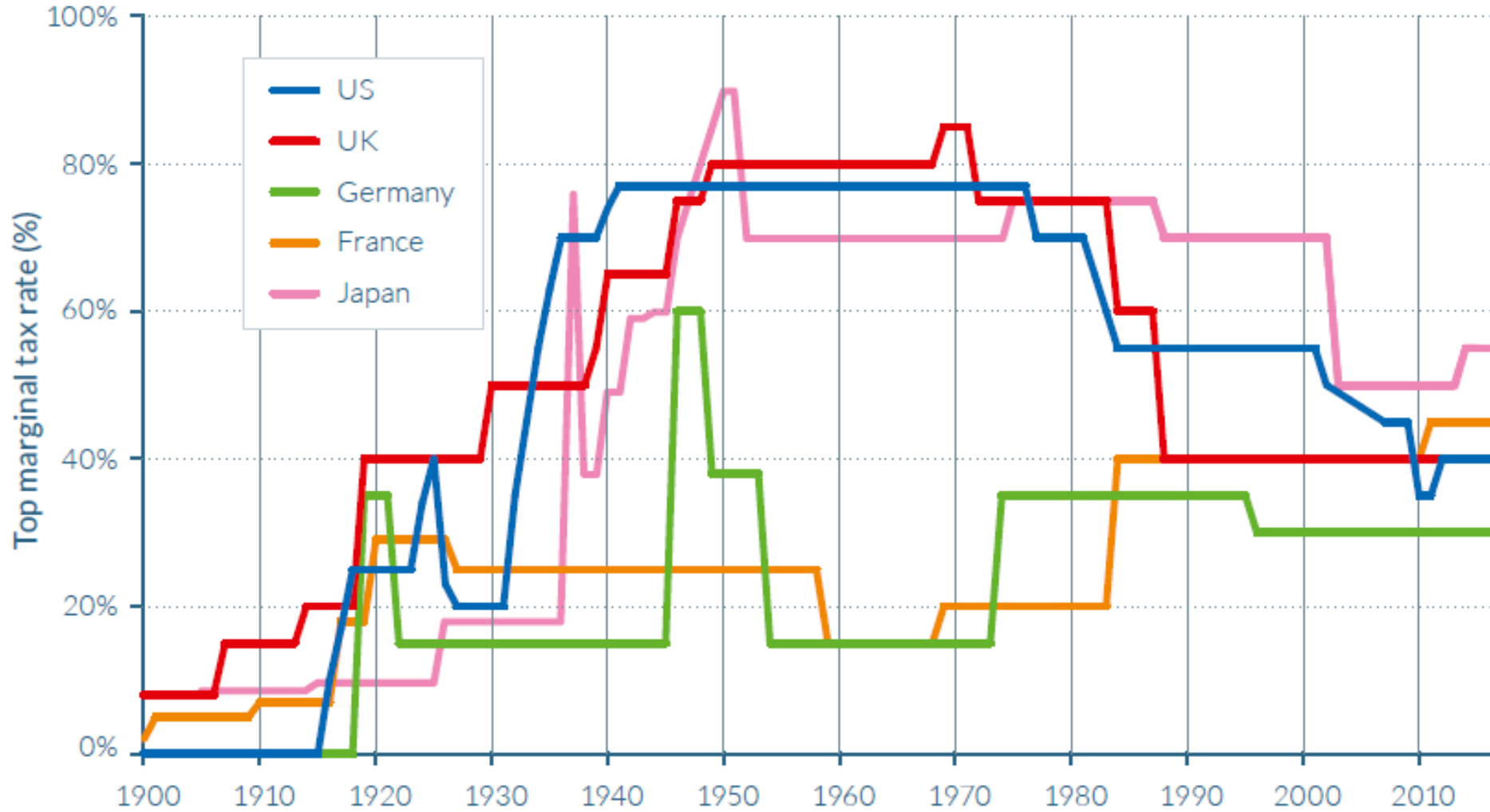
Top income tax rates in rich countries, 1900-2017



Source: World Inequality Report 2018, wir2018.wid.world

- Over 1930-1980 period, top marginal income tax rate = 82% in the US
- Extreme income tax progressivity at the very top is critical not so much to raise revenue, but mostly to keep top labor incomes and rent extraction under control
- Top US & UK inheritance tax rates also reached 70-80% during 1930-1980 period, much more than in Germany and France (where wealth redistribution was largely carried out via other means: destruction, inflation, nationalization)
- Progressive taxation = a US-UK invention
- On the social, political and cultural history of taxation in the US and France, see Huret, *American Tax Resisters*, HUP 2014, and Delalande, *Les batailles de l'impôt – Consentement et résistance de 1789 à nos jours*, 2011
- See also Beckert, *Inherited wealth*, PUP 2008

Top inheritance tax rates in rich countries, 1900-2017



Source: World Inequality Report 2018, wir2018.wid.world

Regulating property: financial transparency & participatory governance

- Progressive taxation and other institutions aimed at limiting the concentration of wealth and power (legal system, workers rights, etc.) should be viewed as complementary, not substitutes
- By producing more transparency, progressive taxation can contribute to more democratic property relations and participatory governance
- Progressive wealth tax: with imperfect k markets, progressive inheritance tax is not enough; also, independantly of inheritance, wealth can be a better indicator of ability to pay than income
- In order to counteract high r for top w, top rates would need quite large (5-10% rather than 2-3%? = a big difference with previous wealth taxes)
- But the main objective behind wealth tax is to deliver international financial transparency and global wealth registration: automatic exchange of information between countries, world registry of financial assets, public statistics on wealth, etc.; critical role for democratic debate

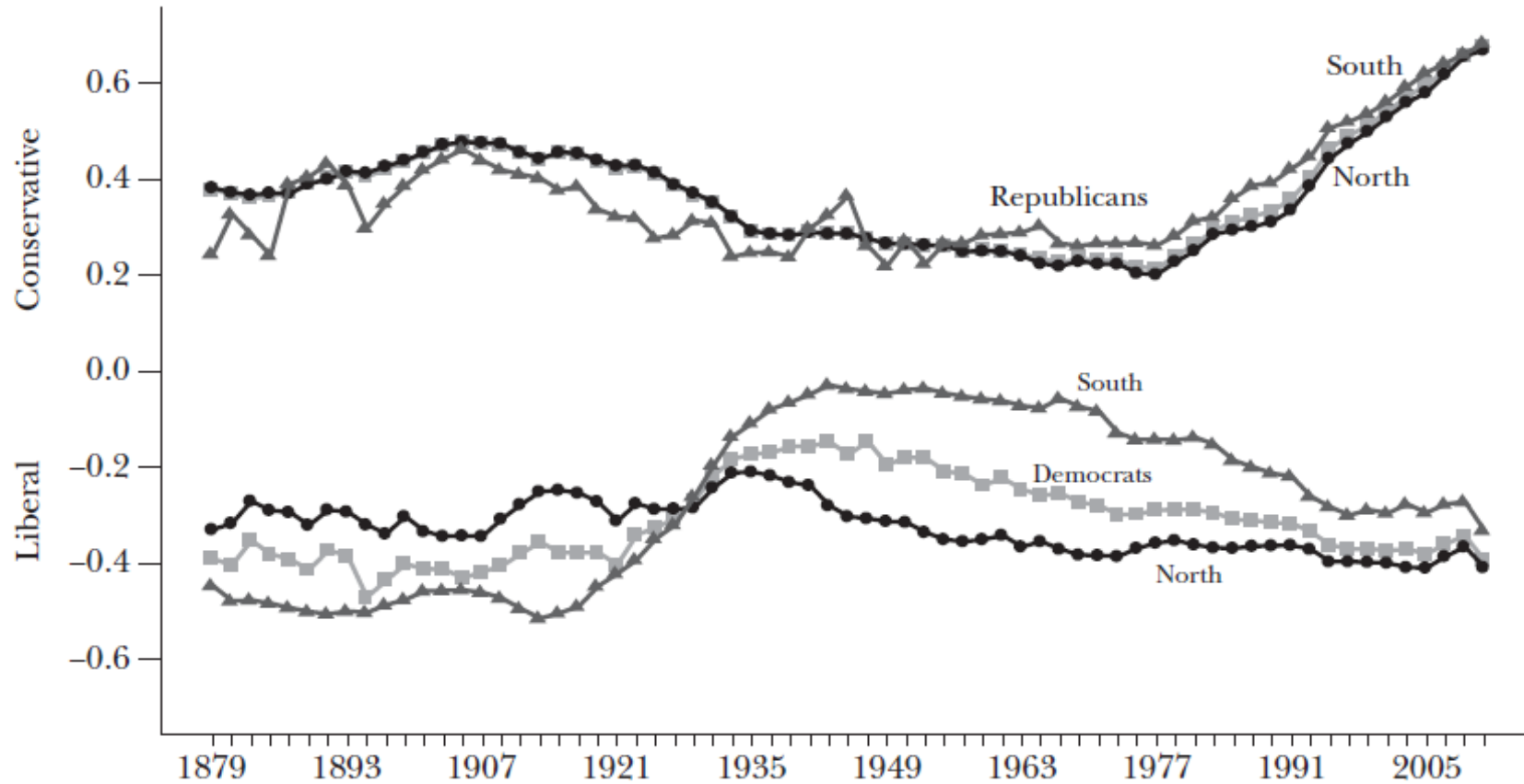
Why doesn't democracy always lead to declining inequality?

- **In the US, rising inequality since 1980 did not generate a democratic reaction to raise progressive taxation & redistribution. Why?**
- Maybe not so surprising in light of Europe's experience 1870-1914: huge inequality, universal suffrage, but strong & largely successful resistance to fiscal-social reforms by the economic & political elites until the 1914-1945 shocks
- Main response given in recent work by US political scientists: capture of the political process by the wealthy

- See Hacker-Pierson, *Winner-Take-All Politics: How Washington Made the Rich Richer-and Turned Its Back on the Middle Class*, 2010
- Gilens, *Affluence and Influence: Economic Inequality and Political Power in America*, 2012; « Testing Theories of American Politics: Elites, Interest Groups, and Average Citizens », [PoP 2014](#)
- Kuhner, *Capitalism vs Democracy: Money in Politics and the Free Market Constitution*, 2014
- **Bonica-Rosenthal, « Why Hasn't Democracy Slowed Rising Inequality », [JEP 2013](#); « The Wealth Elasticity of Political Contributions by the Forbes 4000 », [WP 2015](#)**
- Maybe work on political contributions & campaign finance more convincing than work on polarization

Figure 1

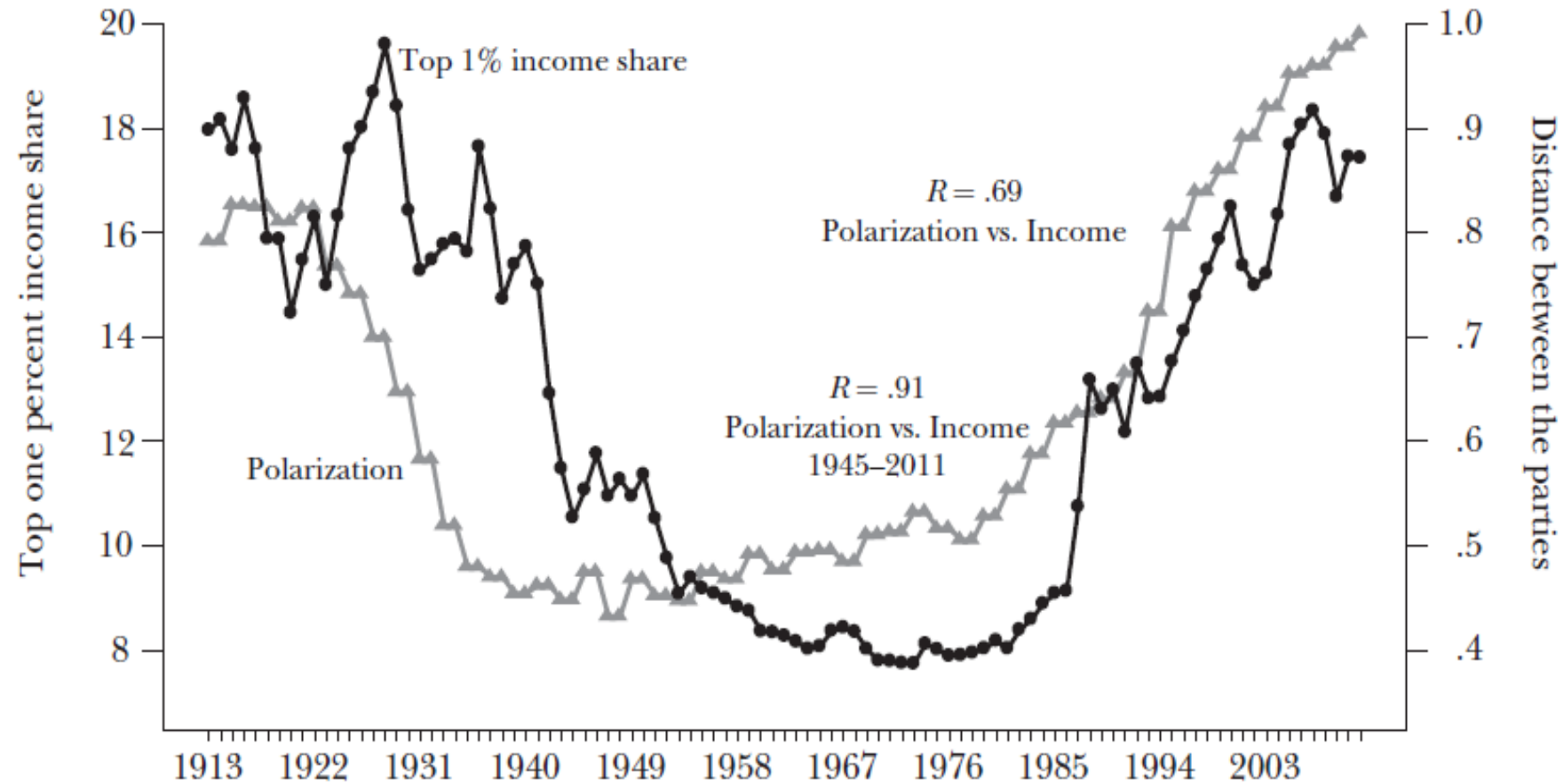
Party Means on Liberal–Conservative Dimension for the US House of Representatives, 1879–2012



Source: Author's calculations using DW-NOMINATE scores of the liberal–conservative positions of members of Congress, which are based on roll call votes. For methodological details, see Poole and Rosenthal 1997; McCarty, Poole, and Rosenthal 1997; and Poole 2005.

Figure 2

Top 1 Percent Income Share and Polarization in the US House of Representatives, 1913–2008



Source: Authors calculations using the polarization data described under Figure 1, and data on income from Piketty and Saez (2013).

Figure 4

Voter Turnout by Household Income and Citizenship, 2008 and 2010

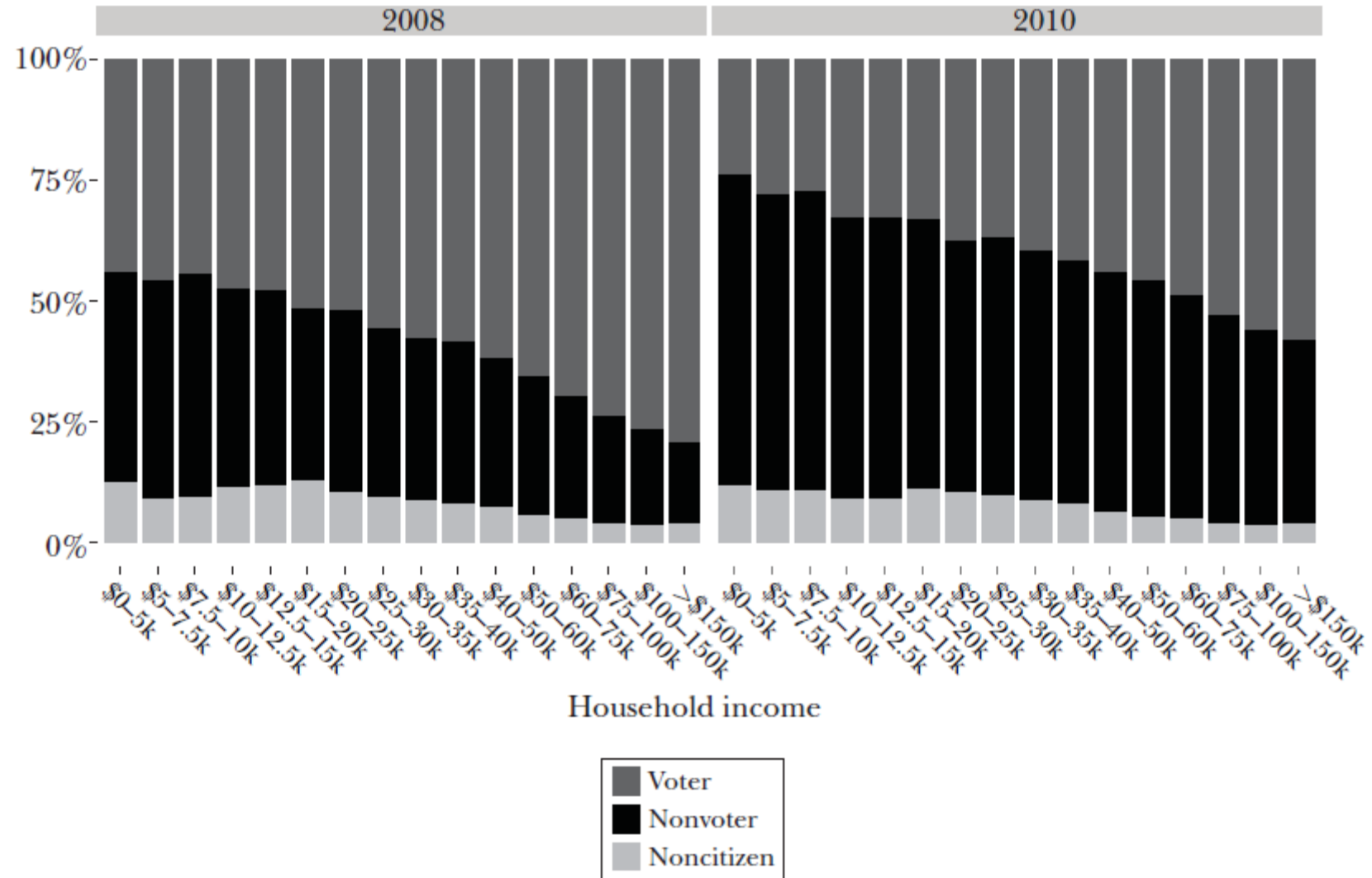


Figure 5

Concentration of Income and Campaign Contributions in the Top 0.01 Percent of Households and Voting Age Population

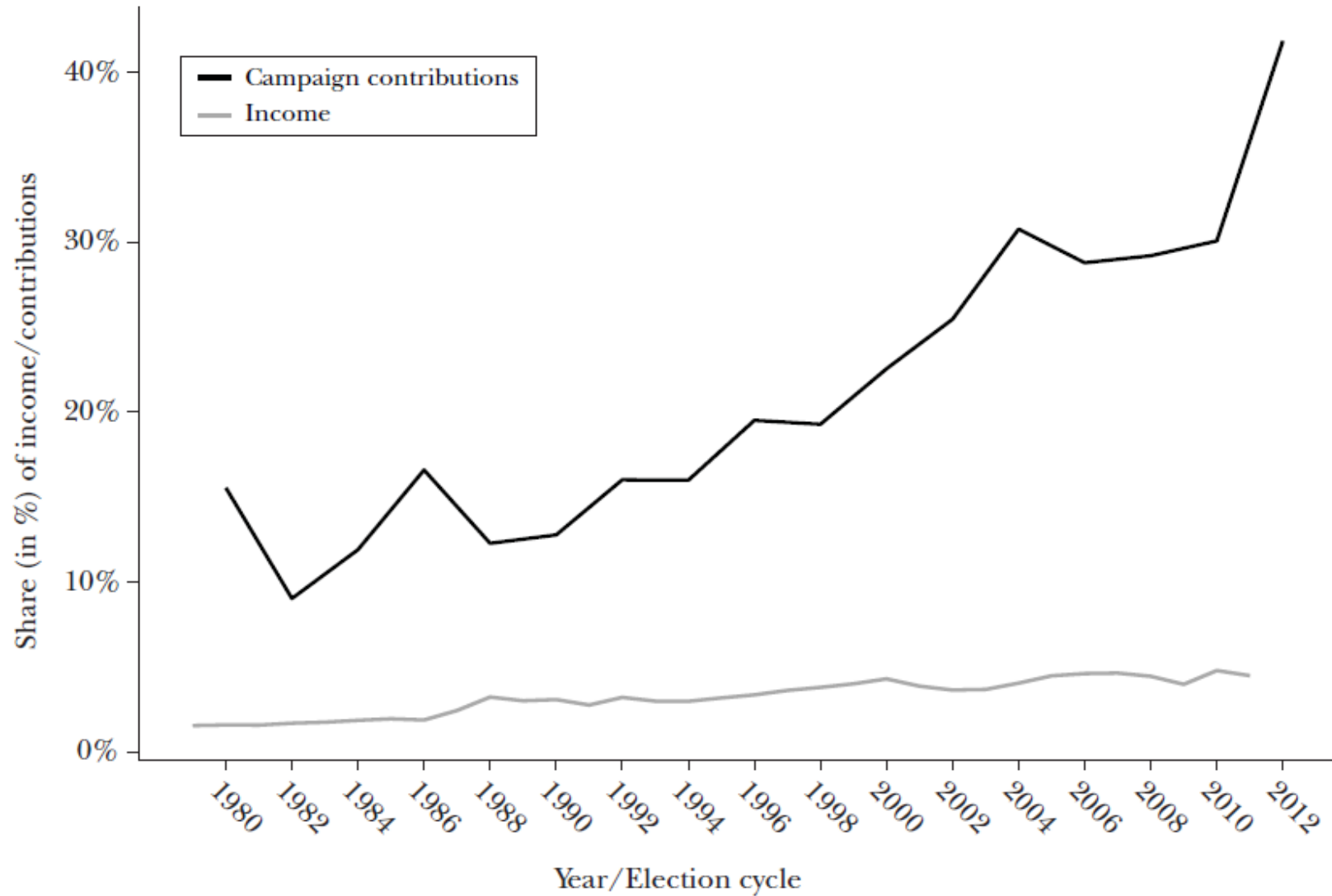
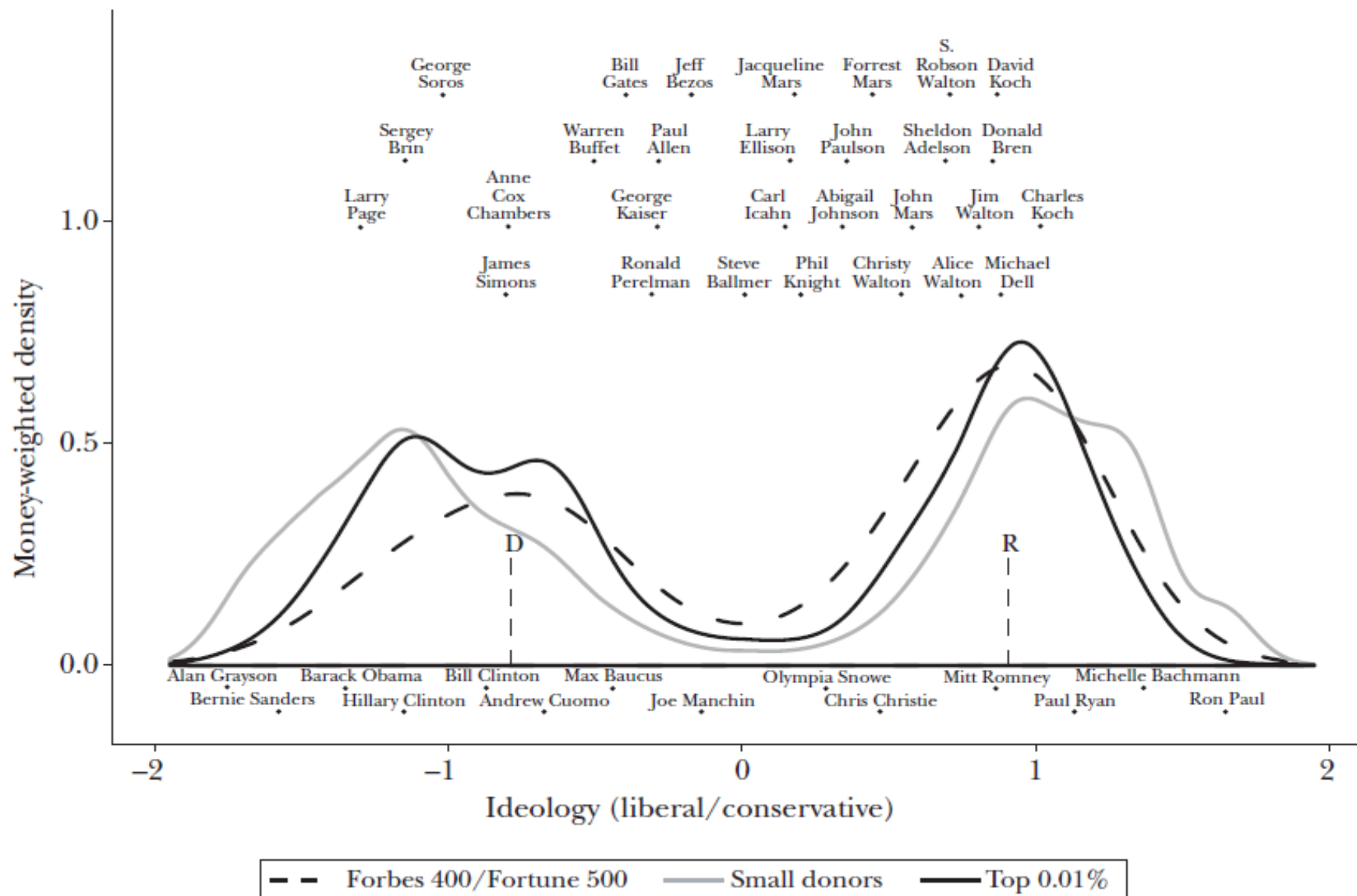


Figure 7

The Ideological Distribution of Dollars from Small Donors and the Top 0.01 Percent



Political attitudes toward inequality

- Capture by the wealthy: important but not enough
- Beliefs about inequality involve self-serving beliefs, but also consistent narratives and sincere beliefs, or at least partly sincere beliefs (Arrighi: « power is the grey zone between coercion and consent; it requires moral leadership »; this is true both in international & domestic politics)
- Beliefs systems also involve national identities and trajectories: US 1900-1920 did not want to become like Ancien Régime or Belle Epoque Europe; US 1990-2010 do not want to become like post-Soviet Europe
- See Saez-Stantcheva et al, « How Elastic are Preferences for Redistribution? », [AER 2015](#) : information about inequality can change views, but lack of trust in government can be even more important

- **Why is rising inequality not leading to rising demand for redistribution?**
- **One possible explanation: globalisation & competition between countries make vertical redistribution more difficult to organize.**
I.e. if the only thing the modern nation-state can do is to control borders, then unsurprisingly the political conflict will be entirely about border controls and immigration.
→ end of class-based redistributive politics, rise of identity-based conflict
- Certainly part of the explanation, but not enough: too mechanical.
Nothing in globalization makes redistribution technically impossible.

- **Unequal globalization is a choice:** countries & governments choose to sign treaties with free trade/capital flows with no common redistributive taxation/regulation. So where do these choices come from? One needs to better understand the changing structure of political cleavages on inequality.
- Some (ruling) groups must believe that the system is working fine, and that the benefits of competition between countries outweigh the costs.
- **I.e., all in all, maybe both the Brahmin left and the Merchant right are happy with globalization as it currently works and with rising inequality.**

- More generally, the pb with the median-voter model of elections is that it is far too simplistic and mechanical: **politics is about ideas and beliefs systems, not simply about conflicting interests and poor vs rich.**
- History of inequality is political and ideological. E.g. the history of progressive taxation in 20c involves sharp ideological reversals, unexpected political bifurcations, and unstable institutional tinkering

→ in order to analyze the future of redistribution, one first needs to better understand the changing multi-dimensional structure of political-ideological conflict about inequality & redistribution: we know very little

In « [Brahmin Left vs Merchant Right: Rising Inequality and the Changing Structure of Political Conflict](#) », I build long-run series on changing political cleavages in order to make some (limited) progress in this direction

(see piketty.pse.ens.fr/conflict)

What I do in this research

- **Main contribution is empirical/historical**
- **I construct long-run series on the changing structure of the electorate, i.e. who votes for which parties depending on different dimensions of inequality: income vs wealth vs education (also age, gender, religion, origins, etc.)**
- Main data sources: (1) post-electoral surveys (available since 1940s-1950s); (2) local-level election results matched with census & other data (since 1800s)
- **Today I present results for France-US-Britain 1948-2017** (post-electoral surveys)
- Currently being extended to Germany, Spain, Japan, Brasil, India, Poland, etc.
- **Secondary contribution is theoretical:** I present simple two-dimensional models of inequality, beliefs & redistribution (domestic vs external inequality; inequality in education vs inequality in wealth) which can help interpret these findings

Main empirical finding: the rise of multiple-elite politics

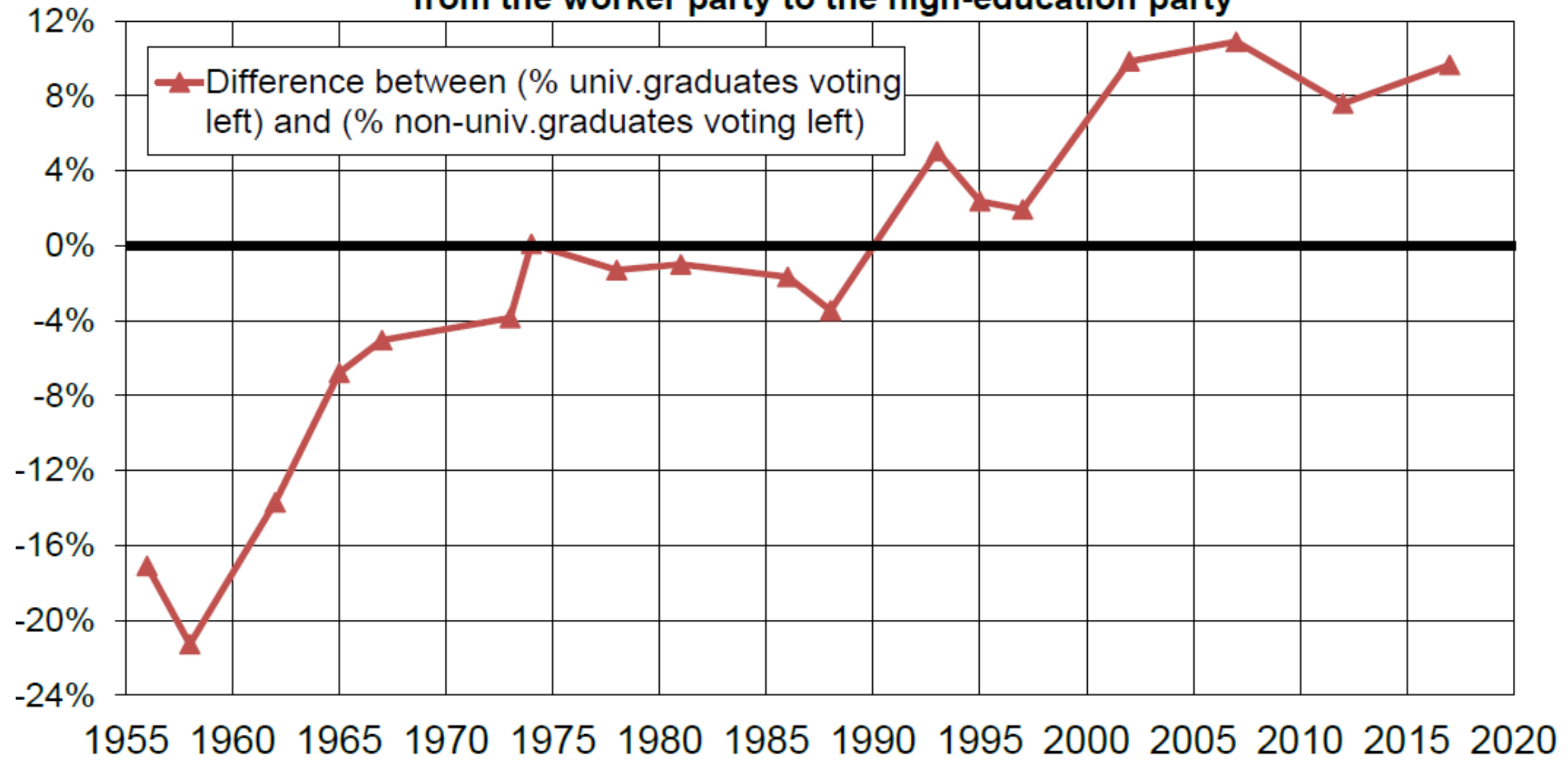
- **In the 1950s-60s**, the vote for left-wing (labour-socialist-democratic) parties in France-UK-US used to be associated with lower education & lower income voters: **class-based political conflict** (→ redistributive policies)
- It has gradually become associated since 1970s-80s with higher education voters, giving rise since 1990s-2000s to a **multiple-elite party system: high-education elites vote left, while high-income/high-wealth elites vote right. I.e. intellectual elite (Brahmin left) vs business elite (Merchant right).**

Can explain why redistributive issues have become less central.

Other groups might feel left behind → rise of populism?

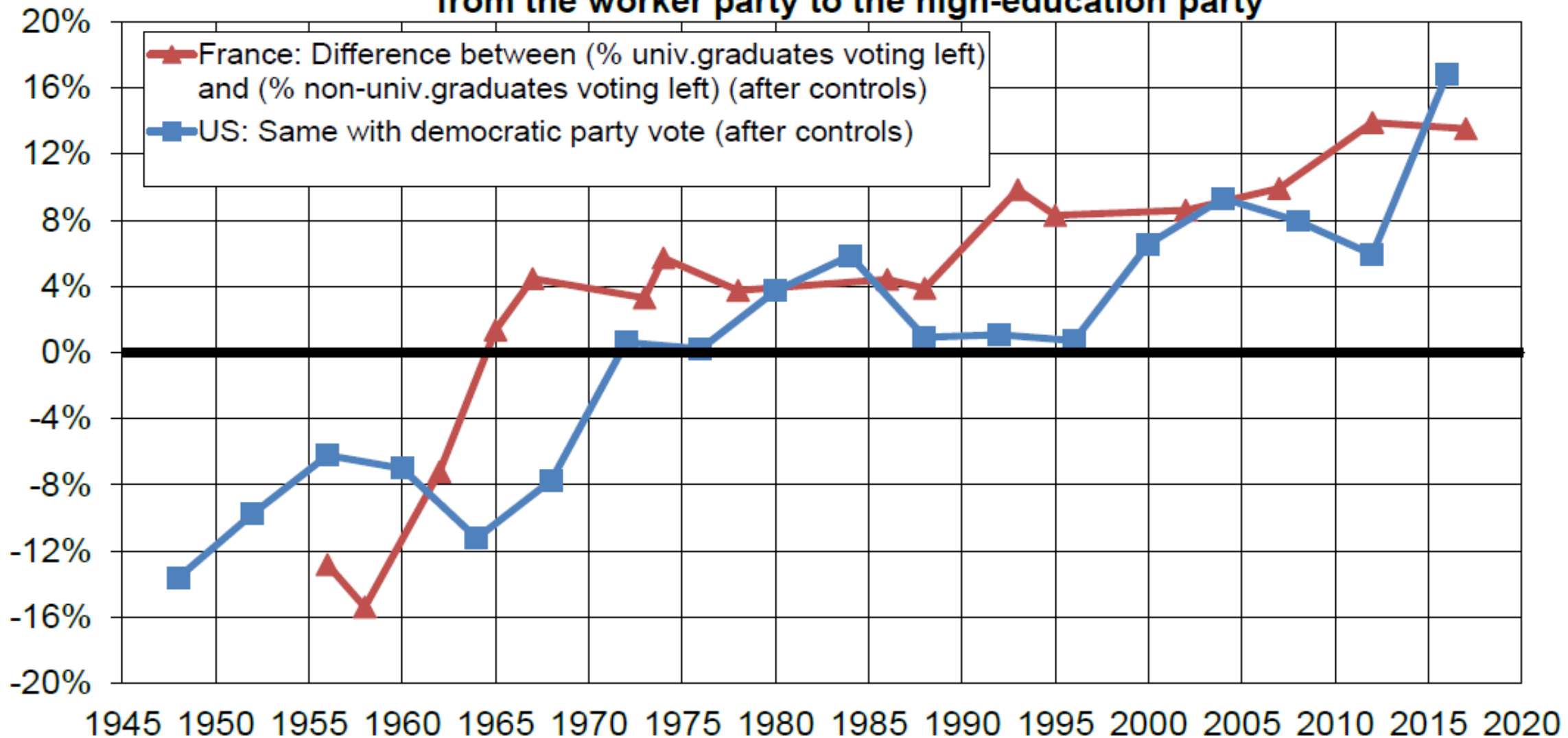
This evolution corresponds to a gradual decomposition of the postwar party system and opens up many uncertain possibilities for the future

Left-wing vote in France, 1956-2017: from the worker party to the high-education party



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)
Reading: in 1956, left-wing parties (SFIO-PS, PCF, Rad., various left, green, extreme-left) obtain a score that is 17 points lower among university graduates than among non-university graduates; in 2012, their score is 8 points higher among graduates.

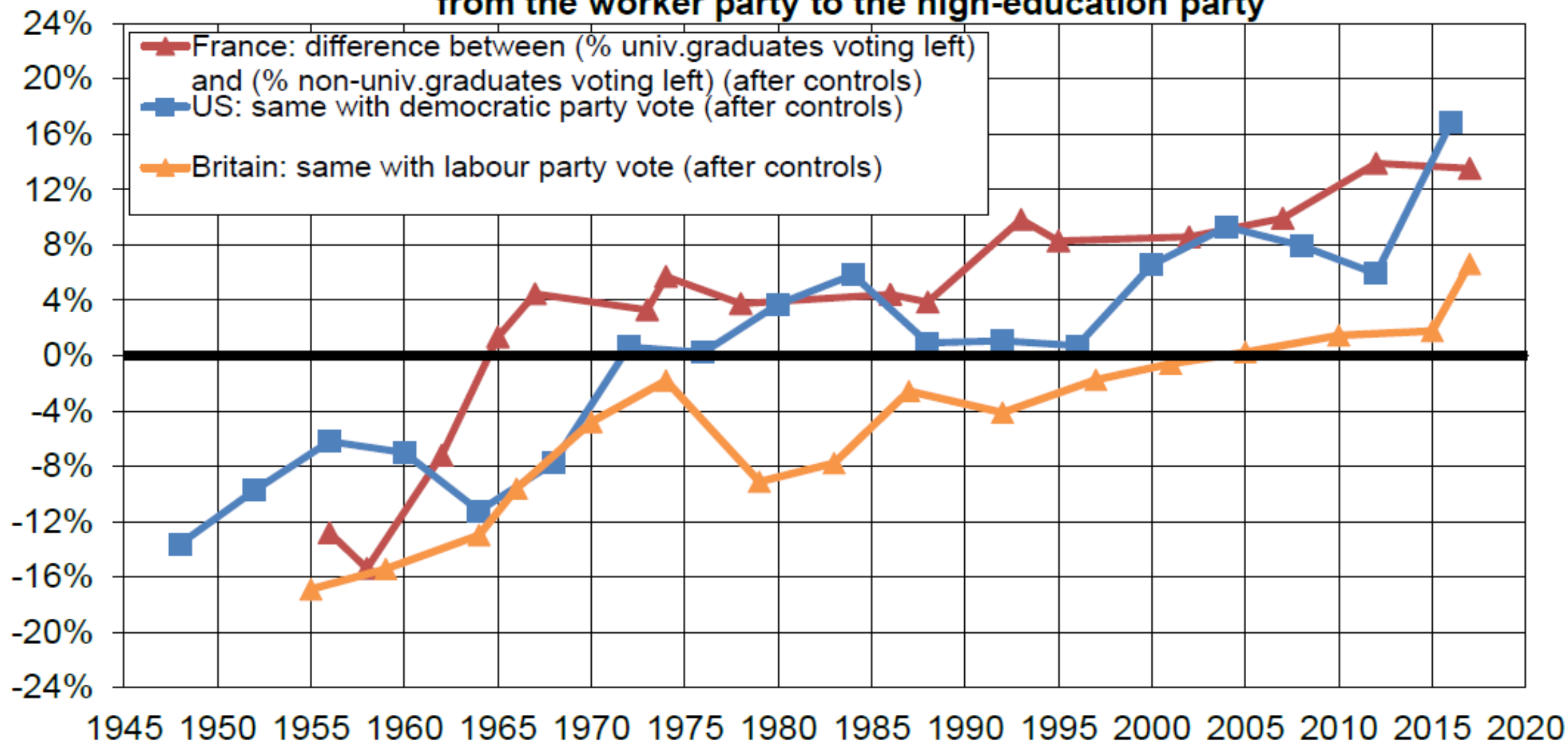
Voting for left-wing & democratic parties in France and the US, 1948-2017: from the worker party to the high-education party



Source: author's computations using French and US post-electoral surveys 1948-2017 (see piketty.pse.ens.fr/conflict)

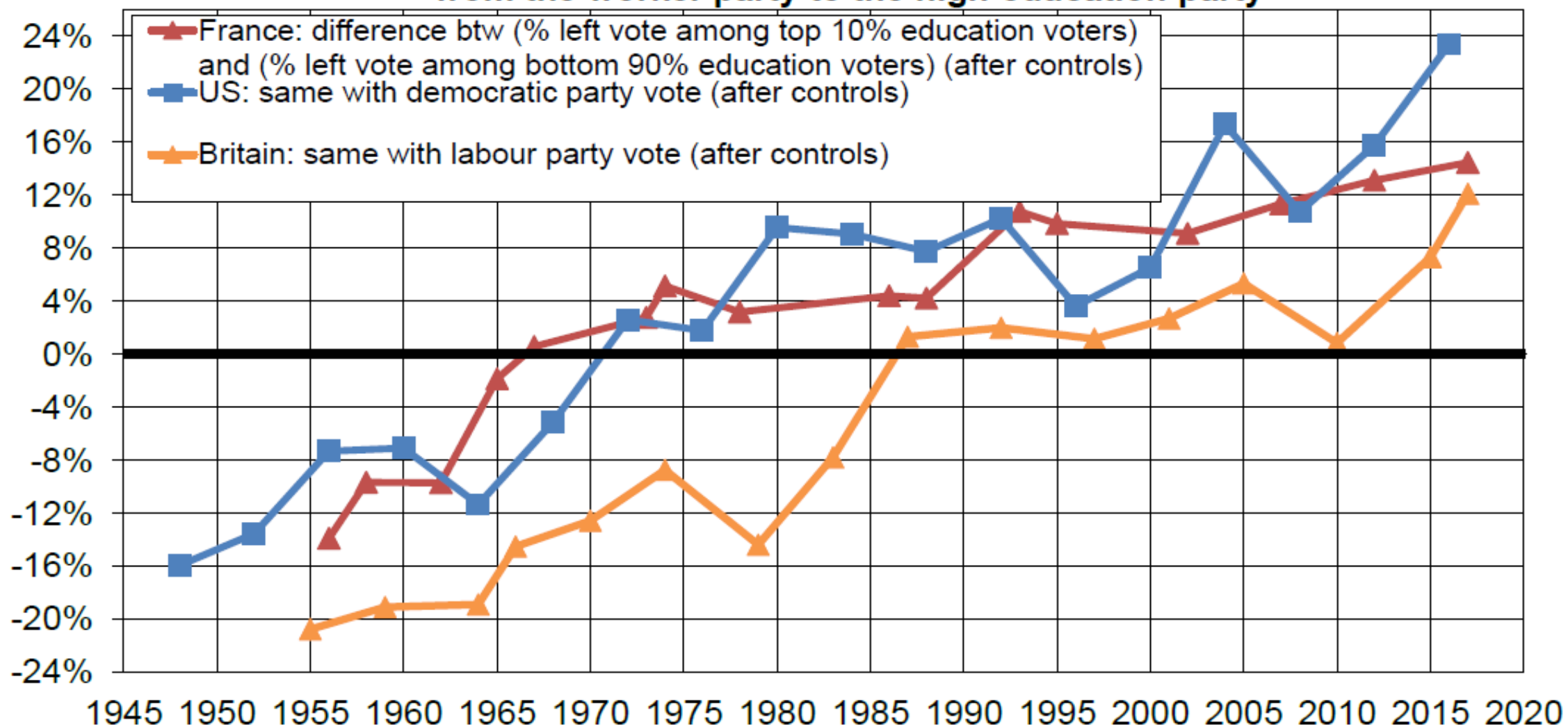
Reading: in 1956, left-wing parties (SFIO-PS, PC, Rad., green, extr.-left) obtain a score that is 14 points lower among university graduates than among non-university graduates in France; in 2012, their score is 13 points higher among university graduates (after controls for age, sex, income, wealth, father's occupation). The evolution is similar for the democratic vote in the US.

Voting for left-wing & democratic parties in France, Britain, US 1948-2017: from the worker party to the high-education party



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Voting for left-wing & democratic parties in France, Britain, US 1948-2017: from the worker party to the high-education party

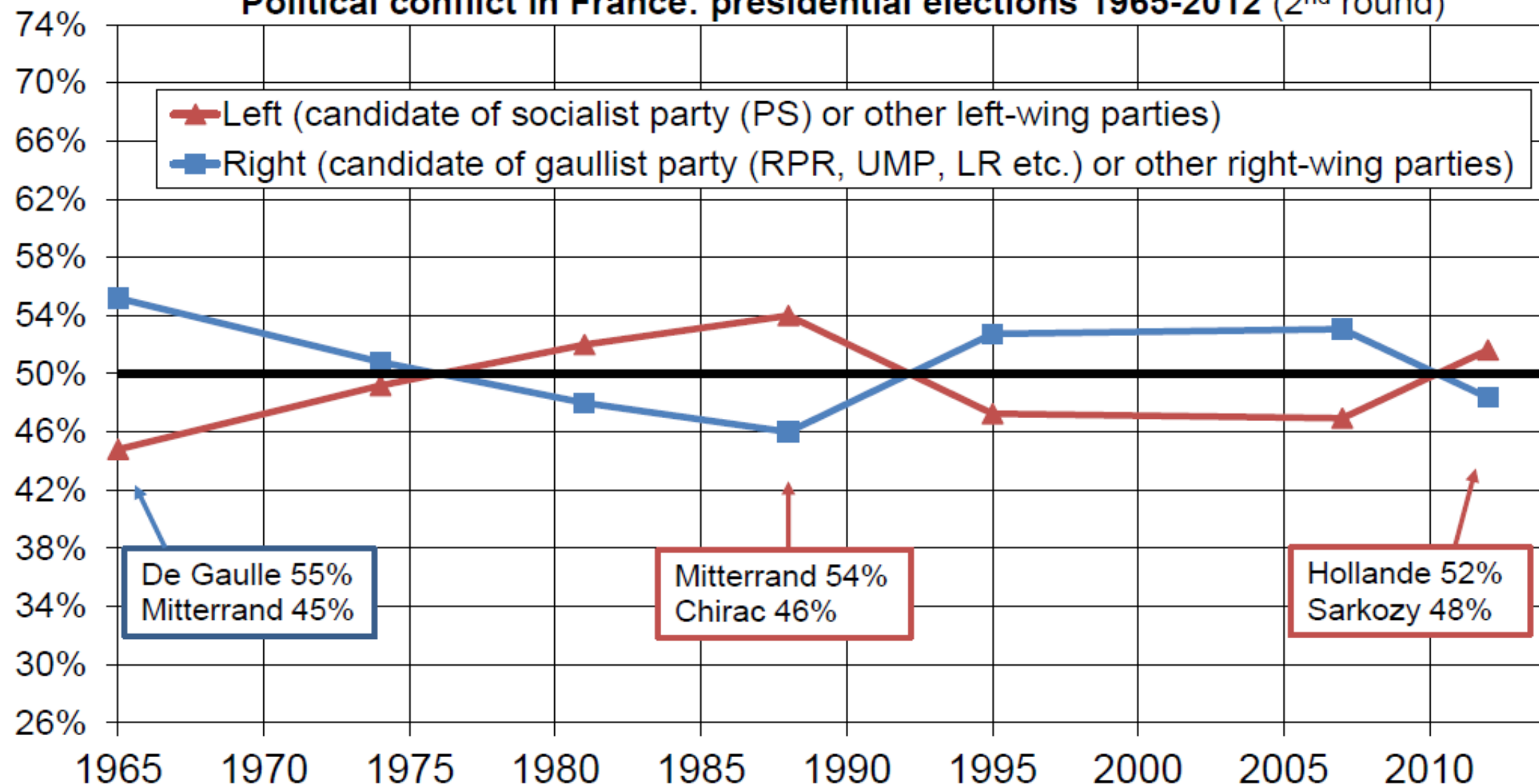


Source: author's computations using French, US and British post-electoral surveys 1948-2017 (see piketty.pse.ens.fr/conflict)
Reading: in 1956, left parties (SFIO-PS, PC, Rad., etc.) obtain a score that is 14 points lower among top 10% education voters than among bottom 90% education voters in France; in 2012, their score is 13 points higher among top 10% educ.voters (after controls for age, sex, income, wealth, father's occupation). The evolution is similar for democratic vote in the US and labour vote in Britain.

Evidence from France

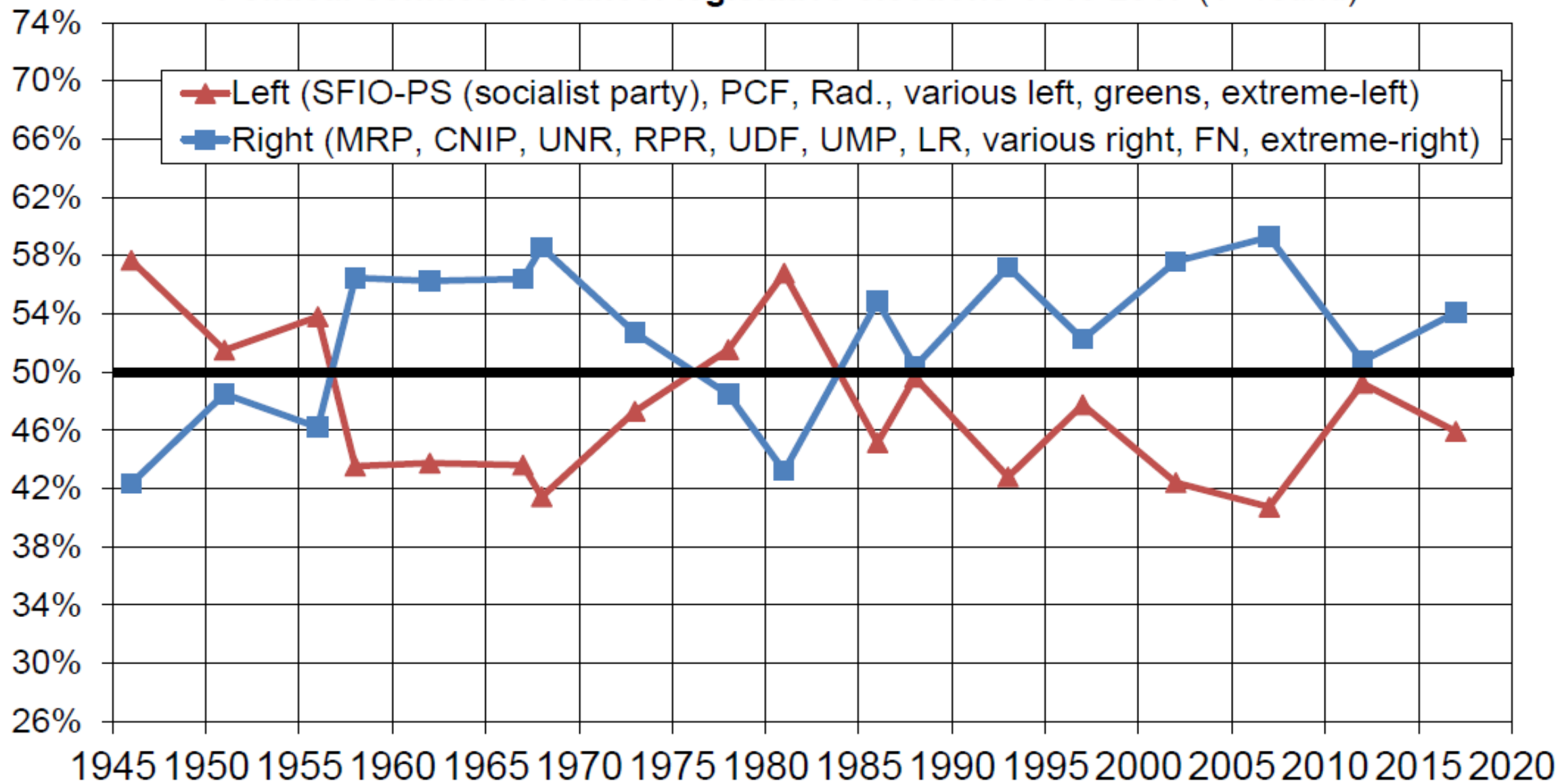
- Long tradition of post-electoral surveys: 1958, 1962, 1967, 1968, 1973, 1974, 1978, 1981, 1988, 1995, 1997, 2002, 2007, 2012, 2017
- Typically about 4000 observations/survey, with dozens of questions on income/education/wealth (& religion/foreign origins in recent surveys)
- Micro-files are available for most surveys
- I start by presenting results on changing voting patterns by **education**, then **income**, then **wealth**, and finally **religion/foreign origins**

Political conflict in France: presidential elections 1965-2012 (2nd round)



Vote shares in presidential second rounds opposing left and right: 1965 (De Gaulle 55%, Mitterrand 45%), 1974 (Giscard 51%, Mitterrand 49%), 1981 (Mitterrand 52%, Giscard 48%), 1988 (Mitterrand 54%, Chirac 46%), 1995 (Chirac 53%, Jospin 47%), 2007 (Sarkozy 53%, Royal 47%), 2012 (Hollande 52%, Sarkozy 48%). Other second rounds (opposing right, extreme-right and center) were not represented here: 1969 (Pompidou 58%, Poher 42%), 2002 (Chirac 82%, Le Pen 18%), 2017 (Macron 66%, Le Pen 34%).
Source: see piketty.pse.ens.fr/conflict.

Political conflict in France: legislative elections 1946-2017 (1st round)

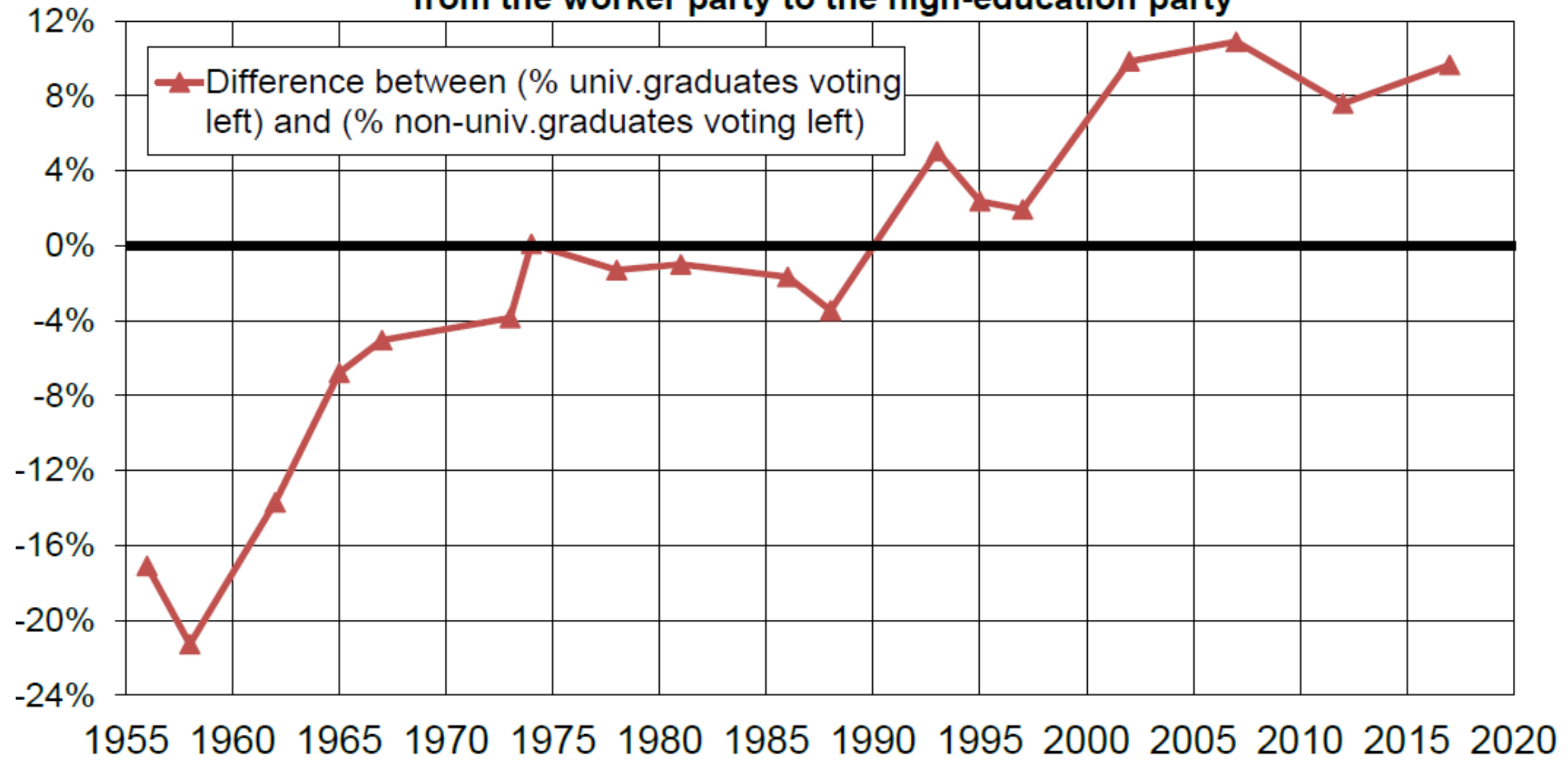


Vote shares in legislative elections 1956-2017 (1st round), excluding other parties (regionalists, etc.). The vote share obtained in 2017 by centrist LRM-Modem alliance (32%) was split 50-50 between center-right and center-left.

Source: see piketty.pse.ens.fr/conflict.

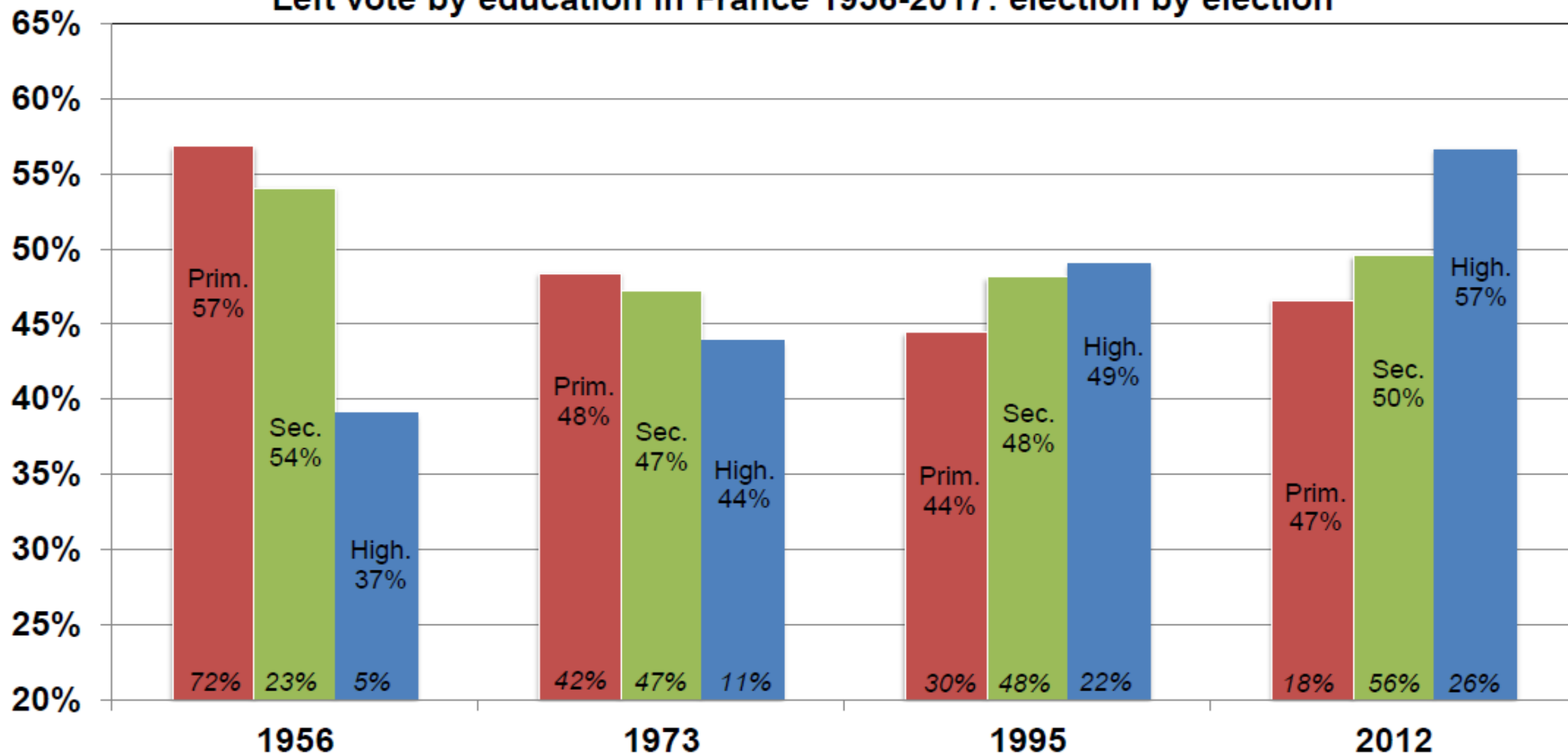
- **Key finding: reversal of the education cleavage**
- **Complete reversal of education gradient over 1956-2017 period.** At the beginning of the period, the more educated, the more right-wing. At the end of the period, the more educated, the more left-wing.
- **Highly significant. Robust to controls.**
- $\text{left}_{it} = \alpha + \beta_t \text{higheduc}_{it} + \gamma_{ct} c_{it} + \varepsilon_{it}$
 $\text{left}_{it} = 1$ if left-wing vote, 0 if right-wing vote
 $\text{higheduc}_{it} = 1$ if higher education degree, 0 otherwise
 c_{it} = control variables (age, sex, family situation, income, wealth, father's occupation, etc.)
- With no controls: $\beta_t = E(\text{left}_{it}=1, \text{higheduc}_{it}=1) - E(\text{left}_{it}=1, \text{higheduc}_{it}=0)$
- Gradually adding the control variables: no impact on trend (level is affected, not the trend)

Left-wing vote in France, 1956-2017: from the worker party to the high-education party



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)
Reading: in 1956, left-wing parties (SFIO-PS, PCF, Rad., various left, green, extreme-left) obtain a score that is 17 points lower among university graduates than among non-university graduates; in 2012, their score is 8 points higher among graduates.

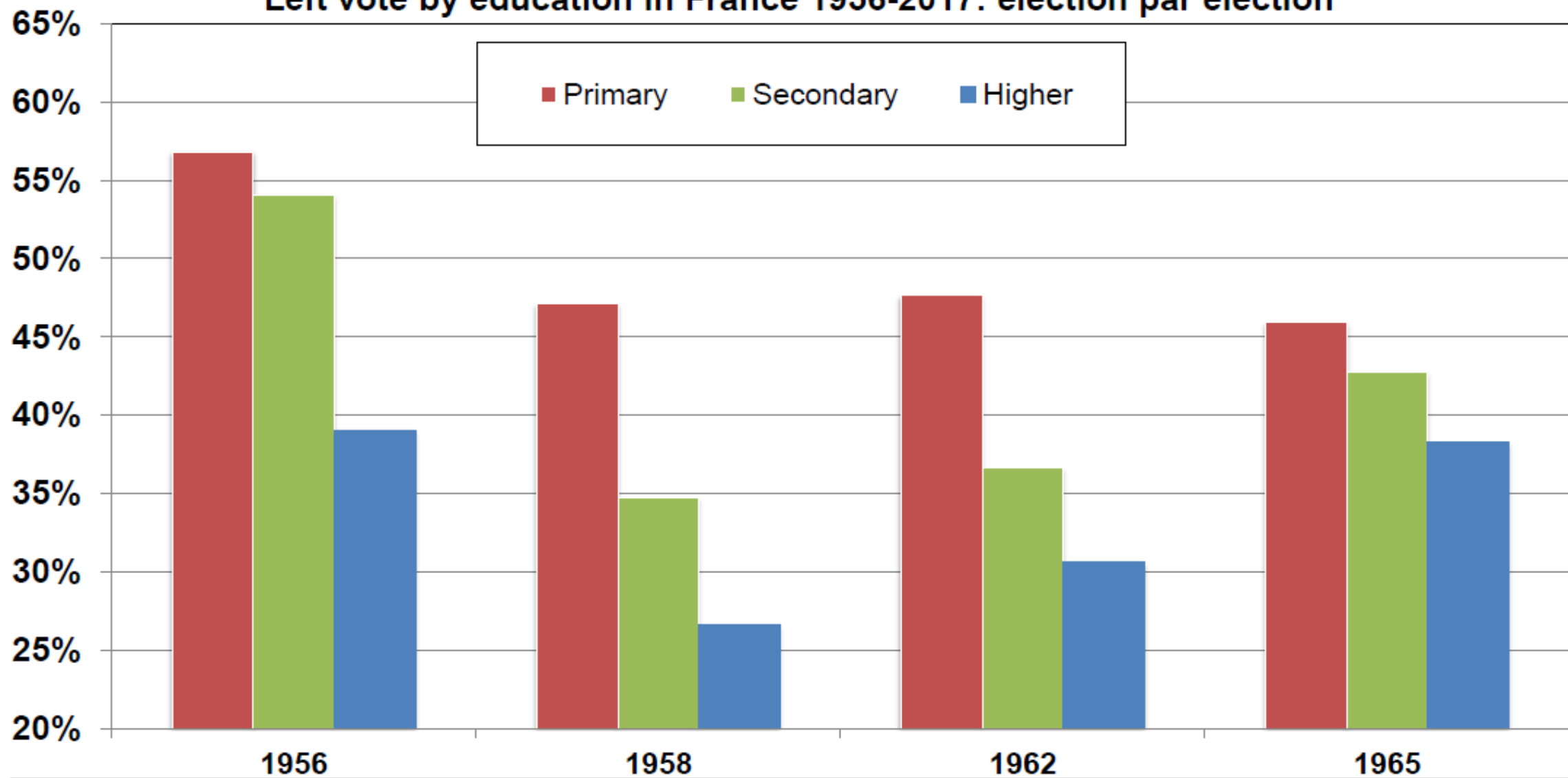
Left vote by education in France 1956-2017: election by election



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)

Reading: in 1956, left parties (SFIO-PS, PCF, Rad., etc.) obtain 57% of the vote among voters with no degree (other than primary), 54% among voters with secondary degrees (Bac, Brevet, Bep, etc.) and 37% among university graduates (higher education). In 2012, the left candidate (Hollande) obtains 47% of the vote among voters with no degree and 57% among university graduates.

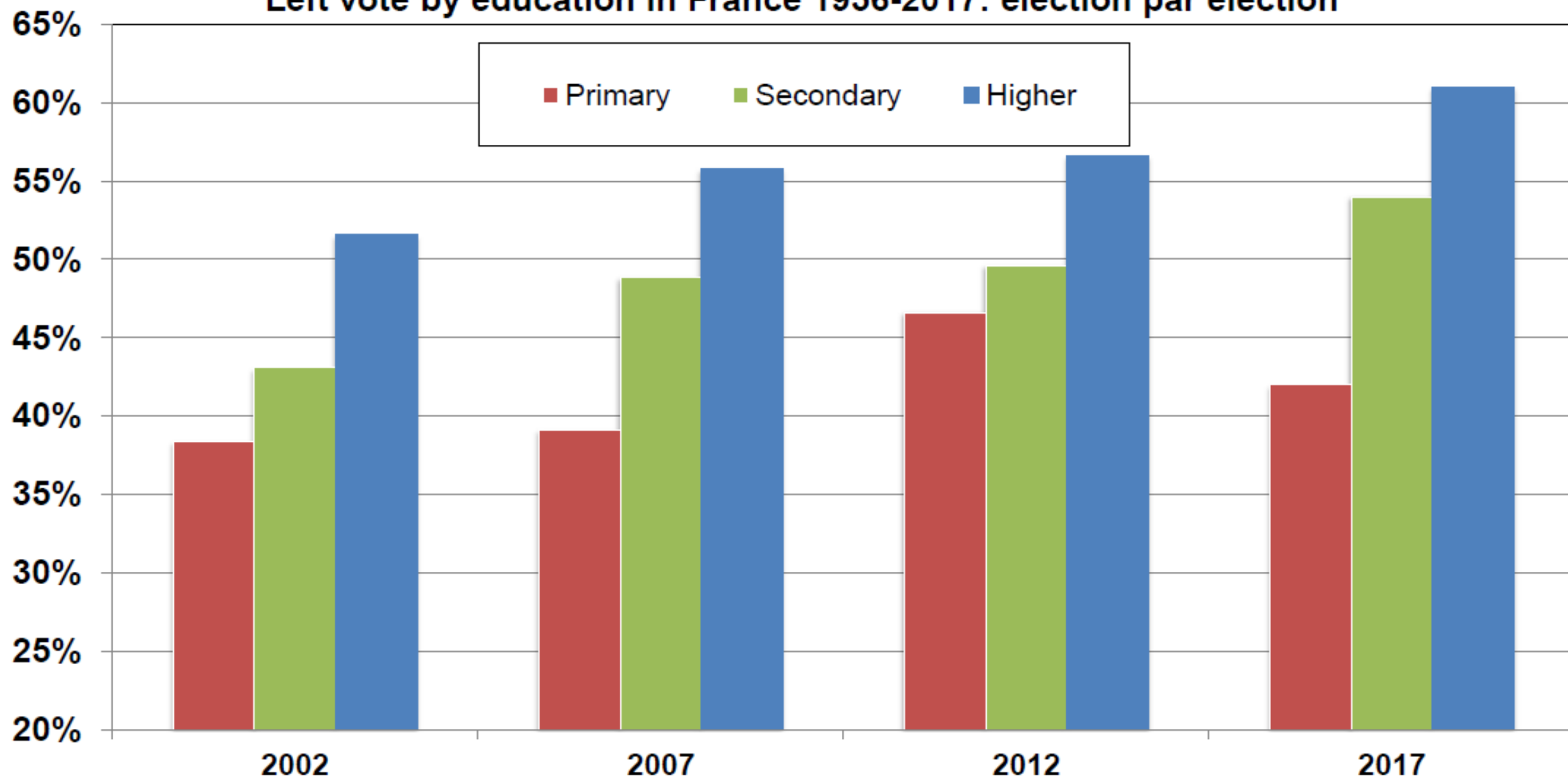
Left vote by education in France 1956-2017: election par election



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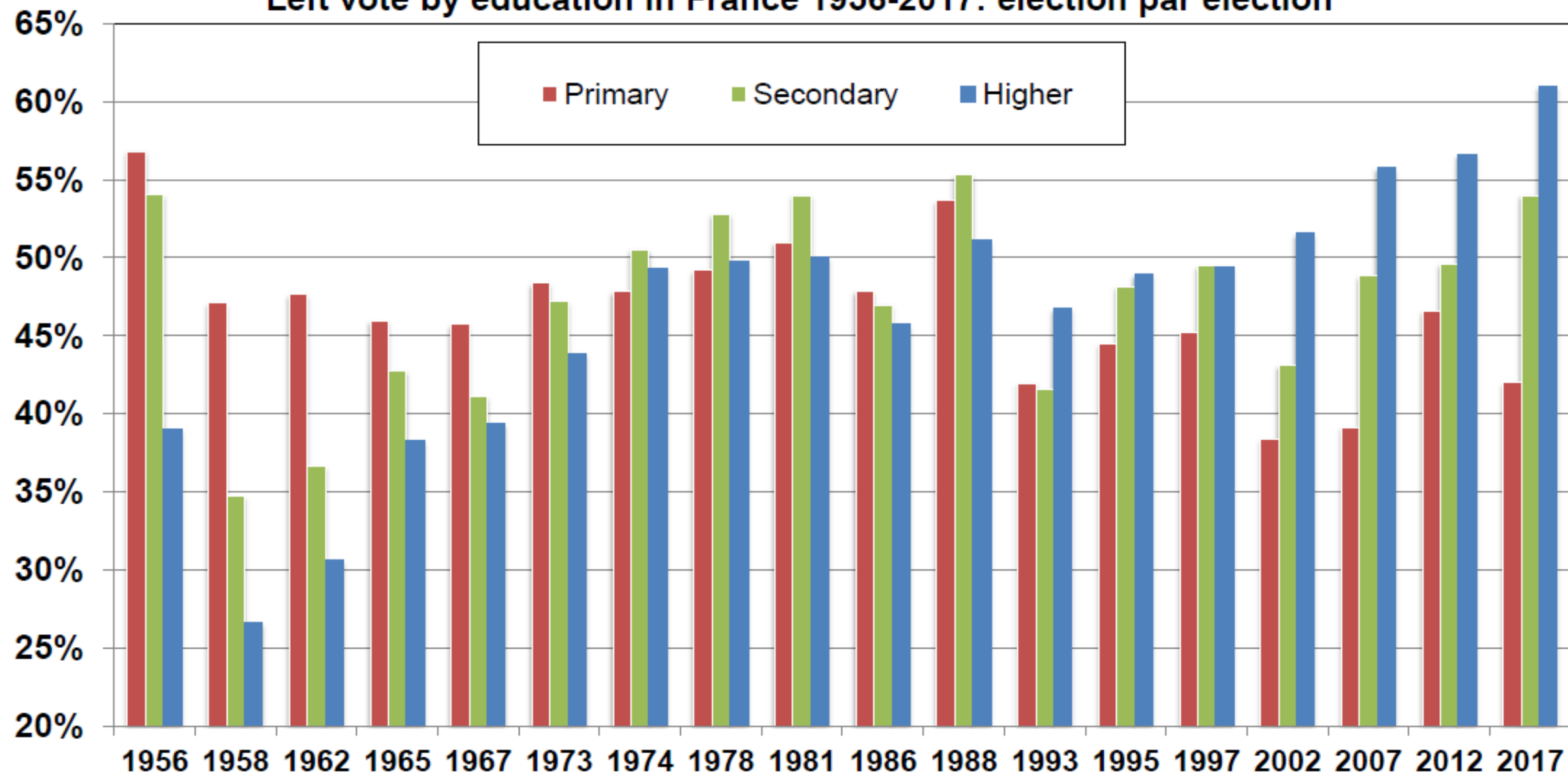
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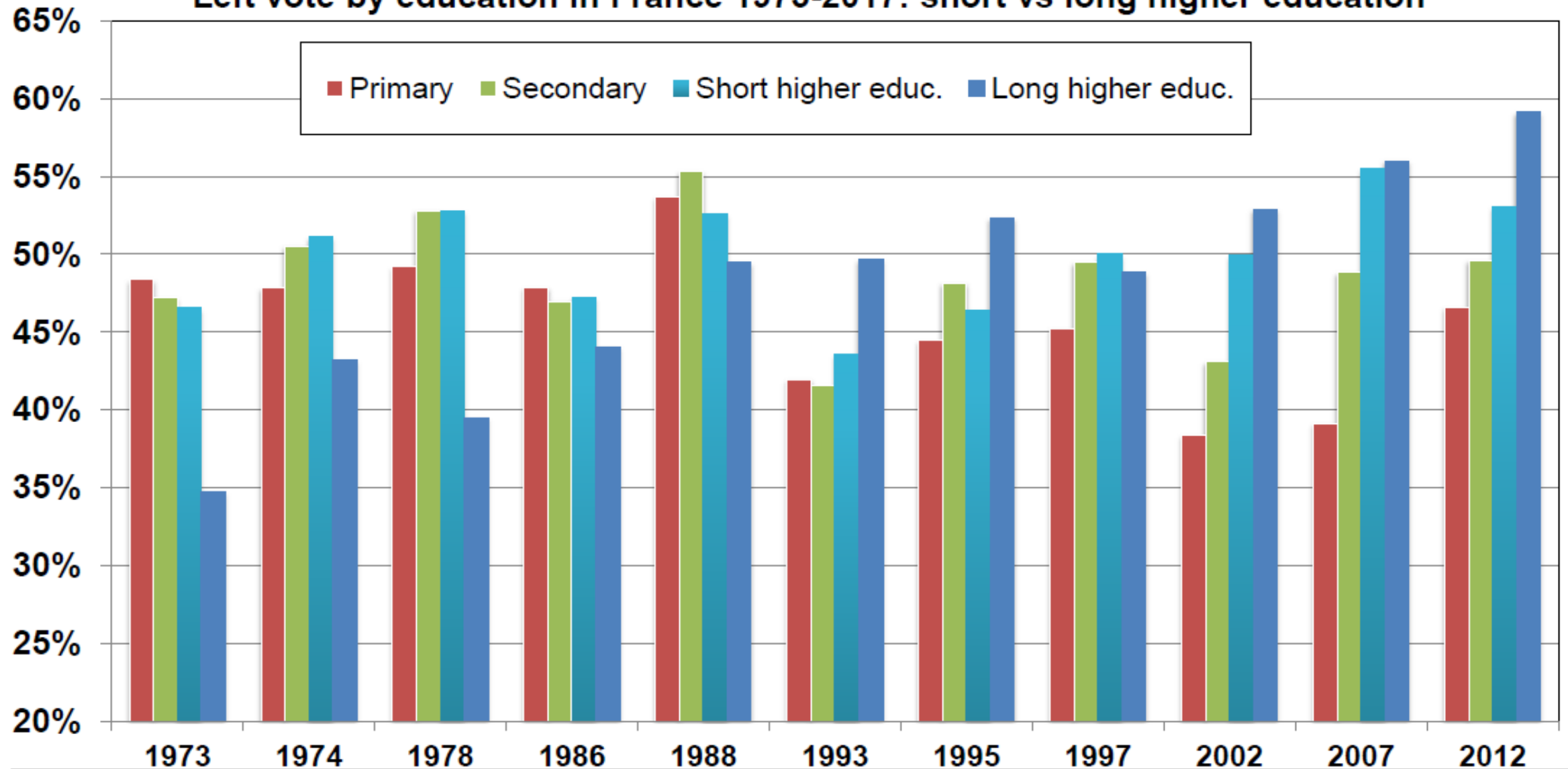
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Left vote by education in France 1973-2017: short vs long higher education

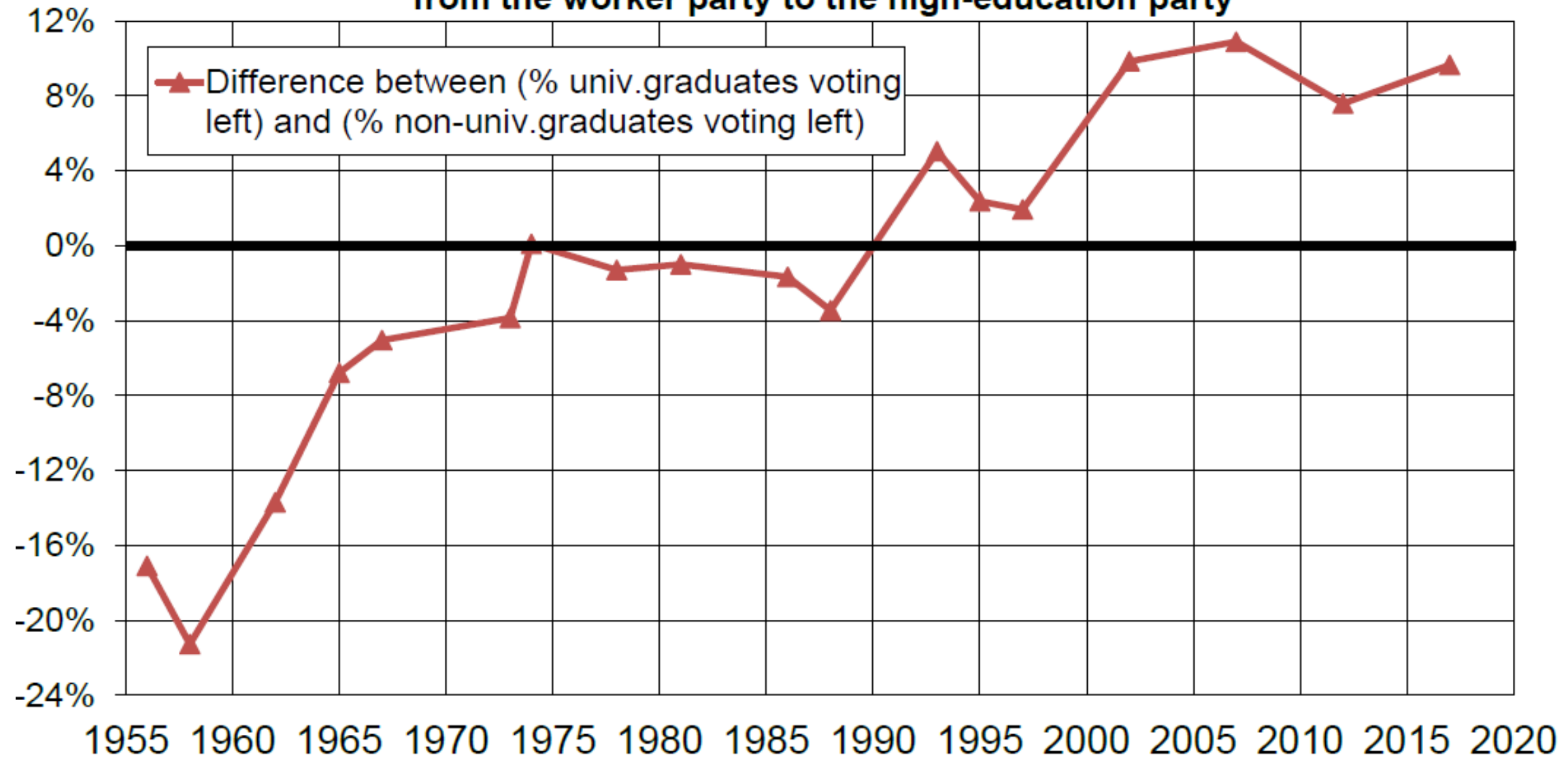


Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)

Reading: in 2012, the left candidate (Hollande) obtains 47% of the vote among voters with no degree (except primary), 50% among voters with secondary degrees, 53% among voters with short higher education and 59% among voters with long higher education.

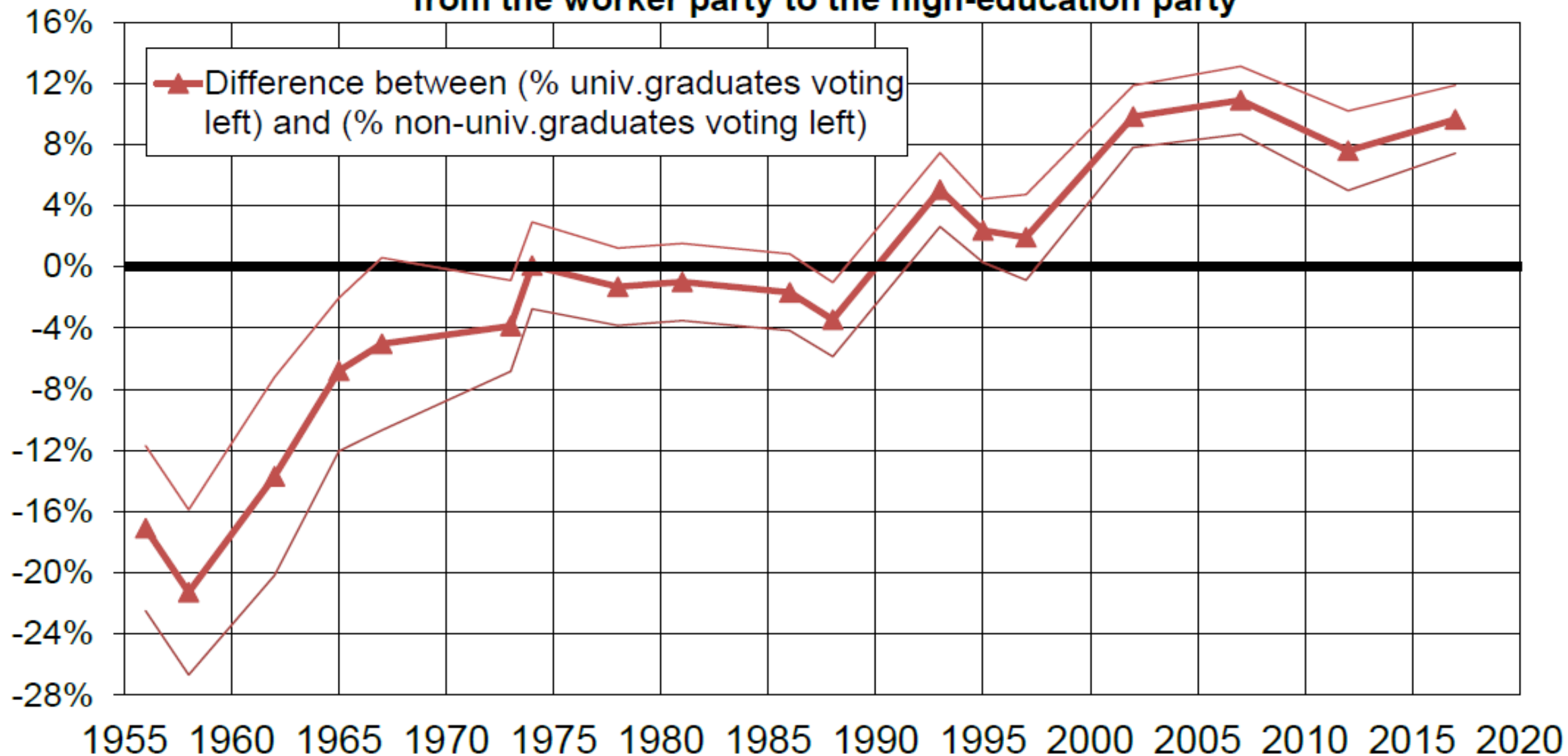
Note: 1973-1978, short high. = university, long high. = grande école. 1986-2012: short high. = bac+2, long high. = bac+3 or more.

Left-wing vote in France, 1956-2017: from the worker party to the high-education party



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)
Reading: in 1956, left-wing parties (SFIO-PS, PCF, Rad., various left, green, extreme-left) obtain a score that is 17 points lower among university graduates than among non-university graduates; in 2012, their score is 8 points higher among graduates.

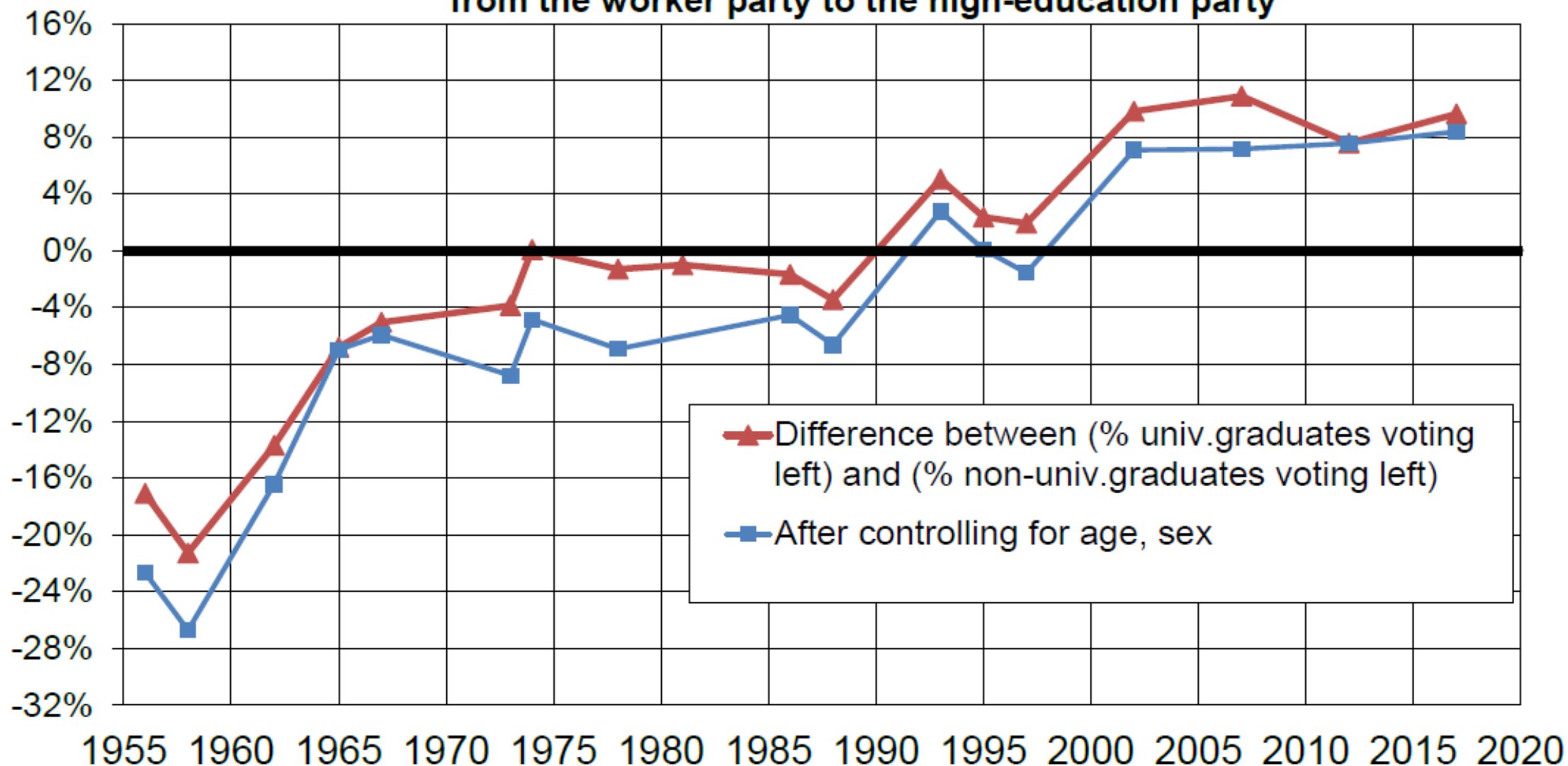
Left-wing vote in France, 1956-2017: from the worker party to the high-education party



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict).

Reading: in 1956, left parties (SFIO-PS, PCF, Rad., etc.) obtain a score that is 17 points lower among univ. graduates than among non-univ. graduates; in 2012, their score is 8 points higher among graduates. Fine lines indicate confidence intervals (90% level).

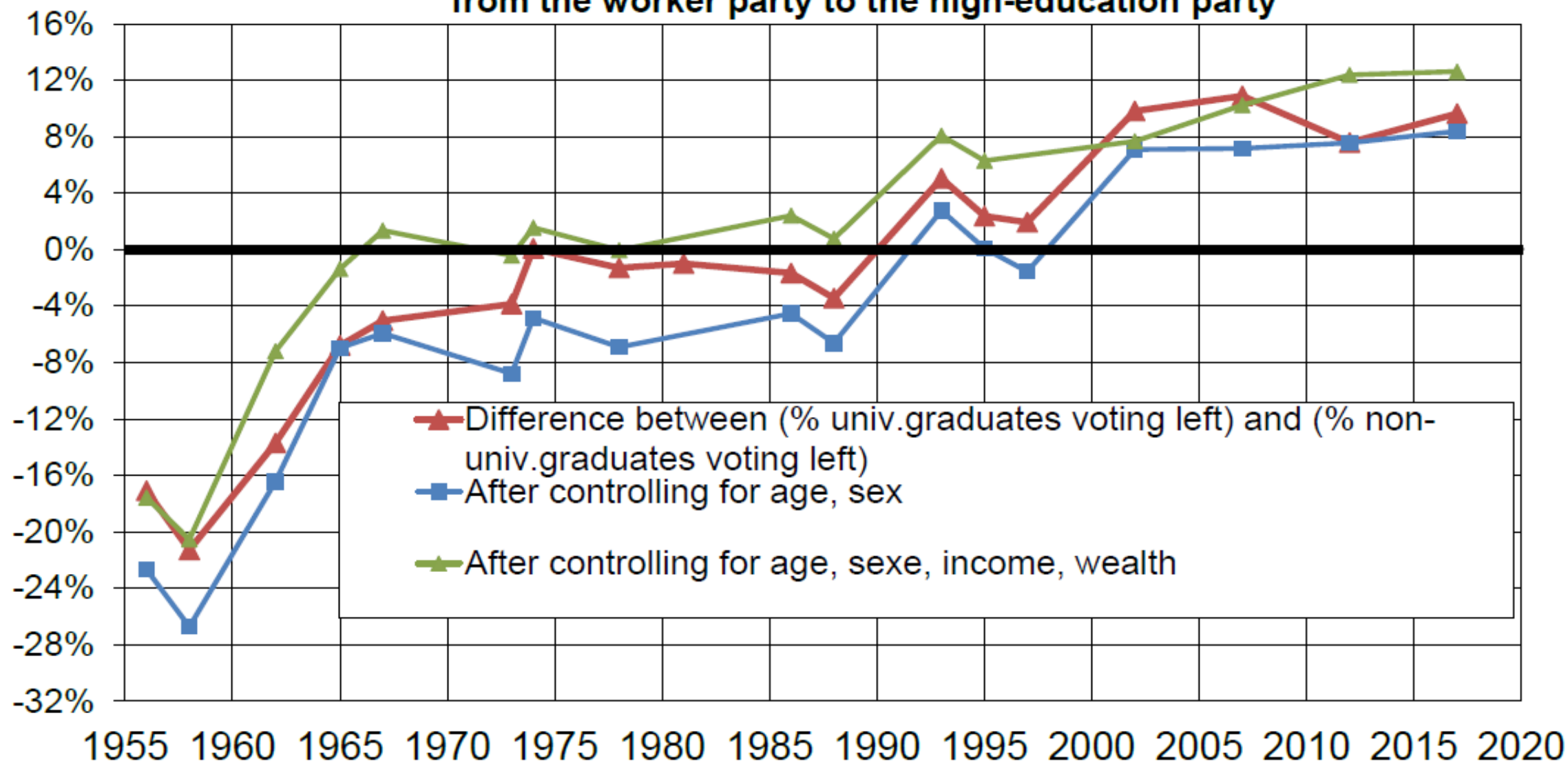
Left-wing vote in France, 1956-2017: from the worker party to the high-education party



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict).

Reading: in 1956, left parties obtain a score that is 17 point lower among univ. graduates than among non-univ. graduates; in 2012, their score is 8 points higher among university graduates. Including control variables does not affect the trend (only the level).

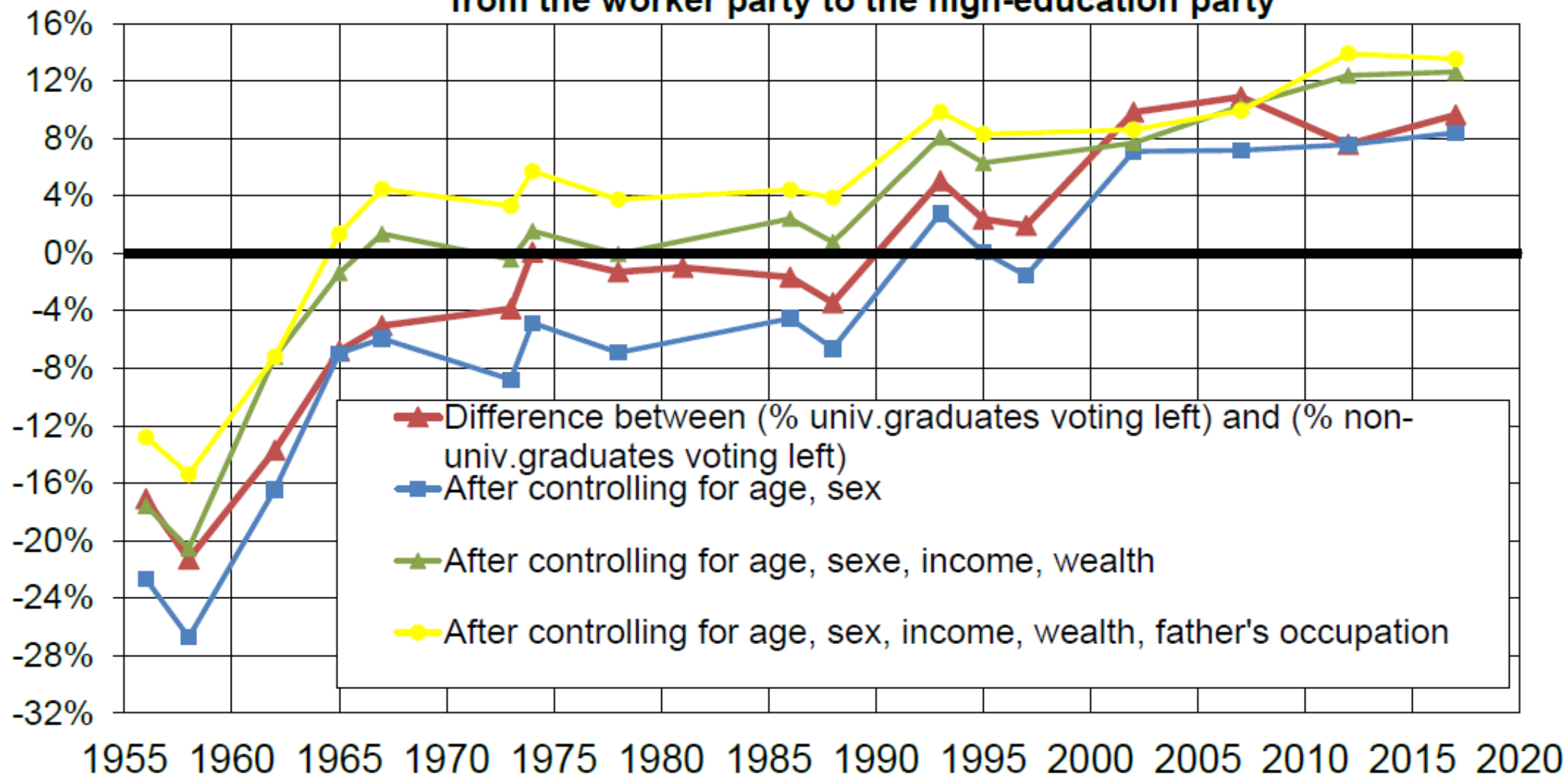
Left-wing vote in France, 1956-2017: from the worker party to the high-education party



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict).

Reading: in 1956, left parties obtain a score that is 17 point lower among univ. graduates than among non-univ. graduates; in 2012, their score is 8 points higher among university graduates. Including control variables does not affect the trend (only the level).

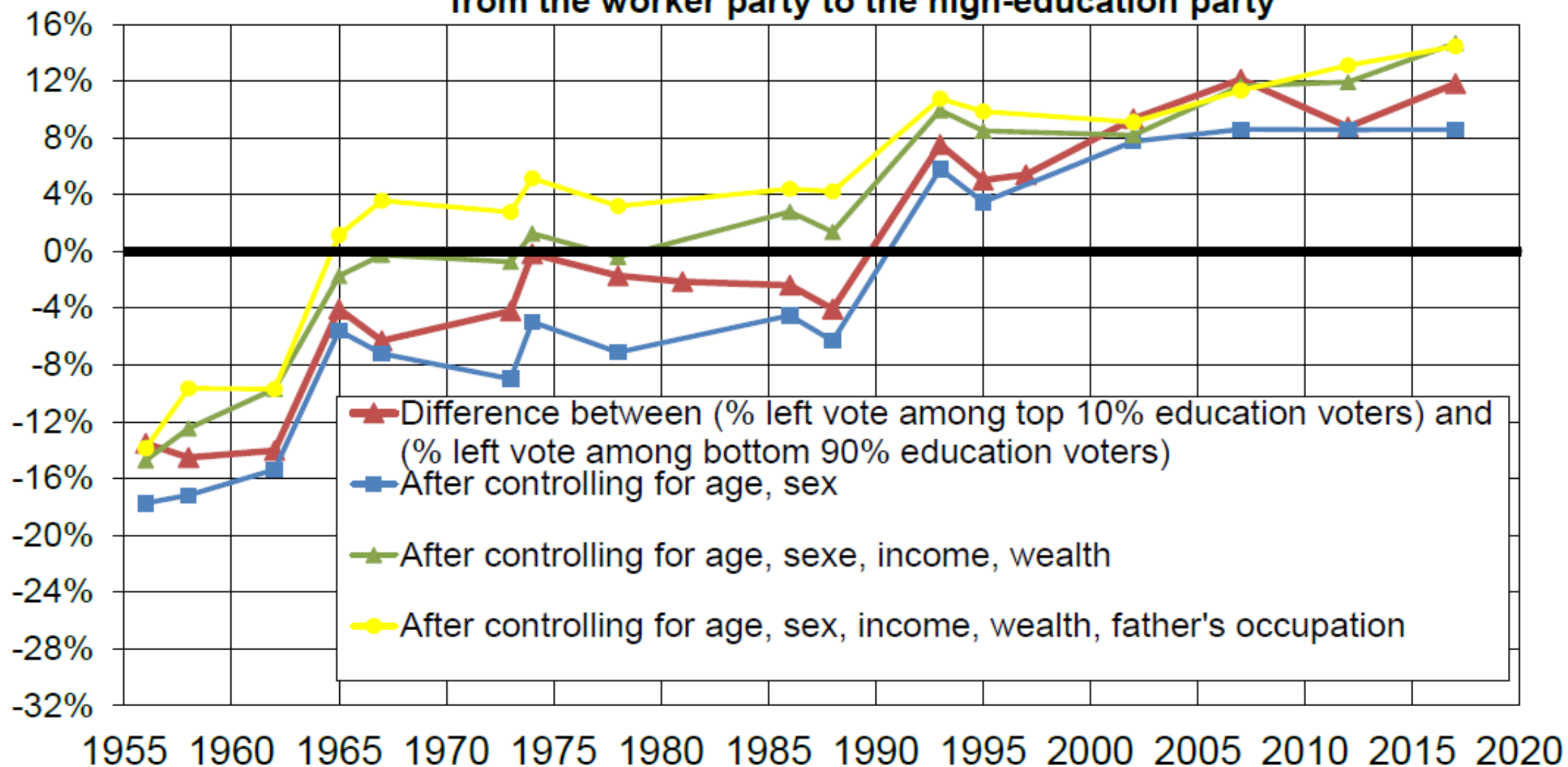
Left-wing vote in France, 1956-2017: from the worker party to the high-education party



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict).

Reading: in 1956, left parties obtain a score that is 17 point lower among univ. graduates than among non-univ. graduates; in 2012, their score is 8 points higher among university graduates. Including control variables does not affect the trend (only the level).

Left-wing vote in France, 1956-2017: from the worker party to the high-education party

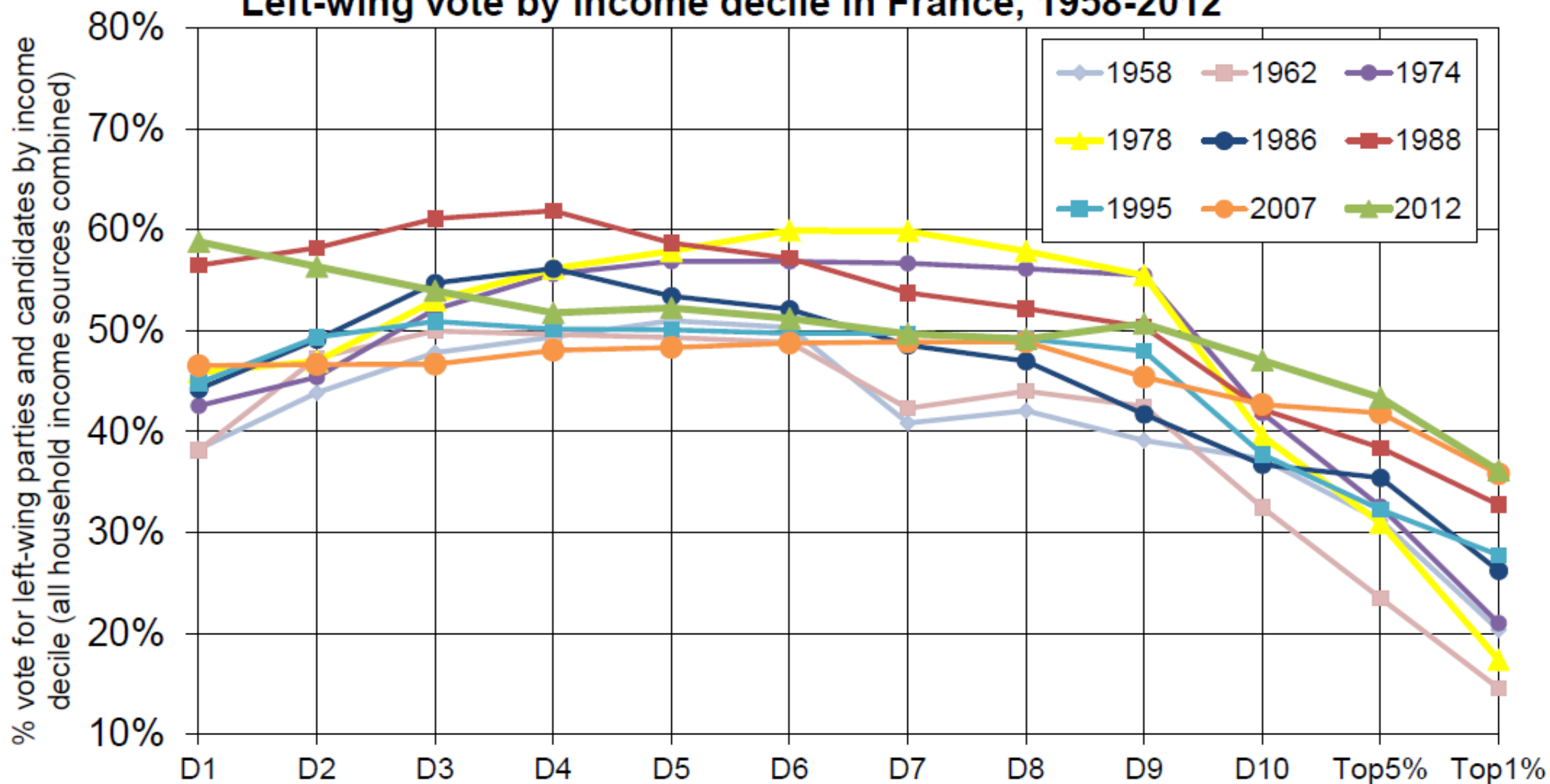


Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict).

Reading: in 1956, left parties obtain a score that is 14 point lower among top 10% education voters; in 2012, their score is 9 points higher among top 10% education voters. Including control variables does not affect the trend (only the level).

- I now present changing voting patterns by **income and wealth deciles**
- The income-profile of left-vs-right vote has always been relatively flat within the bottom 90% (multiple compensating effects: young vs old, urban vs rural, self-employed vs wage-earners, public vs private etc.), but strongly downward-sloping at the level of top 10%
→ **look at top 10% income vs bottom 90% income voting patterns**
- The wealth-profile has always been much stronger than the income profile: inequality in property and wealth more important than inequality in income
→ **look at top 10% wealth vs bottom 90% wealth voting patterns**

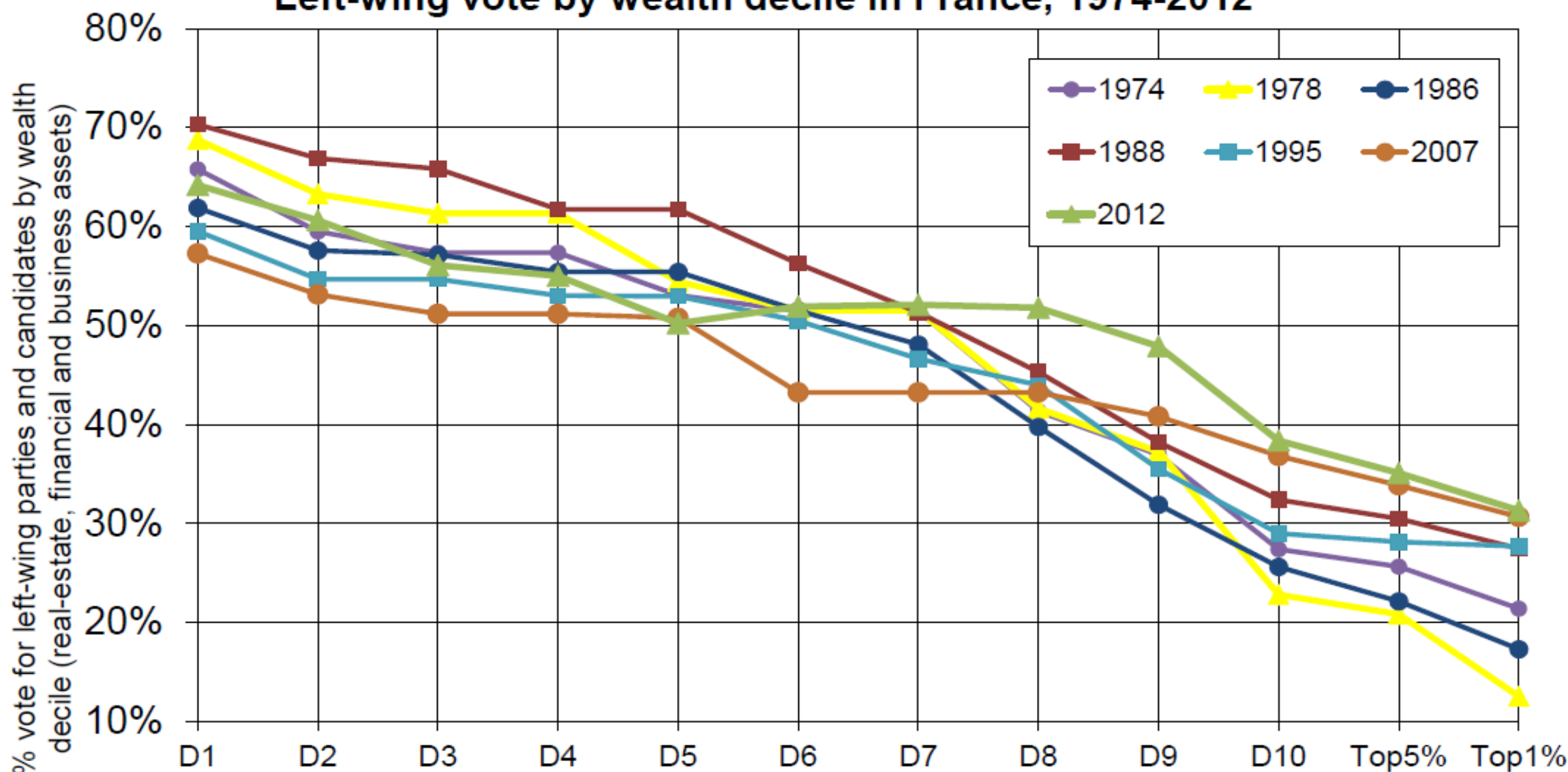
Left-wing vote by income decile in France, 1958-2012



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)

Reading: in 1978, left-wing parties (PS, PCF, Rad., etc.) obtain 46% of the vote among voters with bottom 10% income, 23% of the vote among top 10% income voters, and 17% among top 1%. Generally speaking, the profile of left-wing vote by income percentile is relatively flat within the bottom 90%, and strongly declining for the top 10%, especially at the beginning of the period.

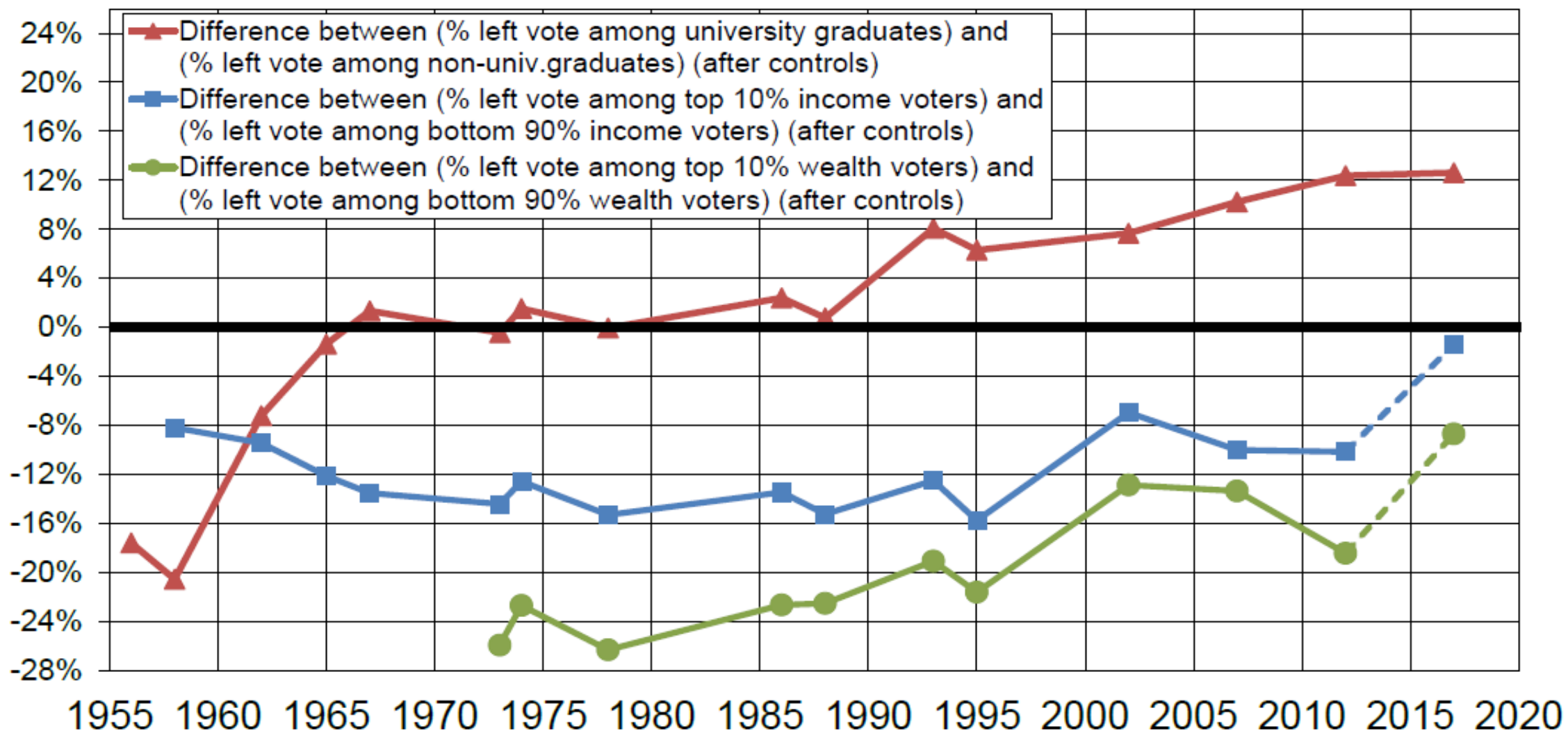
Left-wing vote by wealth decile in France, 1974-2012



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)

Reading: in 1978, left-wing parties (PS, PCF, Rad., etc.) obtain 69% of the vote among voters with bottom 10% wealth, 23% of the vote among voters with top 10% wealth, and 13% among top 1% wealth holders. Generally speaking, the profile of left-wing vote by wealth percentile is strongly declining, all along the distribution, especially at the beginning of the period.

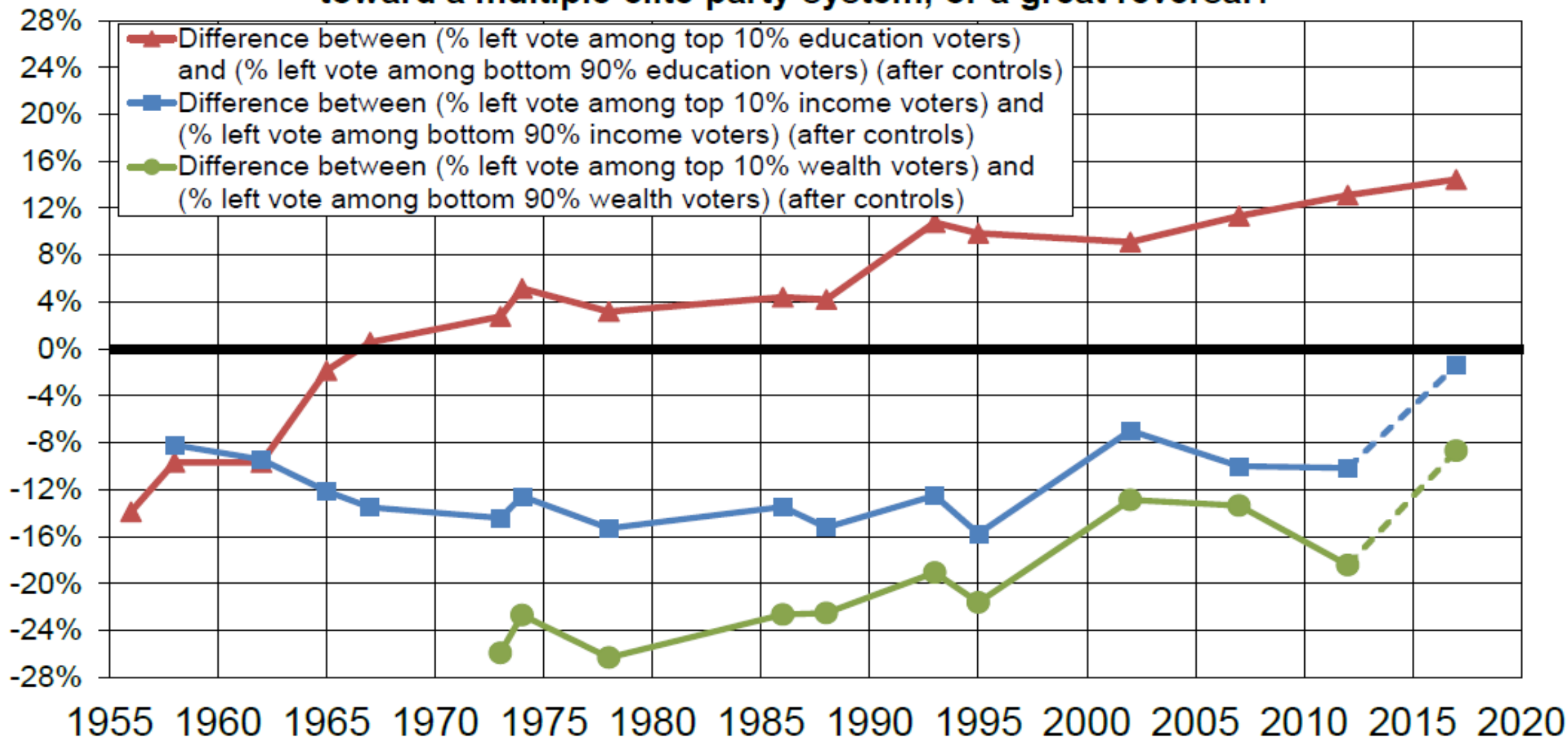
Political conflict in France, 1956-2017: toward a multiple-elite party system, or a great reversal?



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)

Reading: the left vote used to be associated with lower education and lower income voters; it has gradually become associated with higher education voters, giving rise to a "multiple-elite" party system (education vs wealth); it might also become associated with high-income voters in the future, giving rise to a great reversal or realignment of the party system.

Political conflict in France, 1956-2017: toward a multiple-elite party system, or a great reversal?

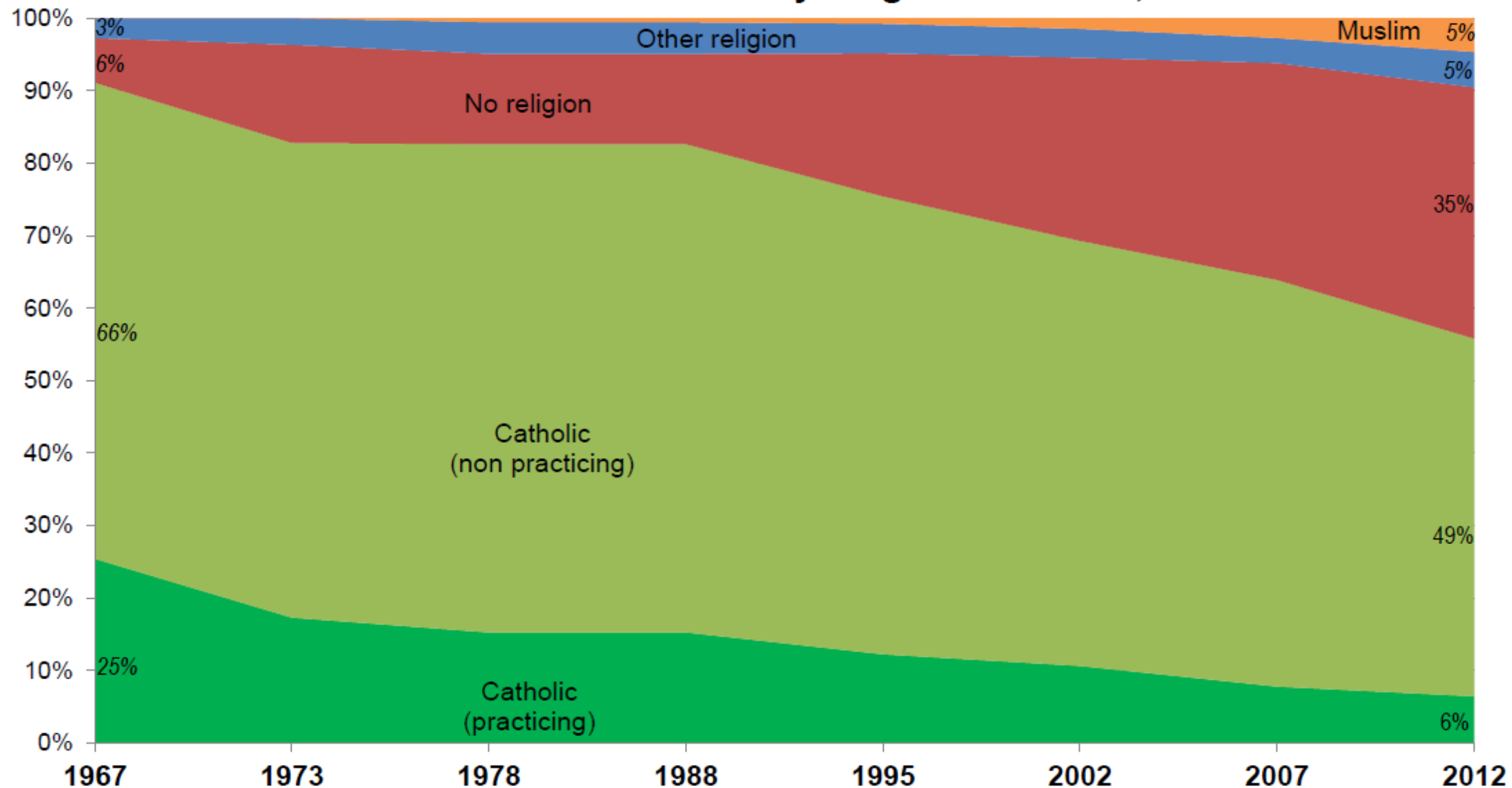


Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)

Reading: the left vote used to be associated with lower education and lower income voters; it has gradually become associated with higher education voters, giving rise to a "multiple-elite" party system (education vs wealth); it might also become associated with high-income voters in the future, giving rise to a great reversal or realignment of the party system.

- I now present results on voting patterns by **religion/foreign origins**
- **One common interpretation of the reversal of the education cleavage is the rise of globalisation/universalism/immigration: low-education felt abandoned by left-democratic parties and threatened by competition with foreign countries/workers** (and/or left parties & high-education groups felt abandoned by racism/anti-immigration of attitudes of low-education groups...)
- This will also make the transition to the US case: key role of nativism and ethnic cleavages is relatively new for Europe, but not for the US

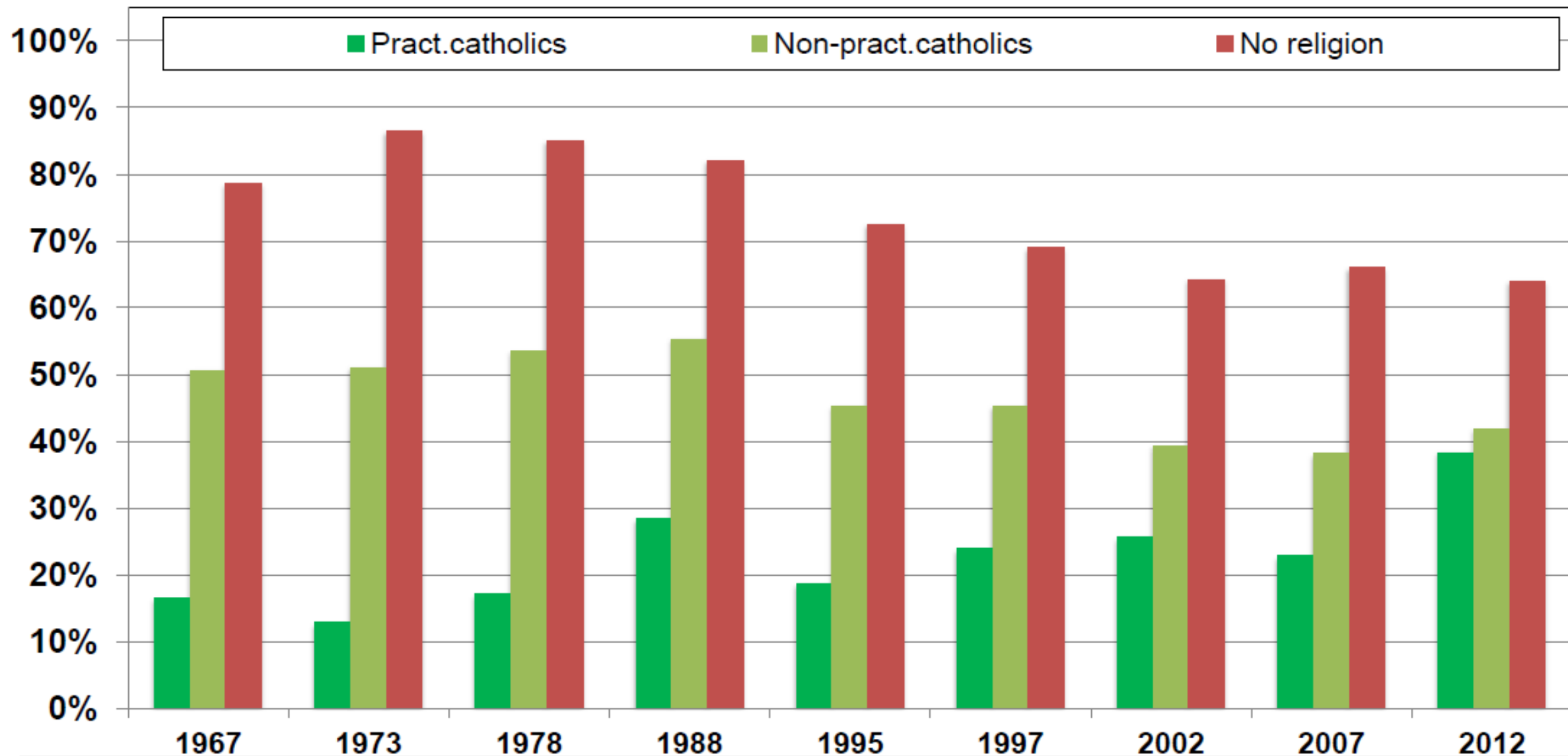
The structure of the electorate by religion in France, 1967-2012



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict).

Reading: between 1967 and 2012, the fraction of the electorate reporting to be "practicing catholic" (church at least once a month) dropped from 25% to 6%, non-practicing-catholics dropped from 66% to 49%, no-religions rose from 6% to 35%, other-religions (protestantism, judaism, buddhism, etc., except islam) rose from 3% to 5%, and the fraction reporting islam rose from 0% to 5%.

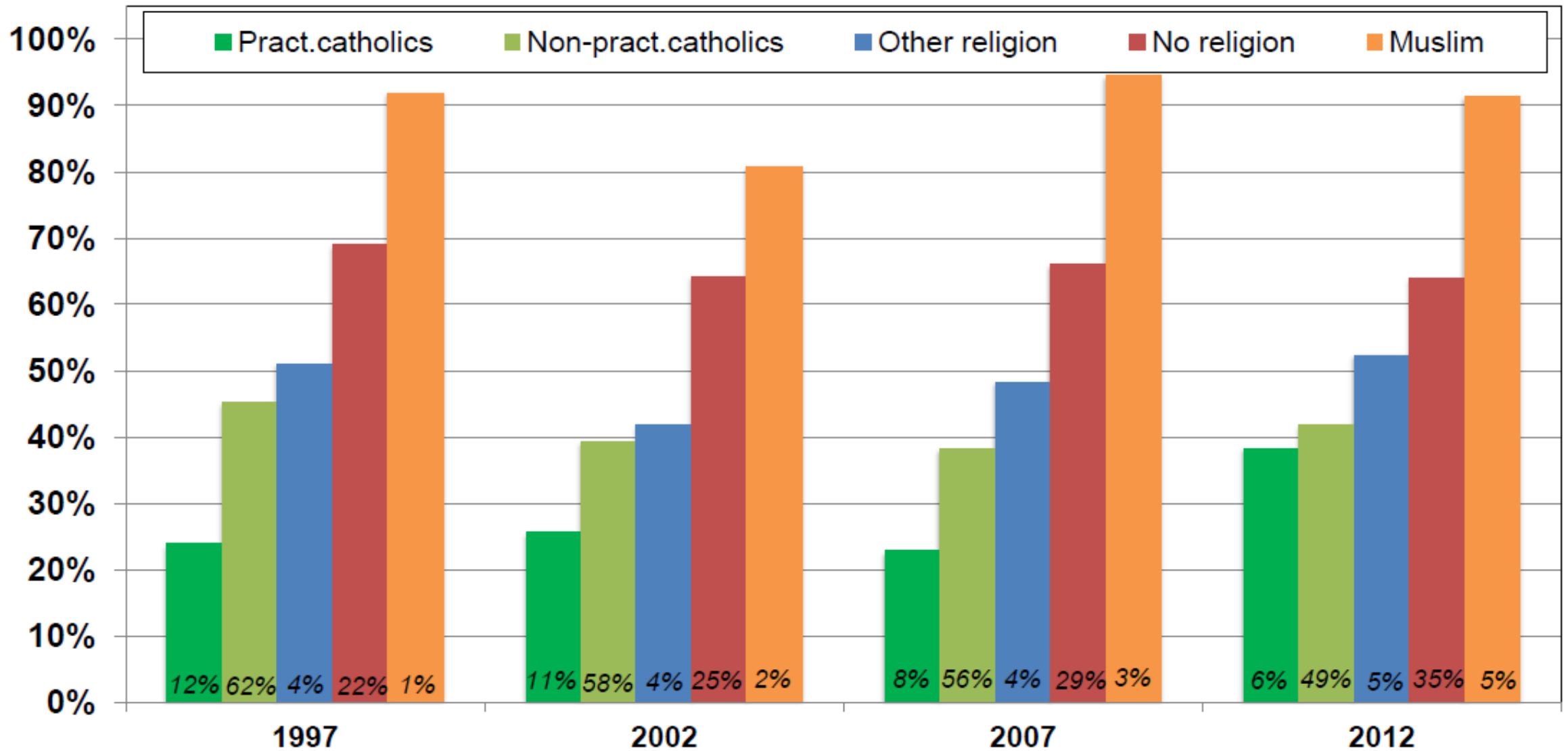
Left-wing vote by religion in France 1973-2012



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)

Reading: in 2012, the left candidate (Hollande) obtains 38% of the vote among voters reporting to be practicing catholics (going to church at least once a month), 42% among non-practicing catholics, and 64% among voters reporting no religion.

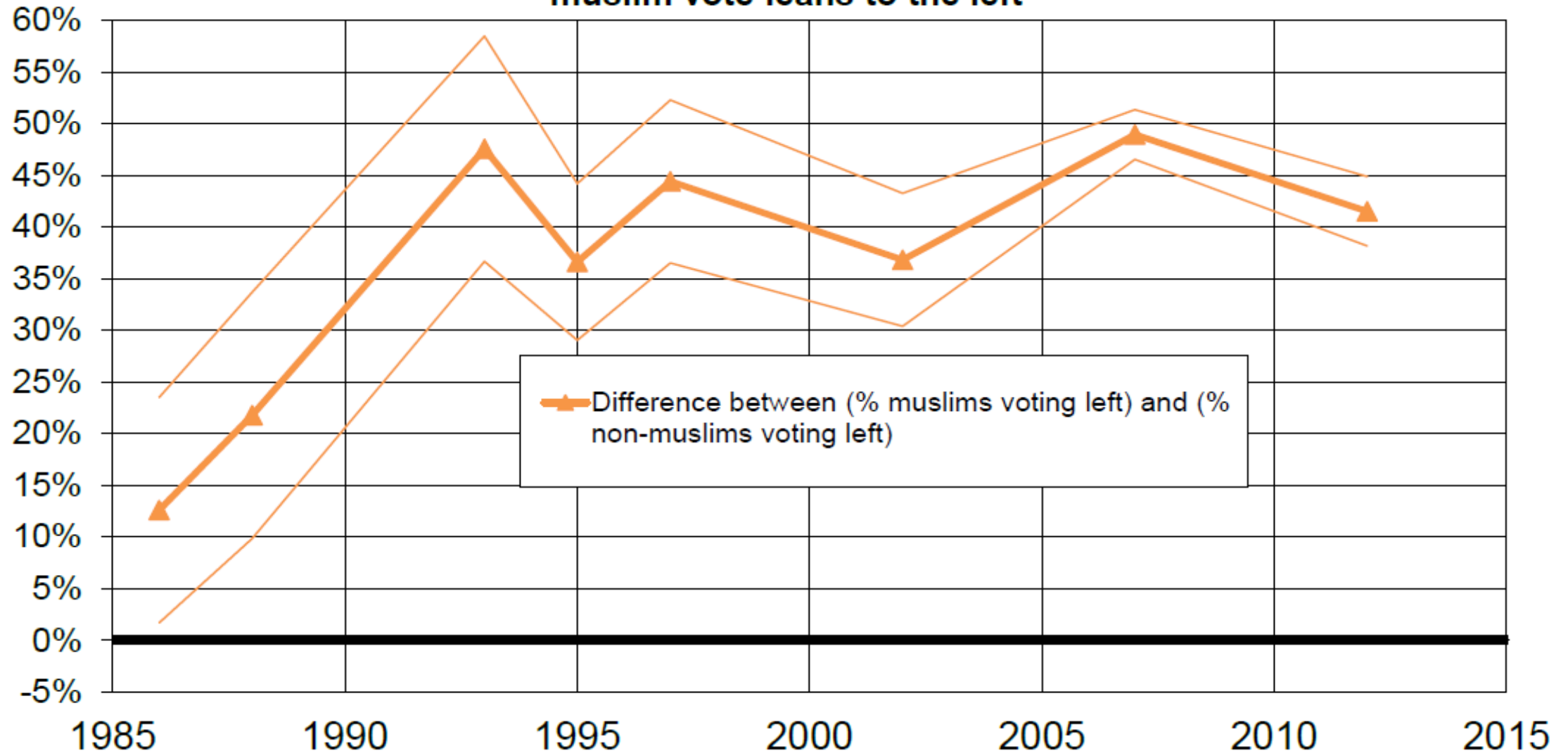
Left-wing vote by religion in France 1973-2012: the case of Islam



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)

Reading: in 2012, the left-wing candidate (Hollande) obtains 38% of the vote among practicing catholics (at least once a month), 42% among non-practicing catholics, 52% among voters reporting another religion (protestantism, judaism, buddhism, etc., except islam), 64% among voters with no religion and 91% among muslims. Islam is classified with "other religion" in 1973-1978.

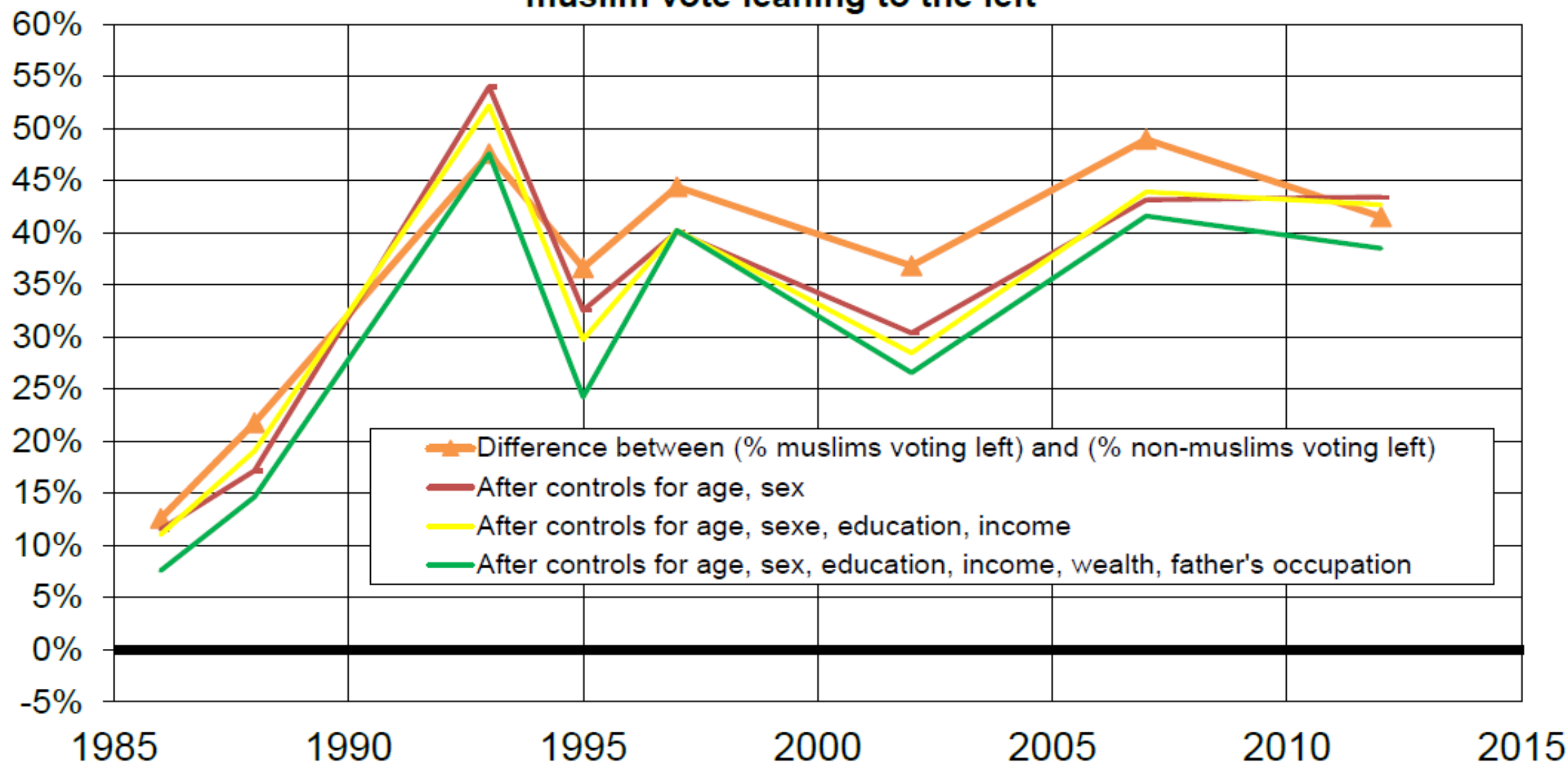
Political conflict in France, 1986-2012: muslim vote leans to the left



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)

Reading: in 2012, the left candidate (Hollande) obtained a score among muslim voters that was 42 points higher than among other voters; fine lines indicate 90% confidence intervals.

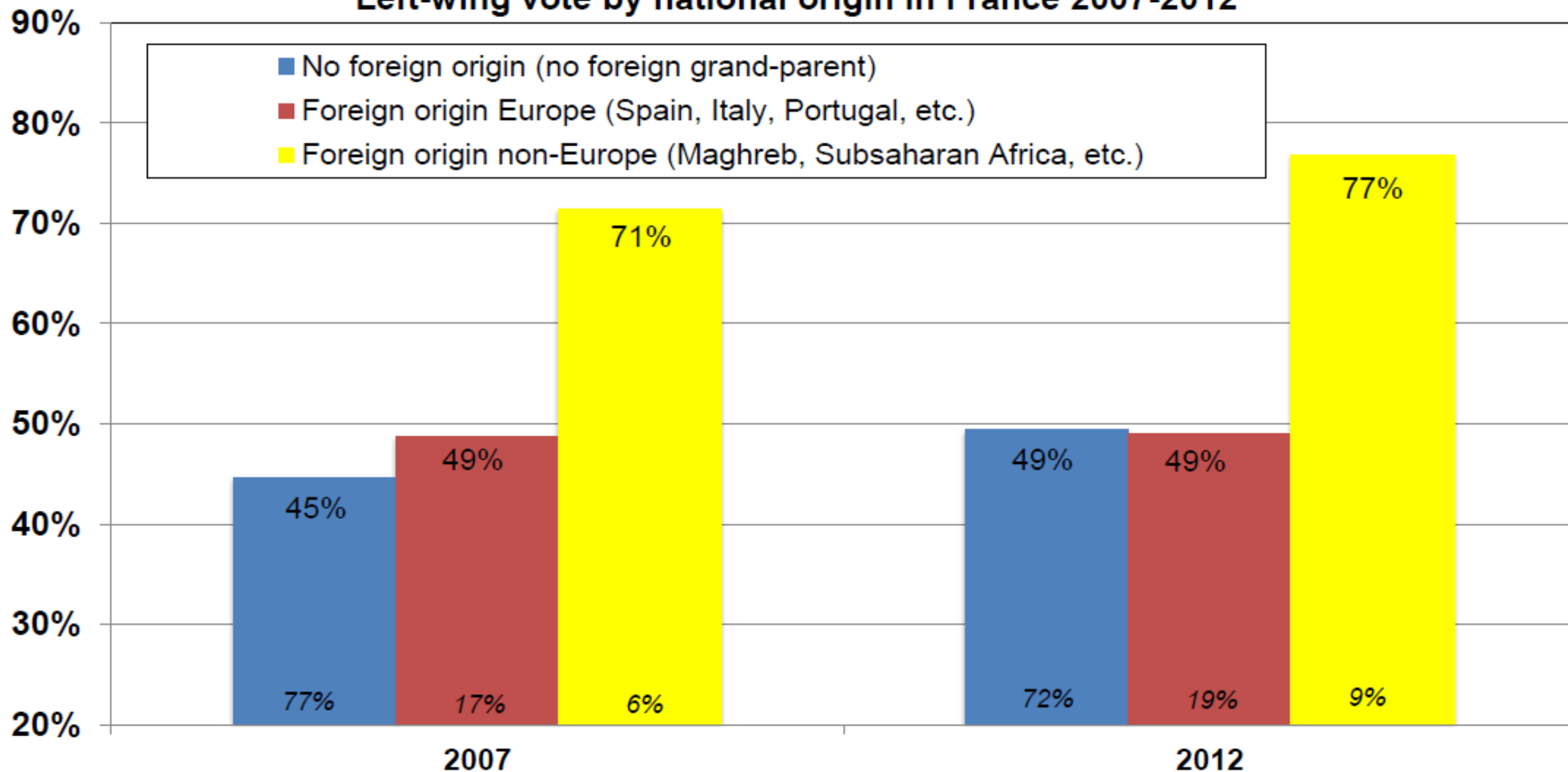
Political conflict in France, 1986-2012: muslim vote leaning to the left



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)

Reading: in 2012, the left candidate (Hollande) obtained a score among muslim voters that was 42 points higher than among other voters; the gap falls to 38 points after controls for age, sex, educ., income, wealth, father's occupation.

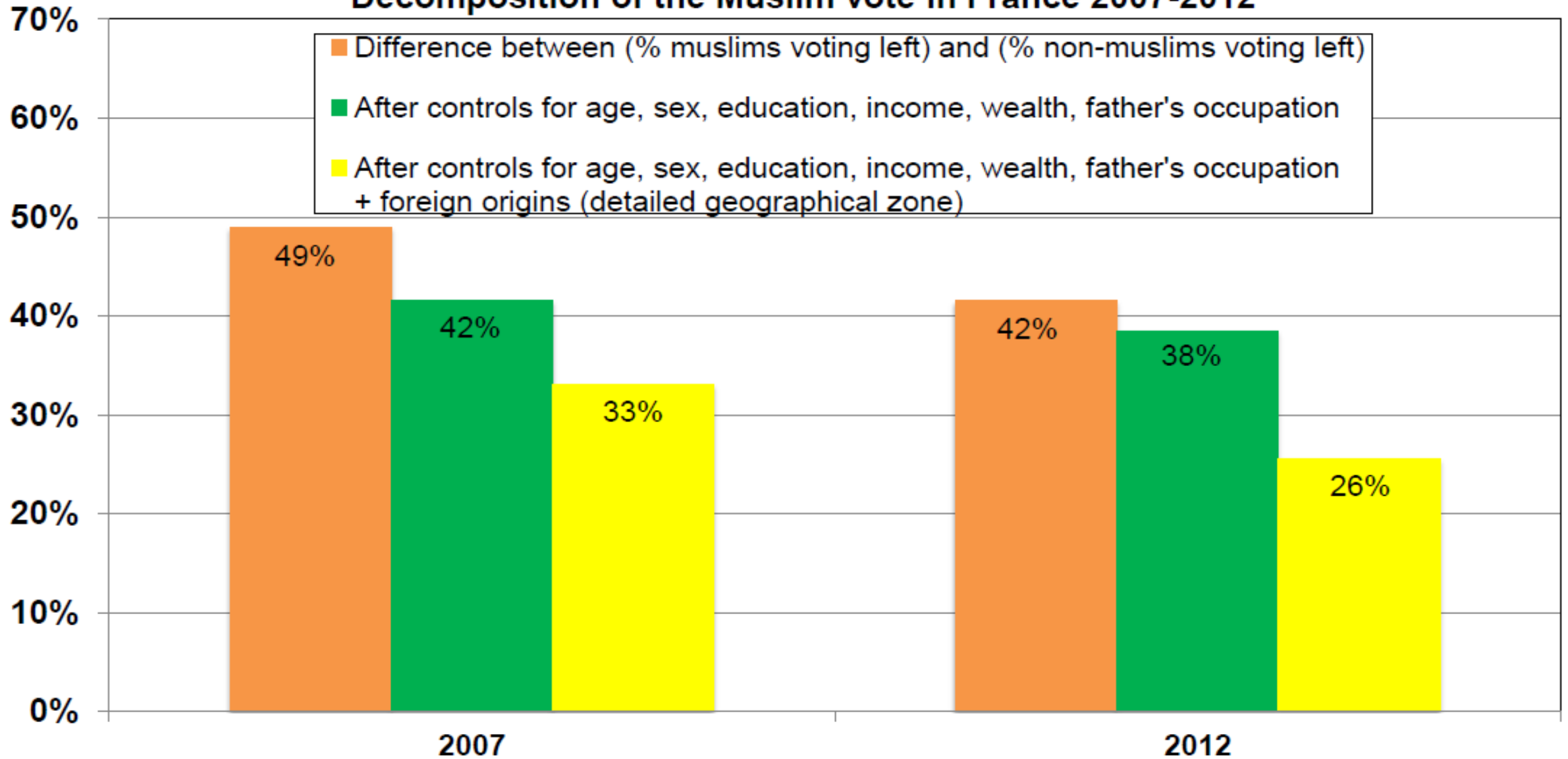
Left-wing vote by national origin in France 2007-2012



Source: author's computation using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)

Reading: in 2012, the left-wing candidate (Hollande) obtained 49% of the vote among voters with no foreign origin (no foreign grand-parent), 49% of the vote among voters with European foreign origins (in practice mostly Spain, Italy, Portugal, etc.), and 77% of the vote among voters with extra-European foreign origins (in practice mostly Maghreb and sub-Saharan Africa).

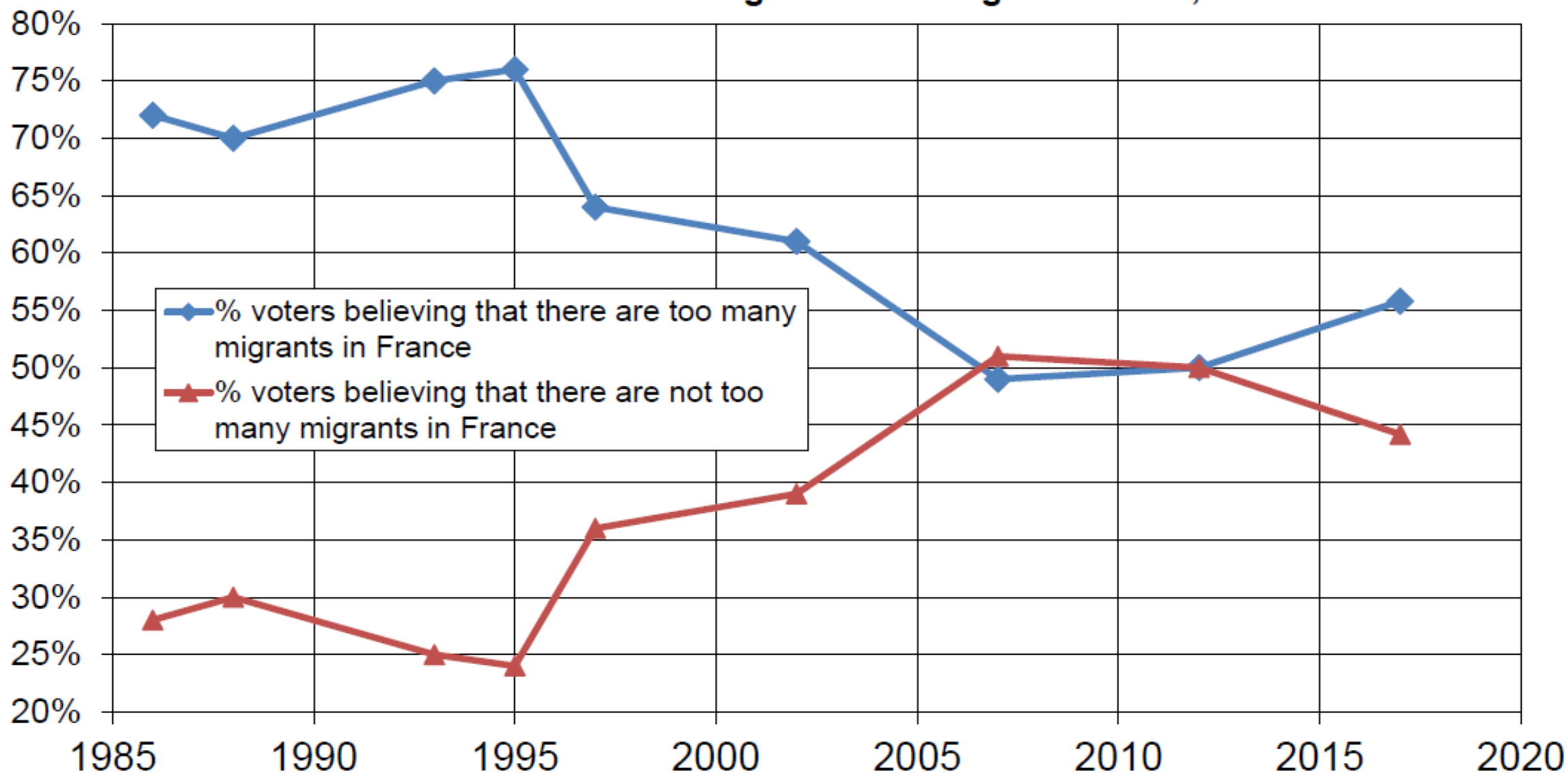
Decomposition of the Muslim vote in France 2007-2012



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)

Reading: in 2012, the left candidate (Hollande) obtained a score among muslim voters that was 42 points higher than among other voters; the gap falls to 38 points after controls for age, sex, educ., income, wealth, father's occup., and 26 pts if we add controls for foreign origins (broken down by area: Italy, Spain, Portugal, other Europe, North Africa, Sub-Saharan Africa, Asia, other non Europe).

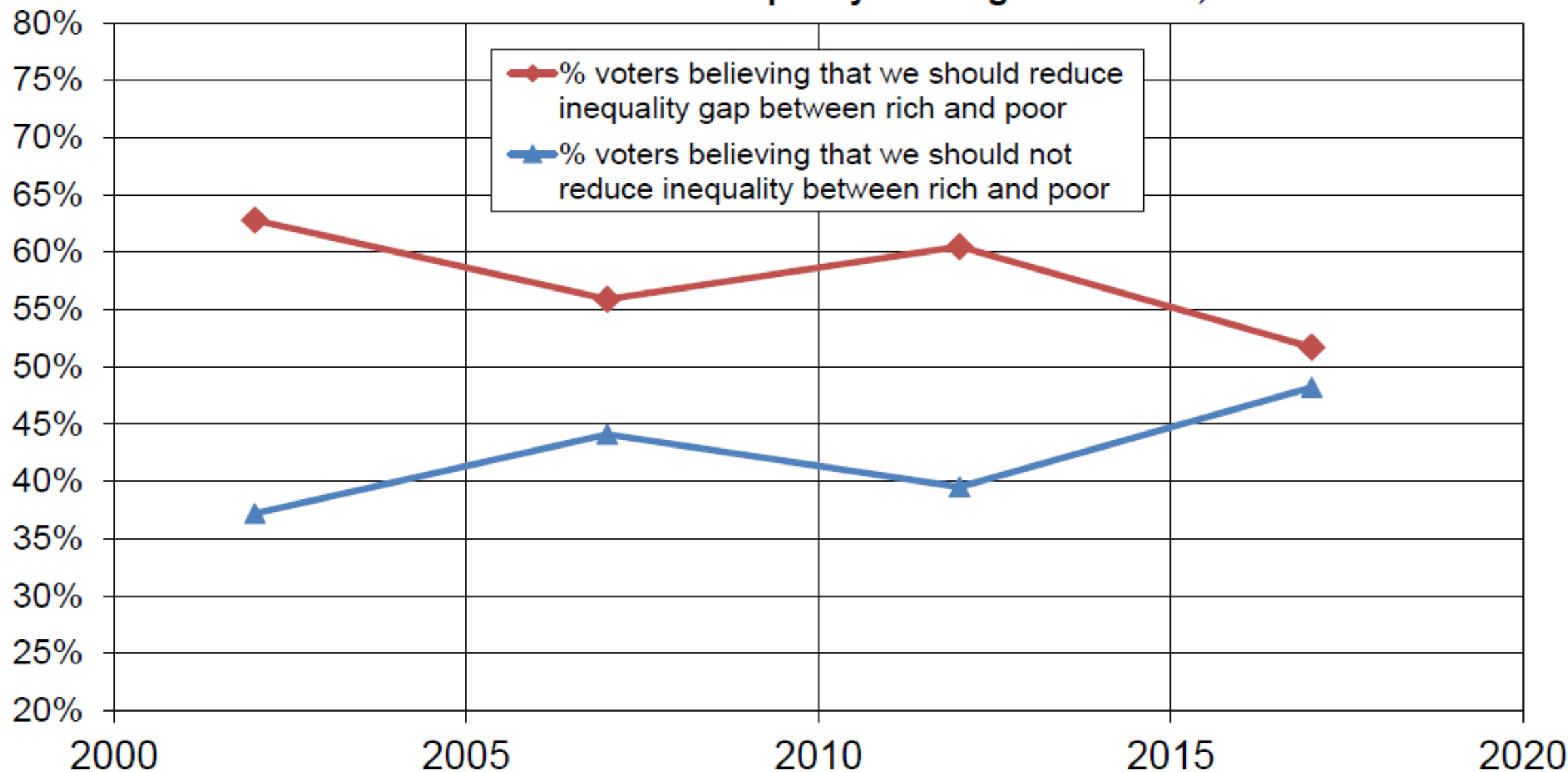
Political conflict and the migration cleavage in France, 1986-2017



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)

Lecture: in 1986, 72% of voters consider that there are too many migrants in France (vs 28% believing the opposite); in 2017 this fraction is equam to 56% (vs 44% believing the opposite).

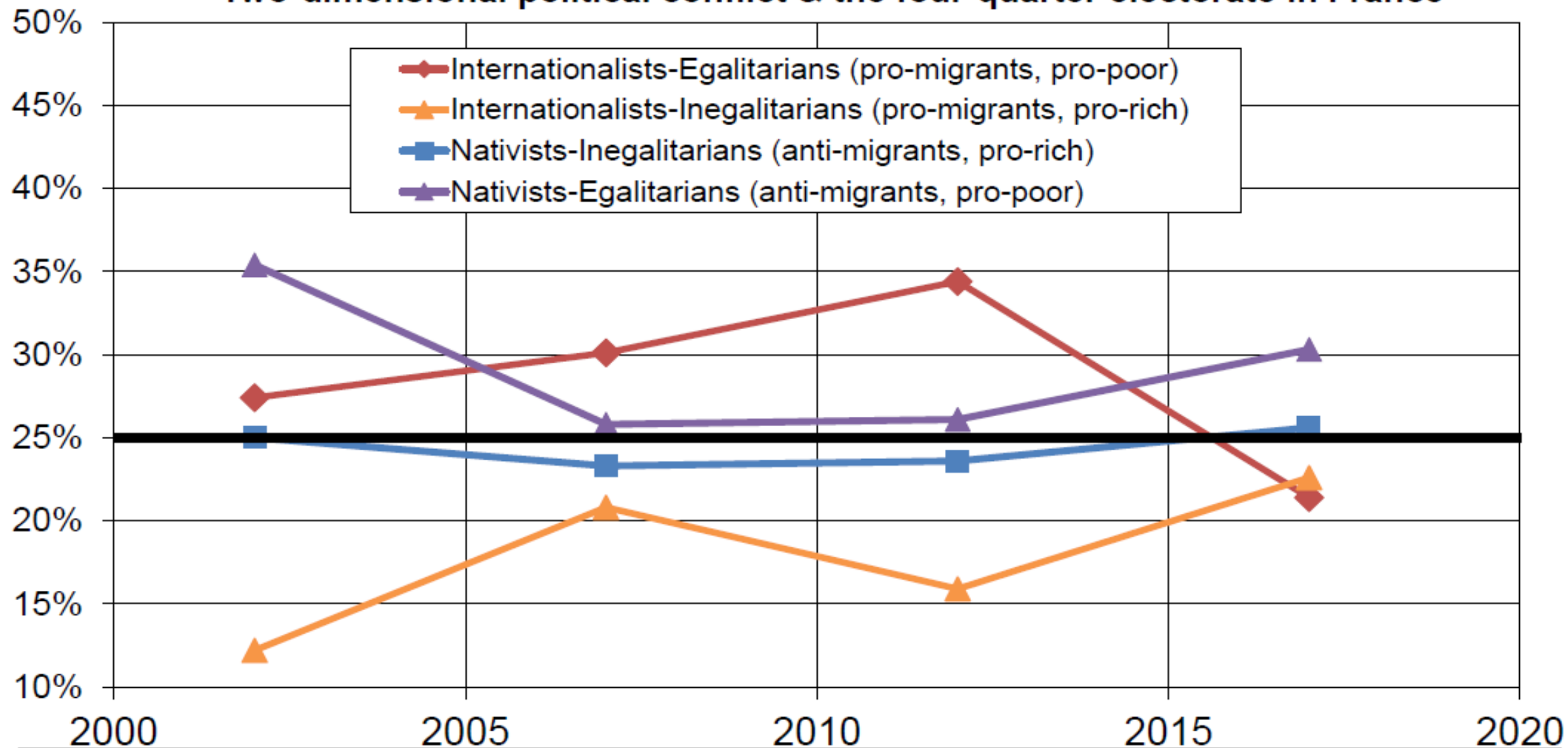
Political conflict and the inequality cleavage in France, 2002-2017



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)

Lecture: in 2002, 63% of voters consider that we should reduce inequality gap between rich and poor in France (vs 37% believing the opposite); in 2017 this fraction is equal to 52% (vs 48% believing the opposite).

Two-dimensional political conflict & the four-quarter electorate in France



Source: author's computations using French post-electoral surveys 2002-2017 (see piketty.pse.ens.fr/conflict)

Lecture: in 2017, 21% of voters are "internationalists-egalitarians" (they consider that there are not too many migrants, and that we should reduce inequality between rich and poor); 26% are "nativists-inegalitarians" (they consider that there are too many migrants and that we should not reduce rich-poor gap); 23% are "internationalists-inegalitarians" & 30% "nativists-egalitarians".

Two-dimensional political conflict in France 2017: an electorate divided into four quarters

Presidential election 2017 (1 st round)	All voters	Mélenchon /Hamon ("left")	Macron ("center")	Fillon ("right")	Le Pen /Dupont-Aignan ("extreme right")
	100%	28%	24%	22%	26%
"There are too many immigrants in France" (% agree)	56%	32%	39%	62%	91%
"In order to achieve social justice we need to take from the rich and give to the poor" (% agree)	51%	67%	46%	27%	61%
University graduates (%)	33%	39%	41%	36%	16%
Income > 4000€/m (%)	15%	9%	20%	26%	8%

Internationalist-Egalitarian (pro-migrant, pro-poor)	21%	58%	28%	9%	5%
Internationalist-Inegalitarian (pro-migrant, pro-rich)	23%	26%	38%	30%	6%
Nativist-Inegalitarian (anti-migrant, pro-rich)	26%	12%	16%	37%	35%
Nativist-Egalitarian (anti-migrant, pro-poor)	30%	19%	16%	14%	51%

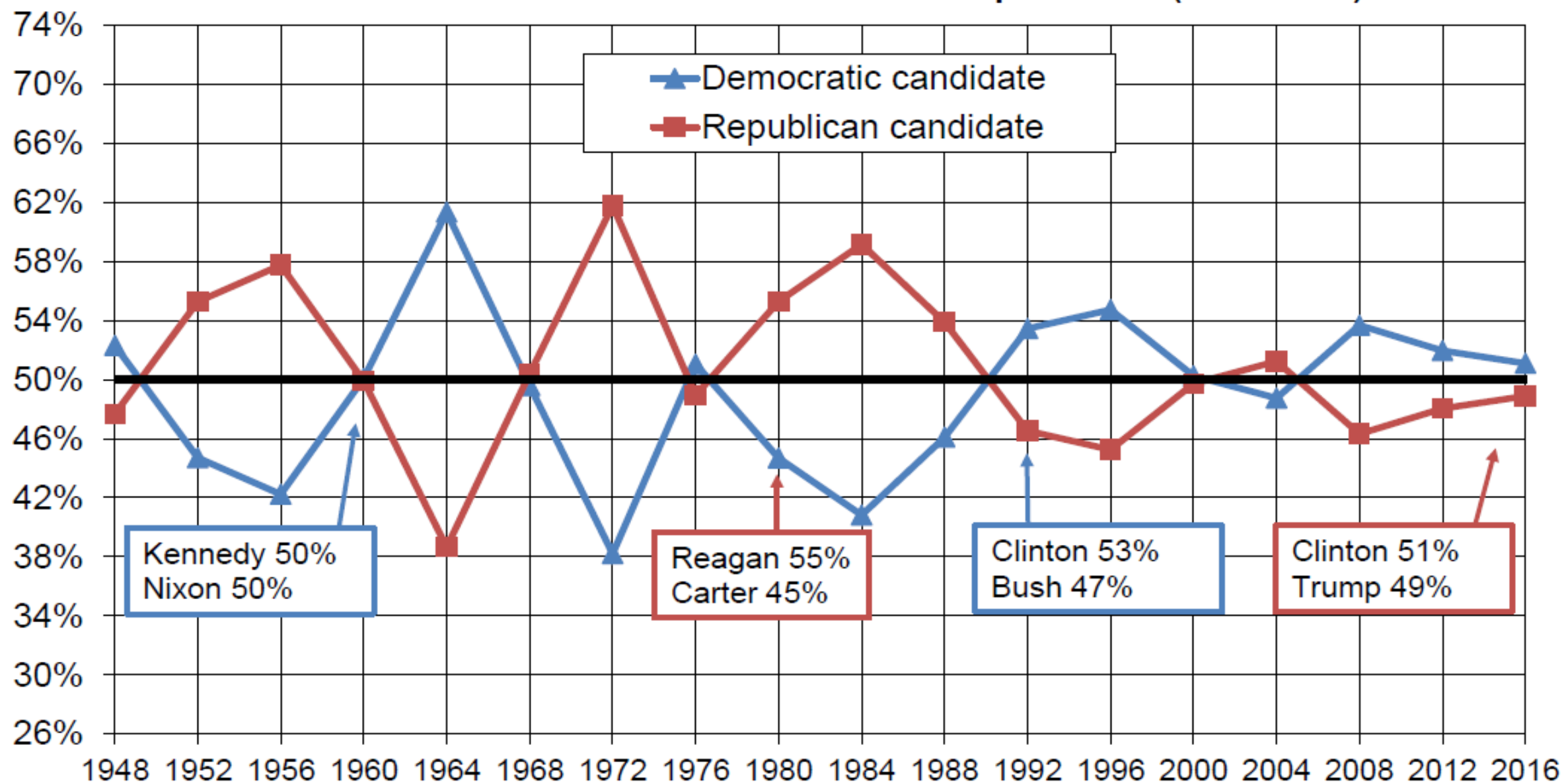
Source: author's computations using French post-electoral survey 2017 (see piketty.pse.ens.fr/conflict). **Reading:** in 2017, 28% of first-round voters voted for Mélenchon/Hamon, and 32% of them believe that there are too many migrants in France (vs 56% among all voters); 21% of first-round voters are "internationalist-egalitarian" (they believe that there are not too many migrants and that we should redistribute from rich to poor), and 58% of them voted for "left" candidates.

Note: the votes for Arthaud/Poutou (2%) and Asselineau/Cheminade/Lassale (2%) were added to the votes for Melenchon-Hamon and Fillon (respectively).

Evidence from the US

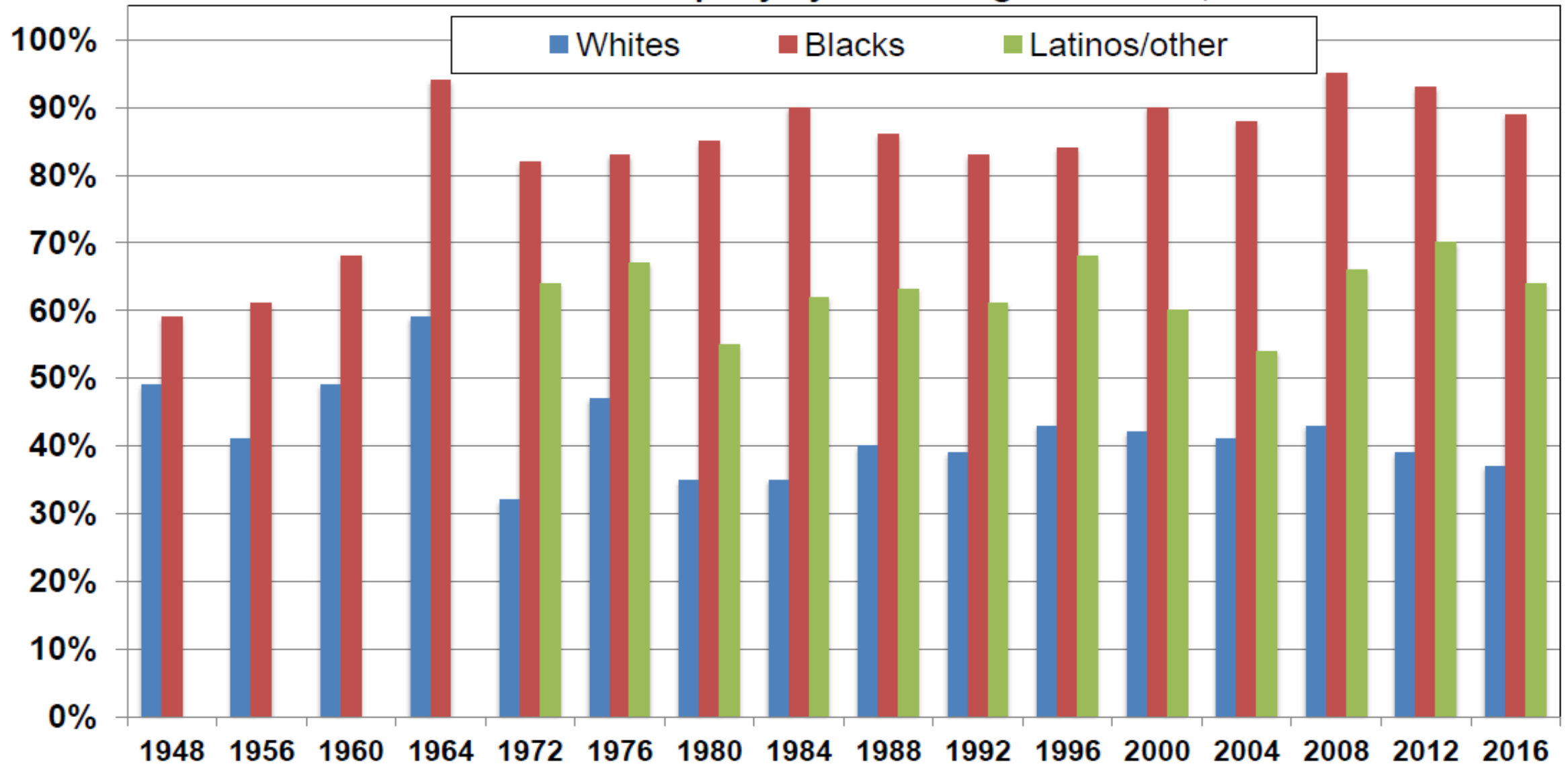
- Long tradition of post-electoral surveys: 1948-2016 biannual survey ANES series; homogenous micro-files; limited sample size (4000 obs/survey in recent years, but 1000-2000/survey for most of the series)
- 1972-2016 post-electoral surveys organized by media consortium (distributed by Roper): much bigger sample size (20-50000 obs/survey), but much smaller number of questions and income brackets
- Unfortunately US surveys usually do not ask questions on wealth
- I start by presenting results on changing voting patterns by **race**, then move to **education**, then **income**, so as to compare multiple-elite result with France

Political conflict in the US: democrats vs republicans (1948-2016)



Percentage of popular vote obtained by democratic and republican candidates in US presidential elections 1948-2016 (excluding other candidates). Source: see piketty.pse.ens.fr/conflict.

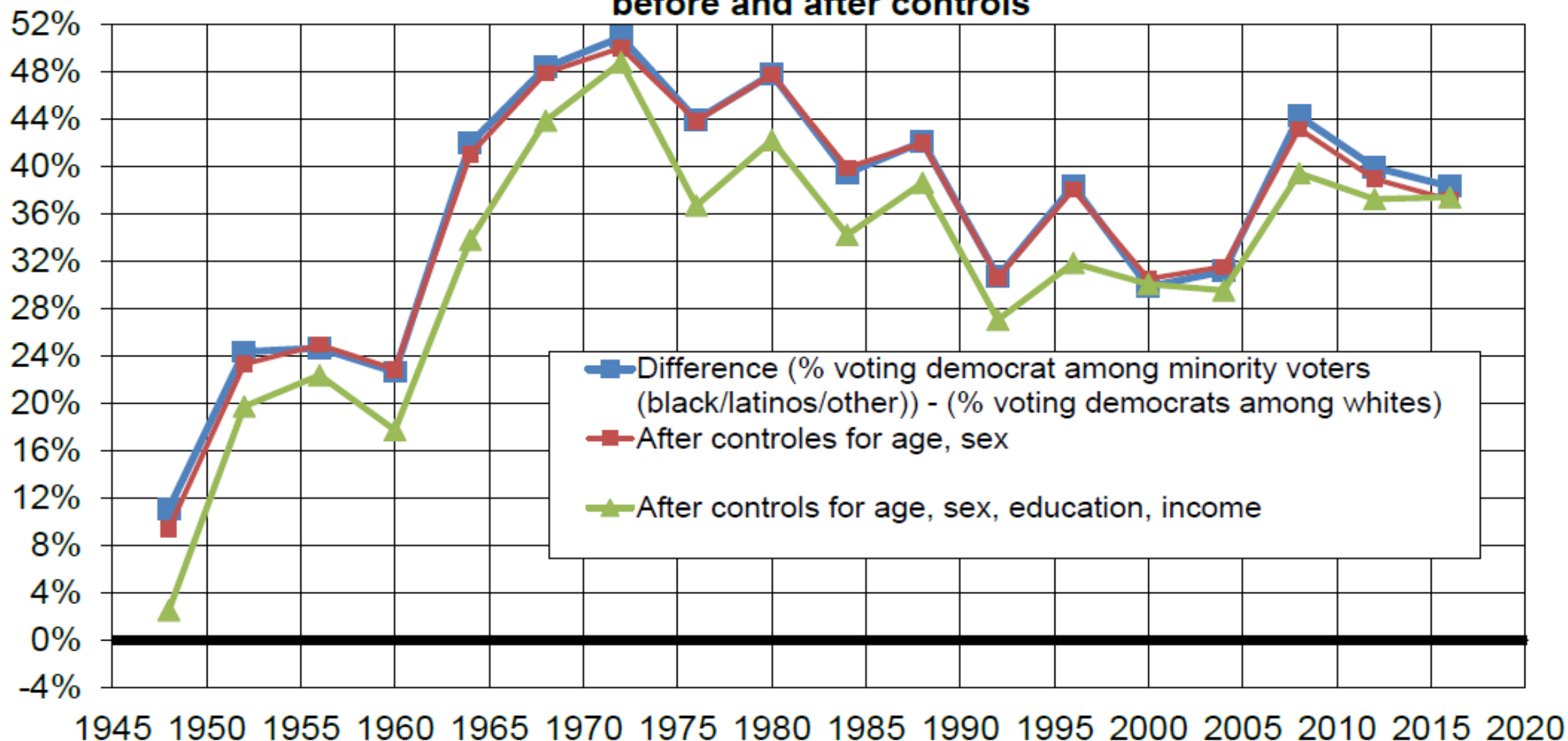
Vote for democratic party by ethnic origin in the US, 1948-2016



Source: author's computations using US post-electoral surveys 1948-2016 (ANES) (see piketty.pse.ens.fr/conflict)

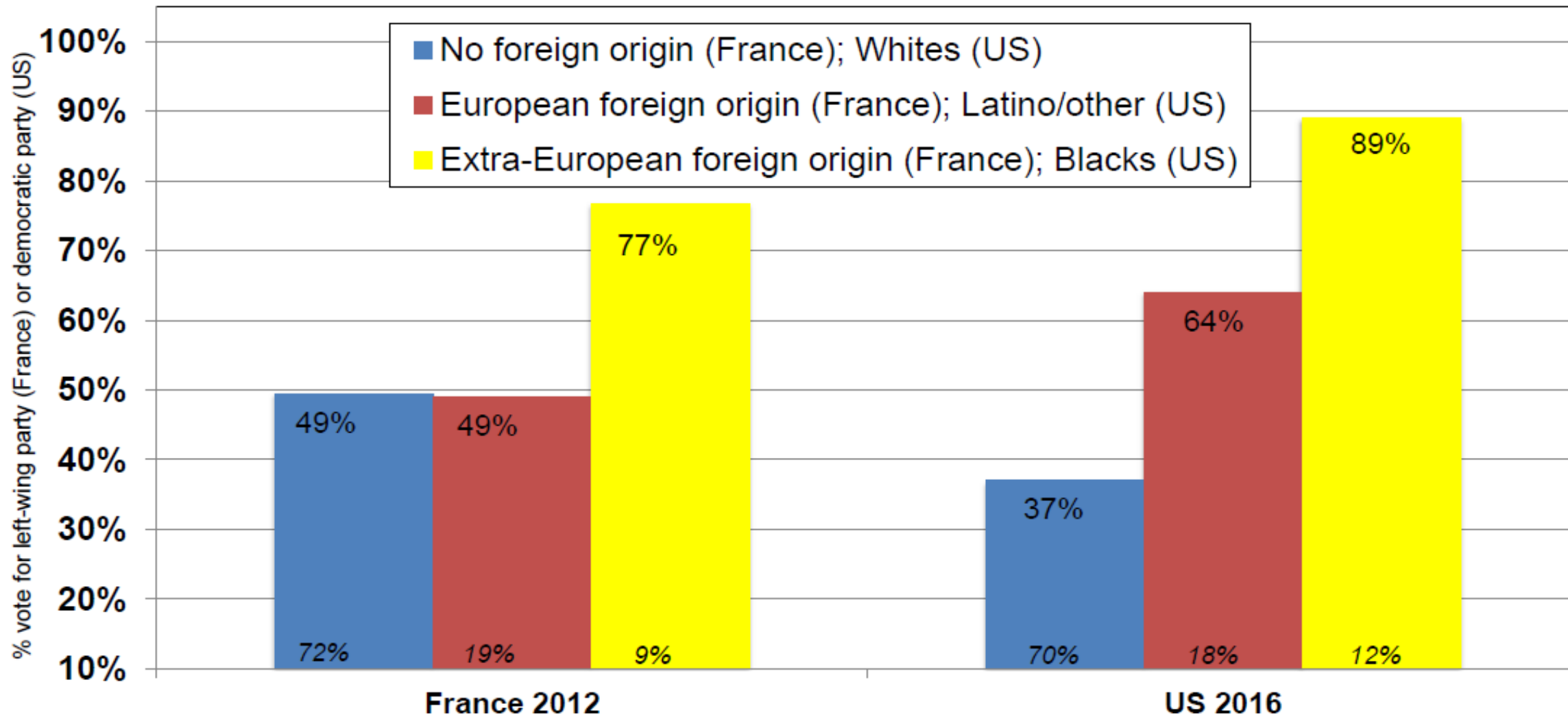
Reading: in 2016, the democratic party candidate (Clinton) obtains 37% of the vote among white voters, 89% of the vote among black voters and 64% of the vote among latino and other voters.

Minority vote in the US, 1948-2017: before and after controls



Source: author's computations using US post-electoral surveys 1948-2016 (ANES) (see piketty.pse.ens.fr/conflict)
Reading: in 1948, the democratic candidate obtained a score that was 11 points higher among minority voters than among whites; in 2016, the democratic candidate obtained a score that was 39 points higher among minority voters.

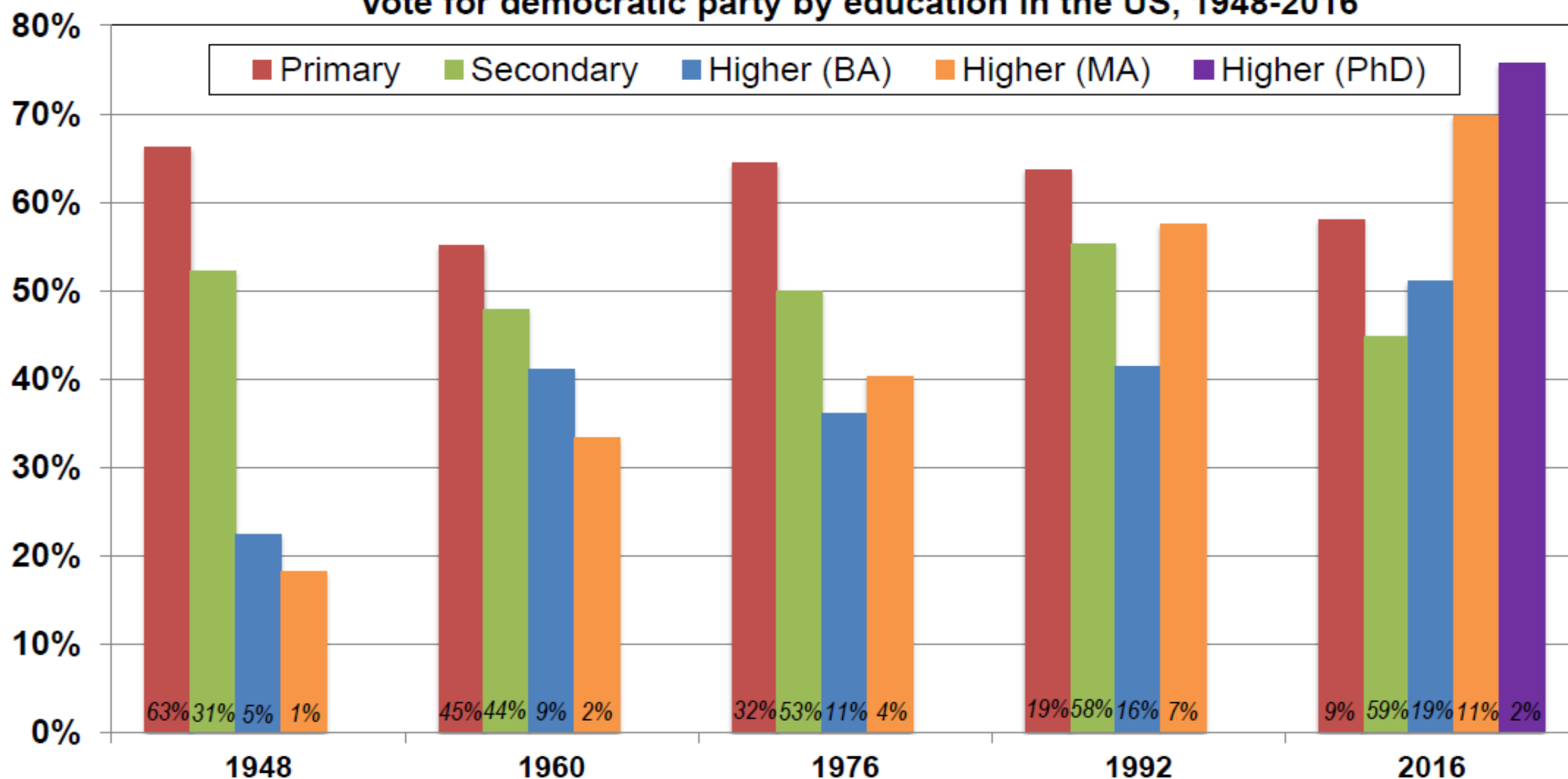
Political conflict and national-ethnic origins: France vs the US



Source: author's computation using French and US post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)

Reading: in 2012, the French left-wing candidate (Hollande) obtained 49% of the vote among voters with no foreign origin (no foreign grand-parent), 49% of the vote among voters with European foreign origins (mostly Spain, Italy, Portugal, etc.), and 77% of the vote among voters with extra-European foreign origins (mostly Maghreb and sub-Saharan Africa). In 2016, the US democratic candidate (Clinton) obtains 37% of the vote among Whites, 64% of the vote among Latinos/others, and 89% of the vote among Blacks.

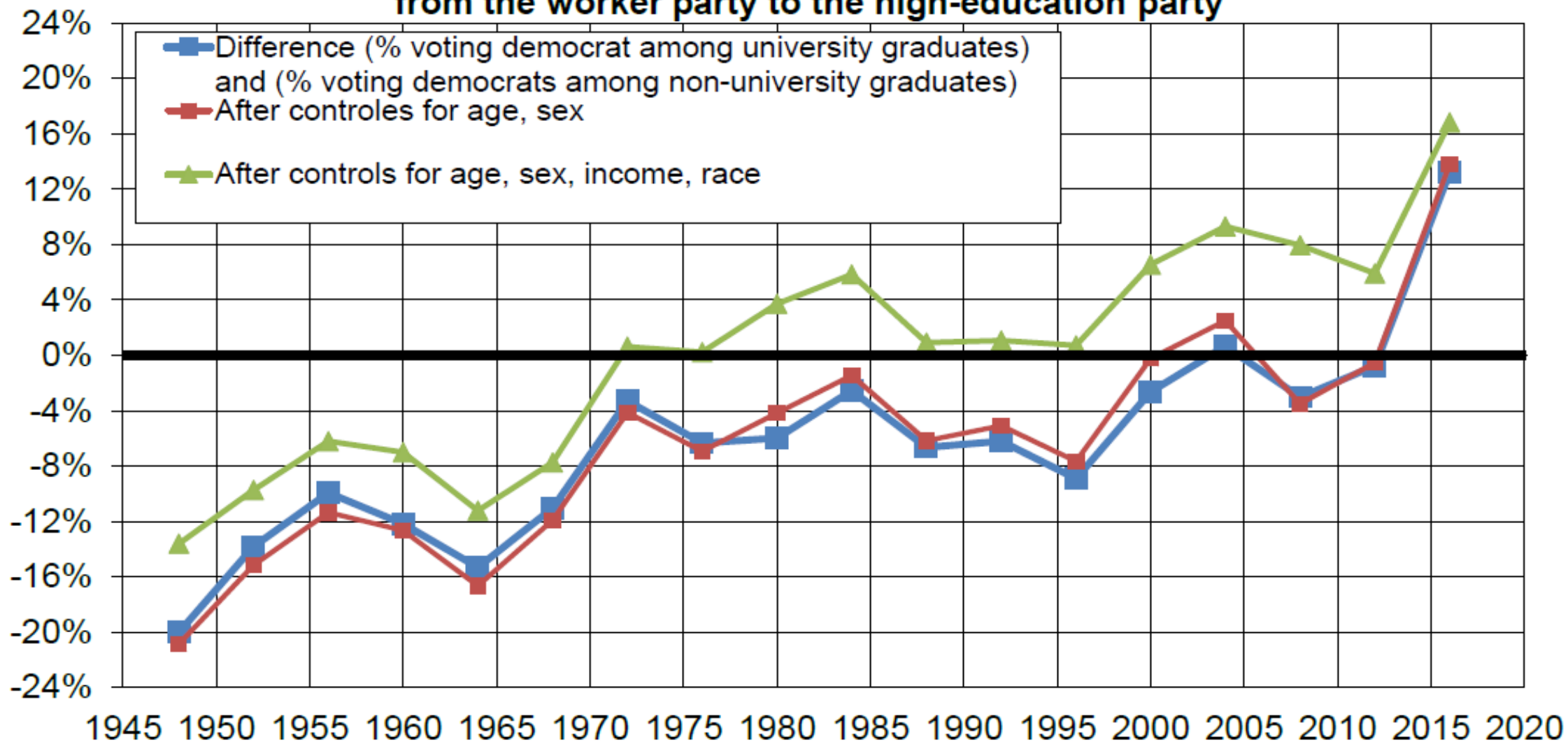
Vote for democratic party by education in the US, 1948-2016



Source: author's computations using US post-electoral surveys 1948-2016 (ANES) (see piketty.pse.ens.fr/conflict)

Reading: in 2016, the democratic party candidate (Clinton) obtained 45% of the vote among high-school graduates and 75% among PhDs. Primary: voters with no high-school degree. Secondary: high-school degree but not bachelor degree. Higher (BA): bachelor degree. Higher (MA): advanced degree (master, law/medical school). Higher (PhD): PhD degree.

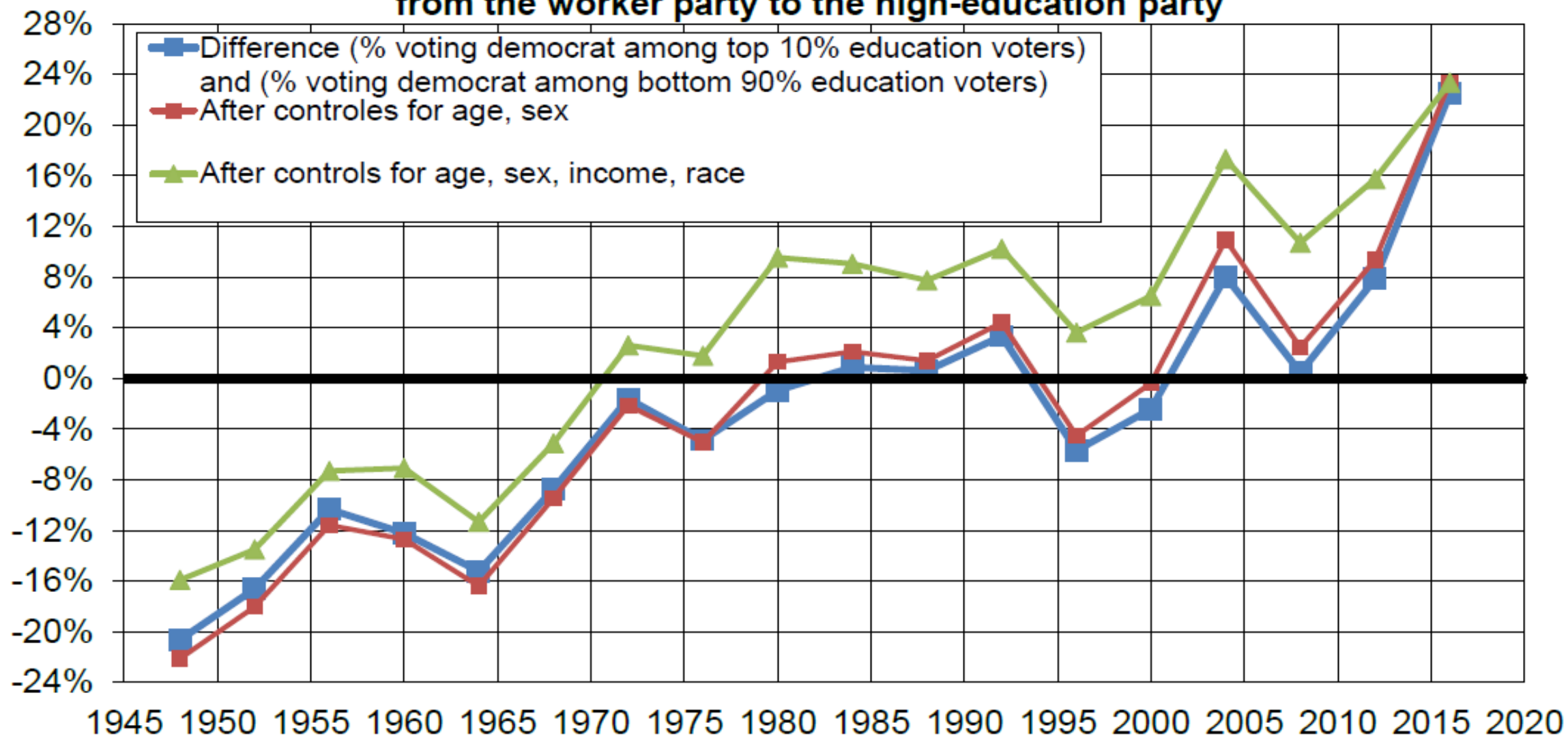
Voting for the democratic party in the US, 1948-2017: from the worker party to the high-education party



Source: author's computations using US post-electoral surveys 1948-2016 (ANES) (see piketty.pse.ens.fr/conflict)

Reading: in 1948, the democratic candidate obtained a score that was 17 points lower among university graduates than among non-university graduates; in 2016, the score of the democratic candidate is 13 points higher among university graduates.

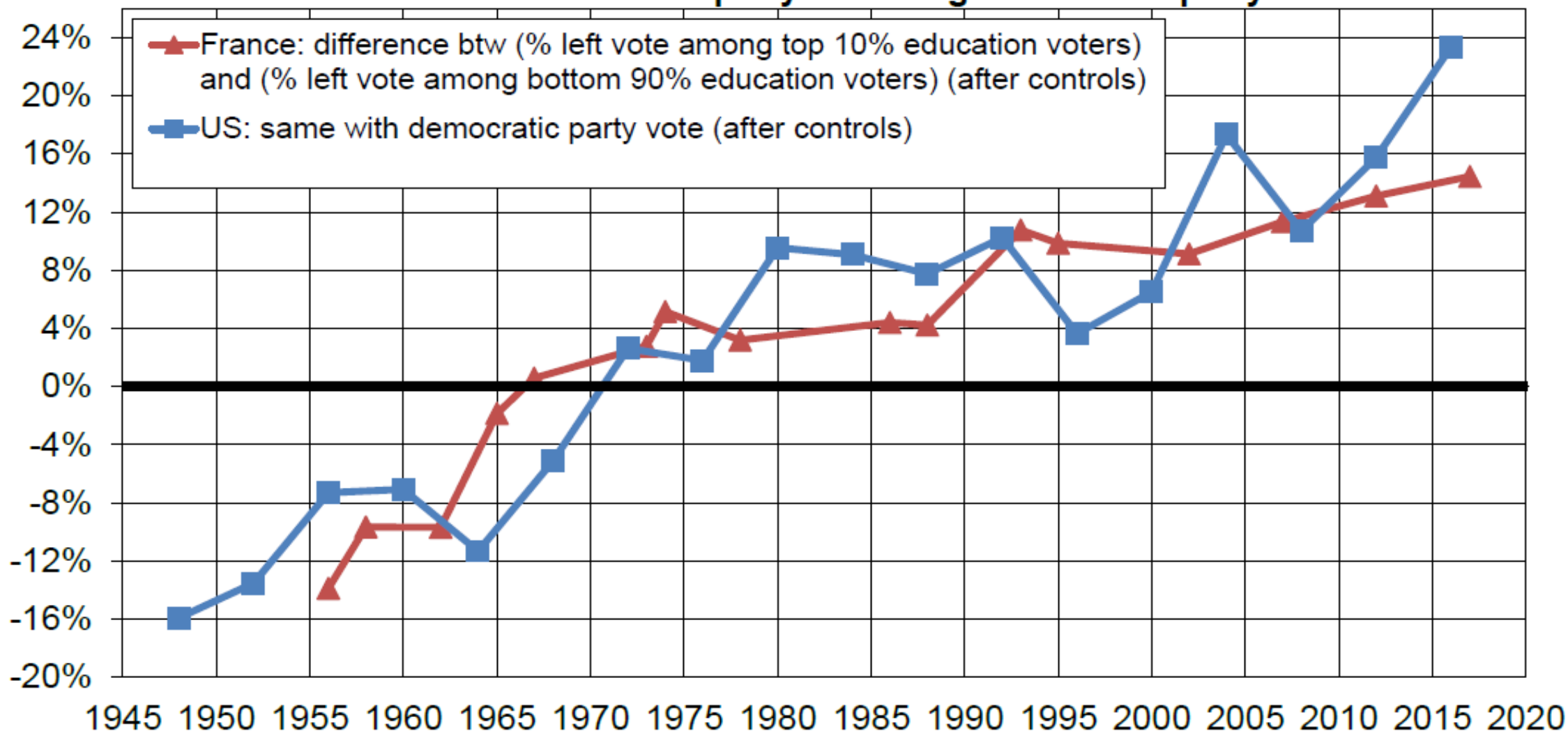
Voting for the democratic party in the US, 1948-2017: from the worker party to the high-education party



Source: author's computations using US post-electoral surveys 1948-2016 (ANES) (see piketty.pse.ens.fr/conflict)

Reading: in 1948, the democratic candidate obtained a score that was 21 points lower among top 10% education voters than among bottom 90%; in 2016, the score of the democratic candidate is 23 points higher among top 10% education voters.

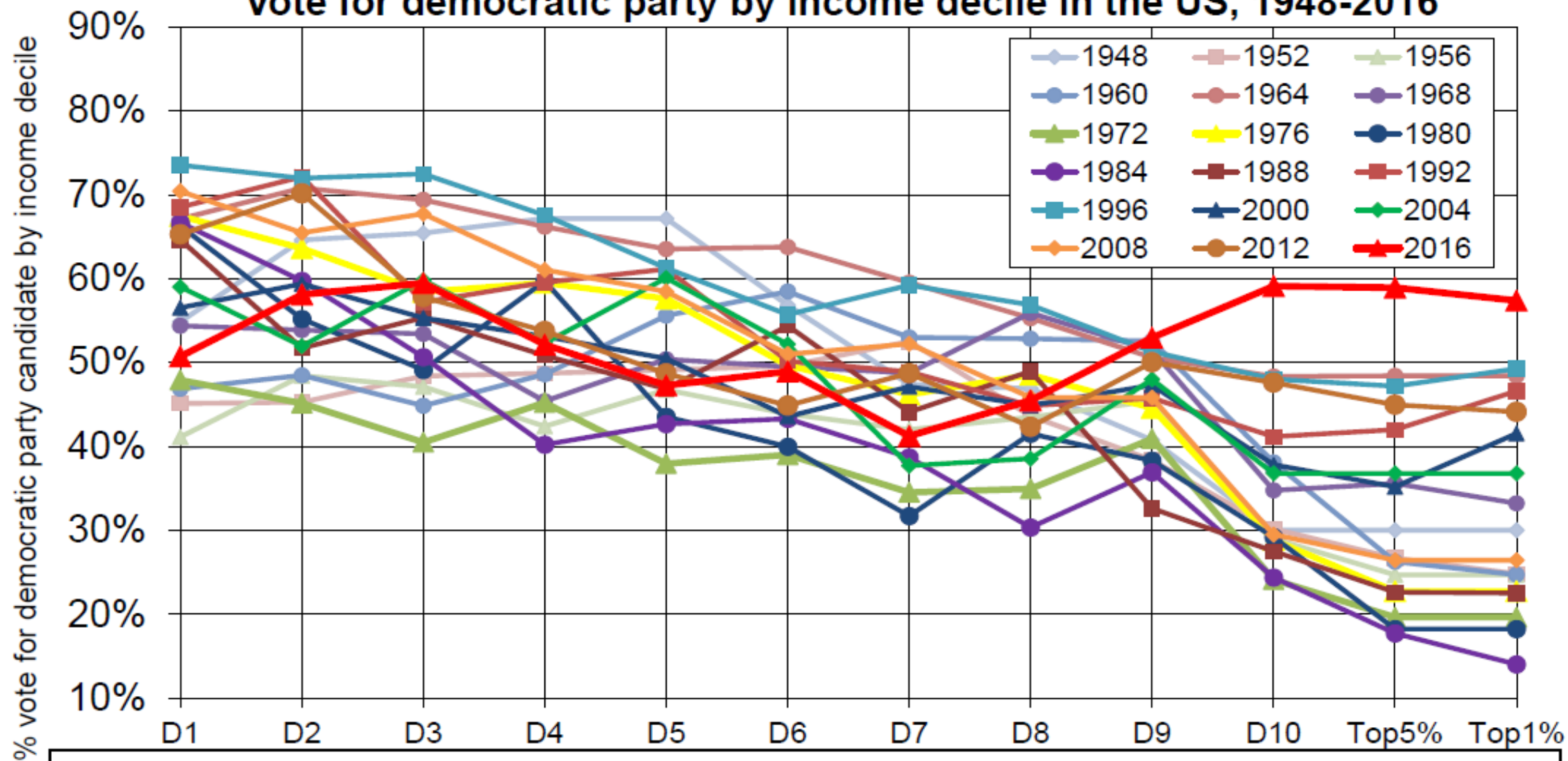
Voting for left-wing & democratic parties in France, Britain, US 1948-2017: from the worker party to the high-education party



Source: author's computations using French and US post-electoral surveys 1948-2017 (see piketty.pse.ens.fr/conflict)

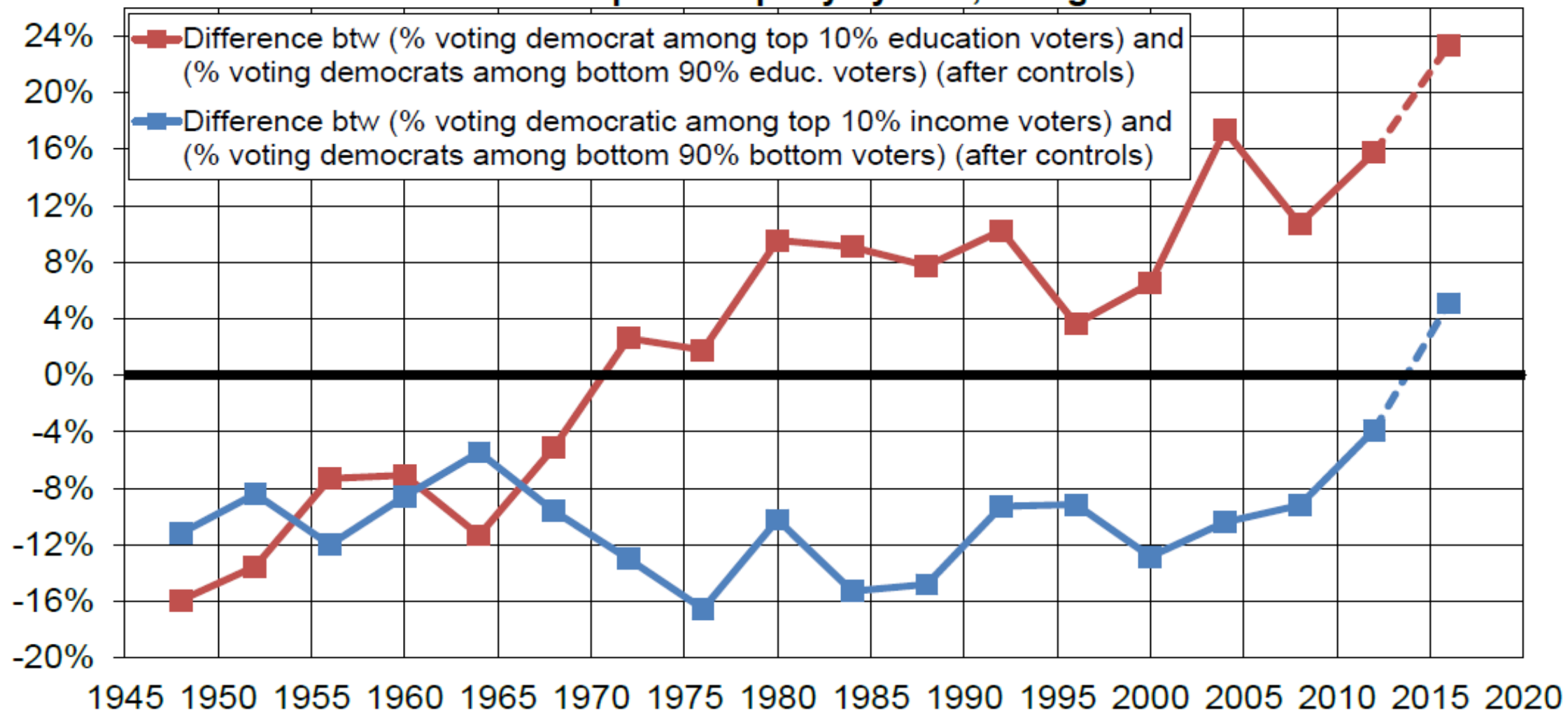
Reading: in 1956, left-wing parties (SFIO-PS, PC, Rad., etc.) obtain a score that is 14 points lower among top 10% education voters than among bottom 90% education voters in France; in 2012, their score is 13 points higher among university graduates (after controls for age, sex, income, wealth, father's occupation). The evolution is similar for democratic vote in the US.

Vote for democratic party by income decile in the US, 1948-2016



Source: author's computations using US post-electoral surveys 1948-2016 (ANES) (see piketty.pse.ens.fr/conflict)
Reading: the profile of voting for the democratic party candidate by income percentile is generally downward sloping, especially at the level of the top 10%, and particularly at the beginning of the period (from the 1950s to the 1980s). Since the early 1990s the profile is really flat at the top. In the 2016 presidential election, the profile is reversed: for the first time, top 10% voters support the democratic party candidate.

Political conflict in the US, 1948-2017: toward a multiple-elite party system, or a great reversal?



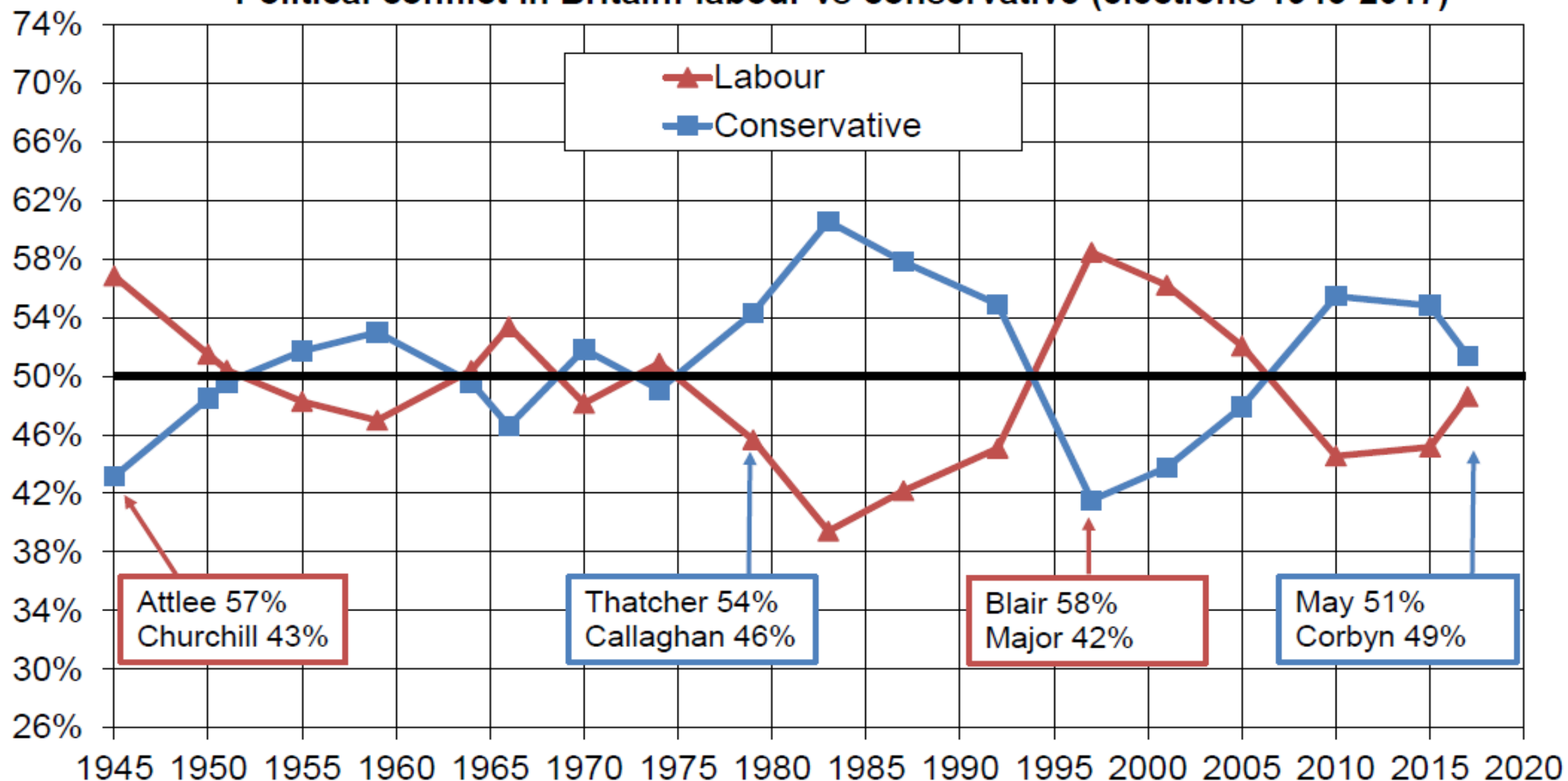
Source: author's computations using US post-electoral surveys 1948-2016 (ANES) (see piketty.pse.ens.fr/conflict)

Reading: the democratic vote used to be associated with low education and low income voters; it has gradually become associated to high education voters, giving rise to a "multiple-elite" party system (education vs income); it might also become associated with high income voters in the future, giving rising to great reversal and complete realignment of the party system.

Evidence from Britain

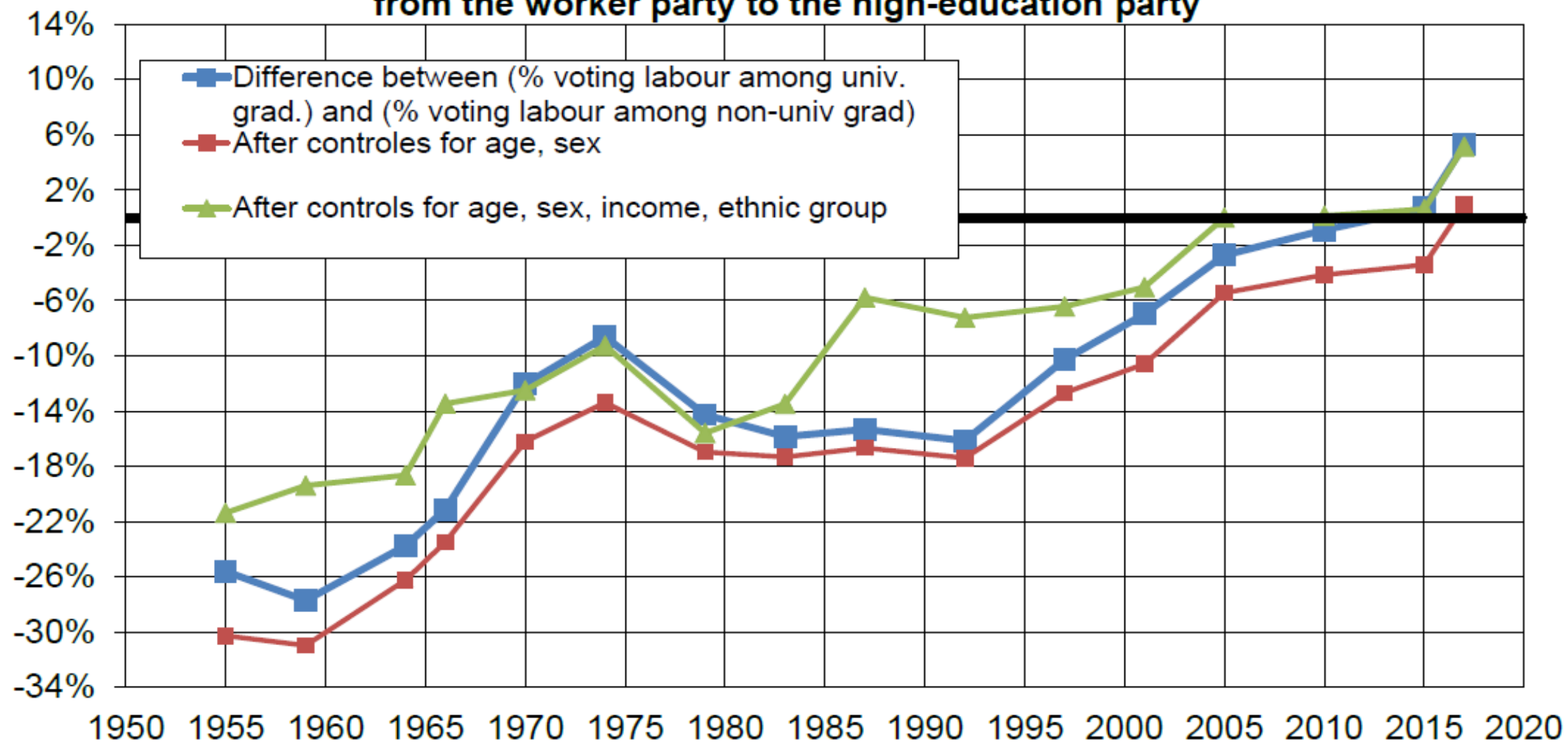
- Long tradition of post-electoral surveys: 1963-2017 BES surveys; sample size : 4000 obs/survey in recent years, but 1000-2000 in early years
- Unfortunately British surveys ask few questions on wealth (less than in France, but more than in the US)
- I start by presenting results on changing voting patterns by **education**, then **income**, so as to compare multiple-elite result with France and US
- **Britain: party system fairly different from France (socialist-communist split, ≠ unified Labour party) and US (democrats=ex-slavery party), but same evolution of education vs income cleavage since 1950s: very striking**
- Same pattern as France regarding muslim vote: from <1% of the electorate till 1980s-90s up to 5% in 2017, with 80-90% vote for labour (not shown here)

Political conflict in Britain: labour vs conservative (elections 1945-2017)



Percentage of popular vote obtained by labour and conservative parties in British legislative elections 1945-2017 (excluding other parties). Source: see piketty.pse.ens.fr/conflict.

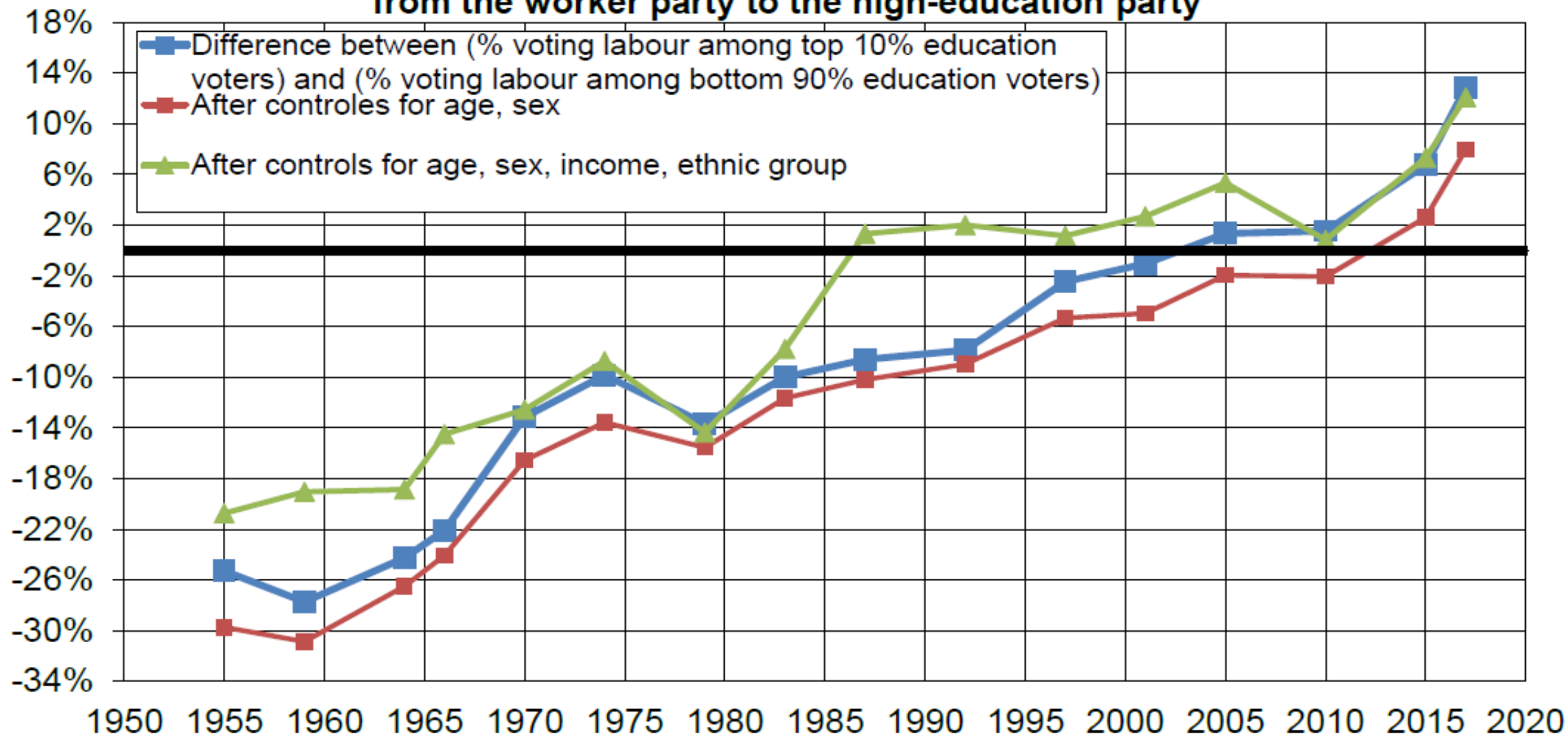
Voting for the labour party in Britain, 1955-2017: from the worker party to the high-education party



Source: author's computations using British post-electoral surveys 1963-2017 (BES) (see piketty.pse.ens.fr/conflict)

Reading: in 1955, the labour party obtained a score that was 26 points lower among university graduates than among non-university graduates; in 2017, the score of the labour party is 6 points higher among university graduates. Controls alter levels but do not affect trends. Note: here "university graduates" include both technical and general higher-education degrees.

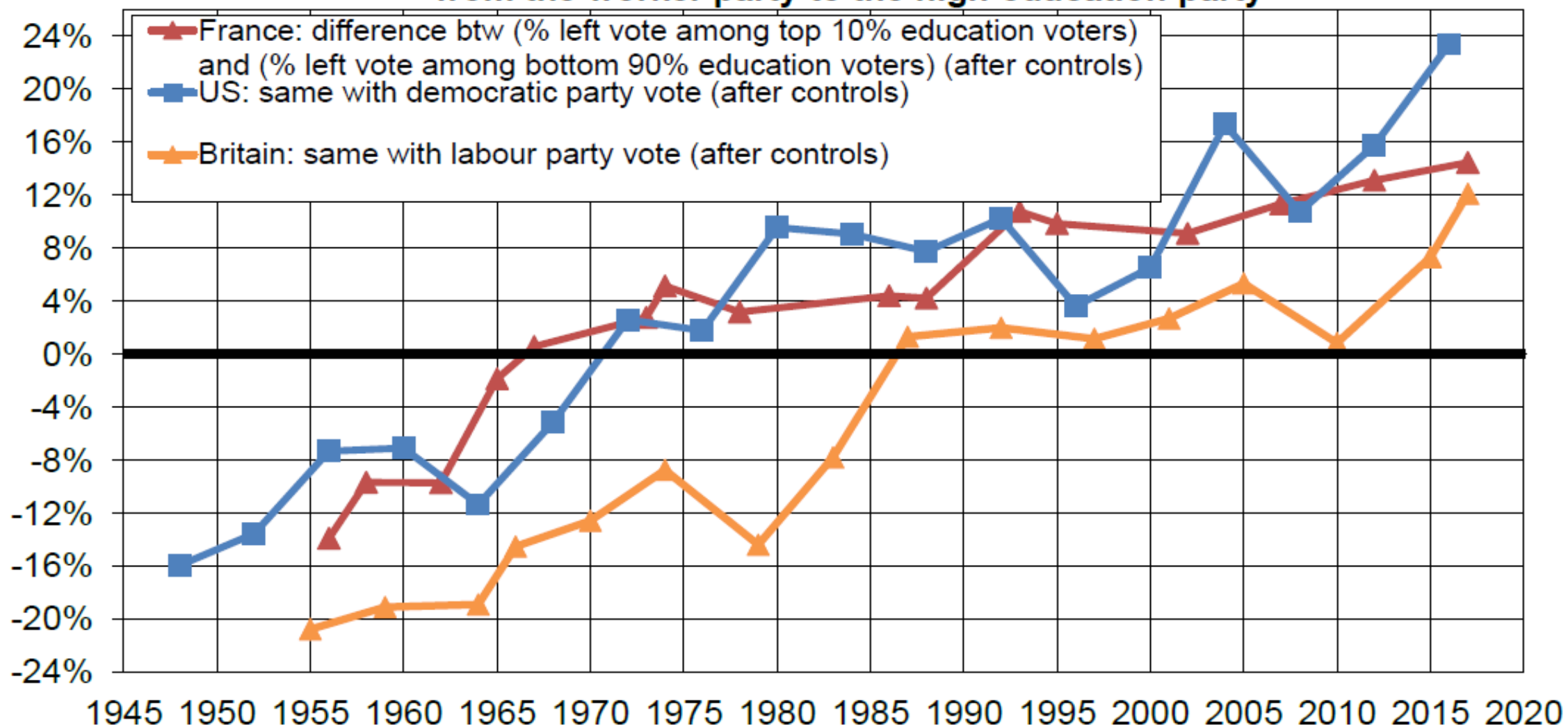
Voting for the labour party in Britain, 1955-2017: from the worker party to the high-education party



Source: author's computations using British post-electoral surveys 1963-2017 (BES) (see piketty.pse.ens.fr/conflict)

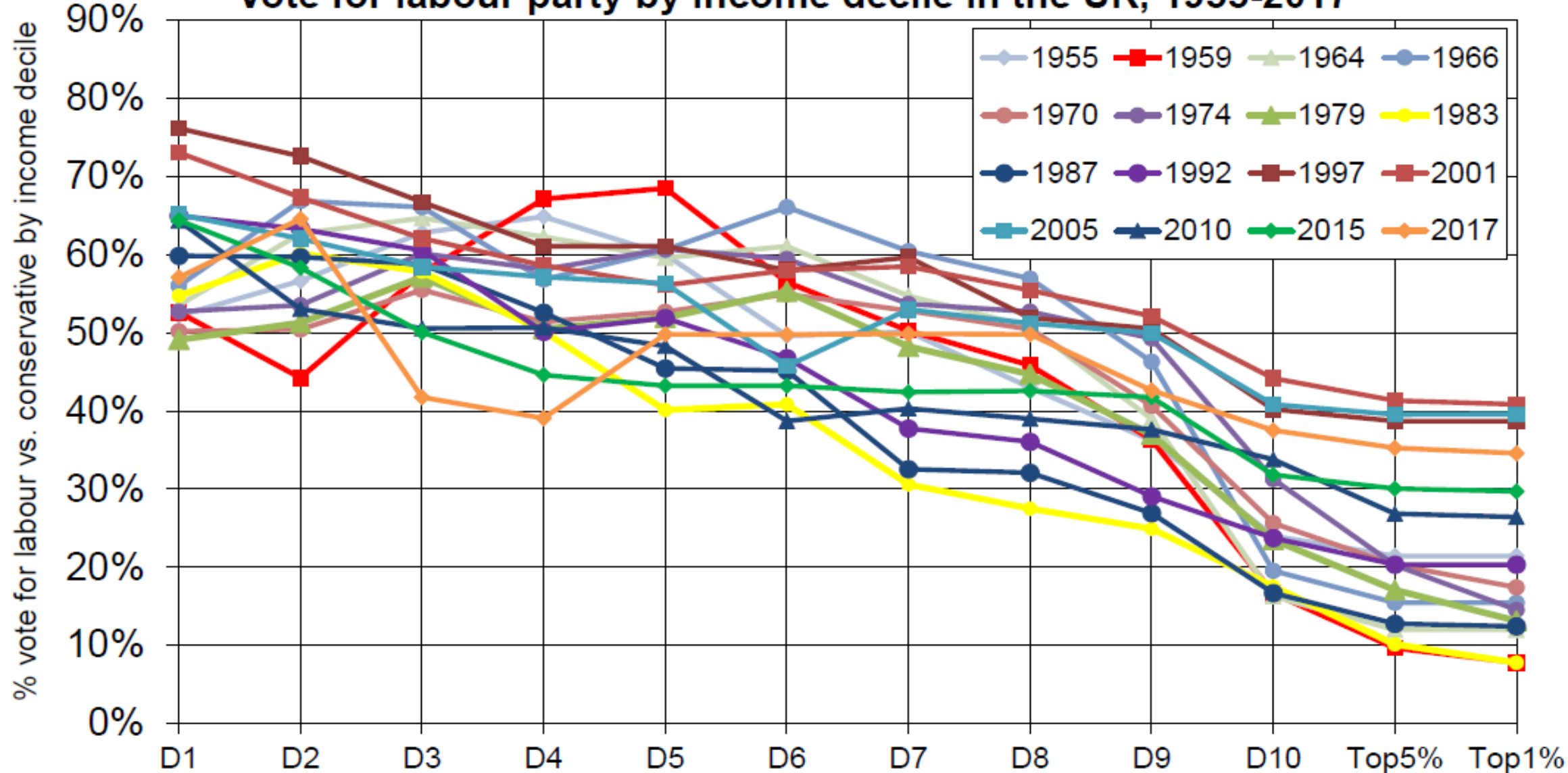
Reading: in 1955, the labour party obtained a score that was 25 points lower among top 10% education voters than among bottom 90% education voters (registered voters are ranked by highest degree); in 2017, the score of the labour party is 13 points higher among top 10% education voters. Controls alter levels but do not affect trends.

Voting for left-wing & democratic parties in France, Britain, US 1948-2017: from the worker party to the high-education party



Source: author's computations using French, US and British post-electoral surveys 1948-2017 (see piketty.pse.ens.fr/conflict)
Reading: in 1956, left parties (SFIO-PS, PC, Rad., etc.) obtain a score that is 14 points lower among top 10% education voters than among bottom 90% education voters in France; in 2012, their score is 13 points higher among top 10% educ.voters (after controls for age, sex, income, wealth, father's occupation). The evolution is similar for democratic vote in the US and labour vote in Britain.

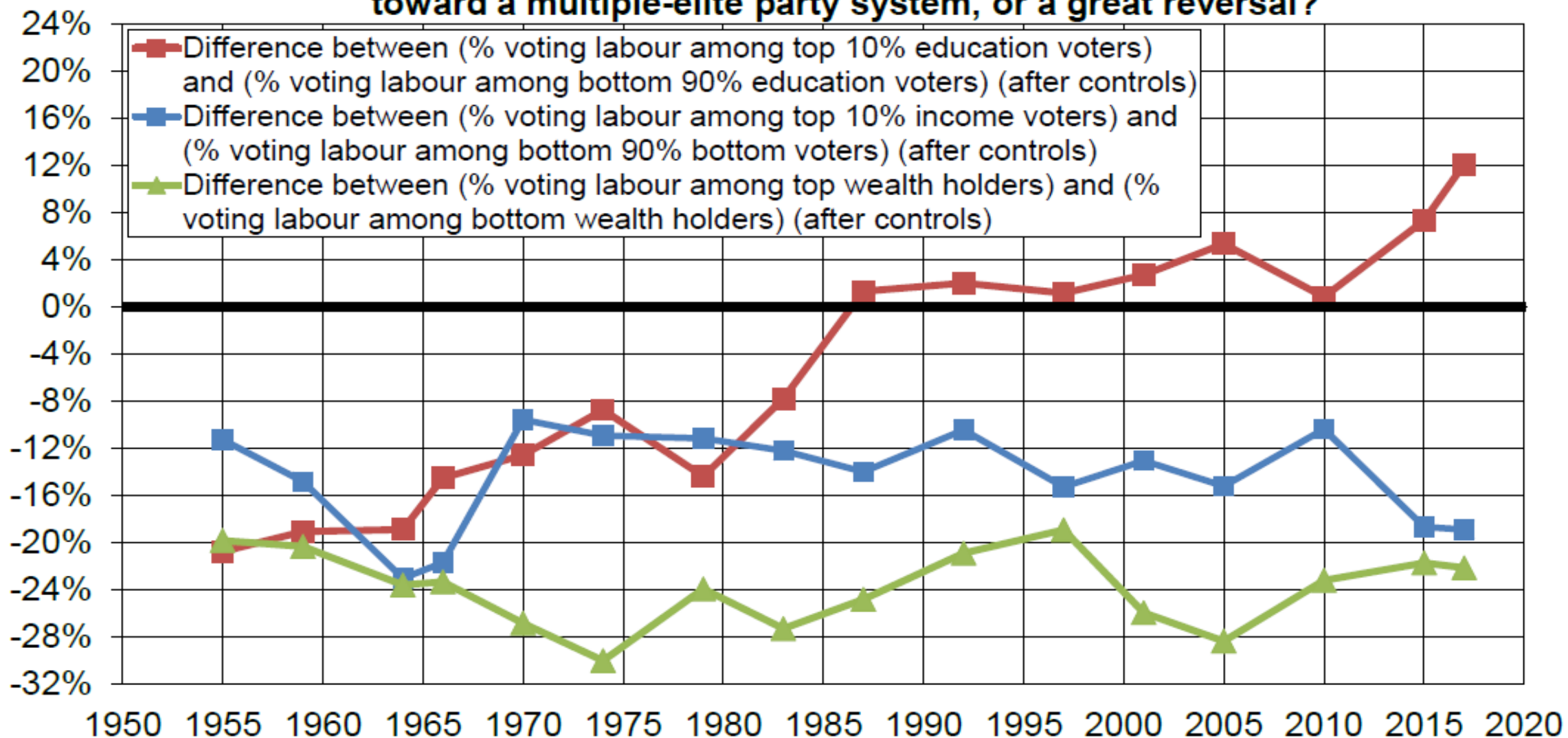
Vote for labour party by income decile in the UK, 1955-2017



Source: author's computations using UK post-electoral surveys 1963-2017 (BES) (see piketty.pse.ens.fr/conflict)

Reading: the profile of voting for the labour vs. conservative (excluding other votes) by income percentile is generally downward sloping, especially at the level of the top 10%, and particularly at the beginning of the period (from the 1950s to the 1980s).

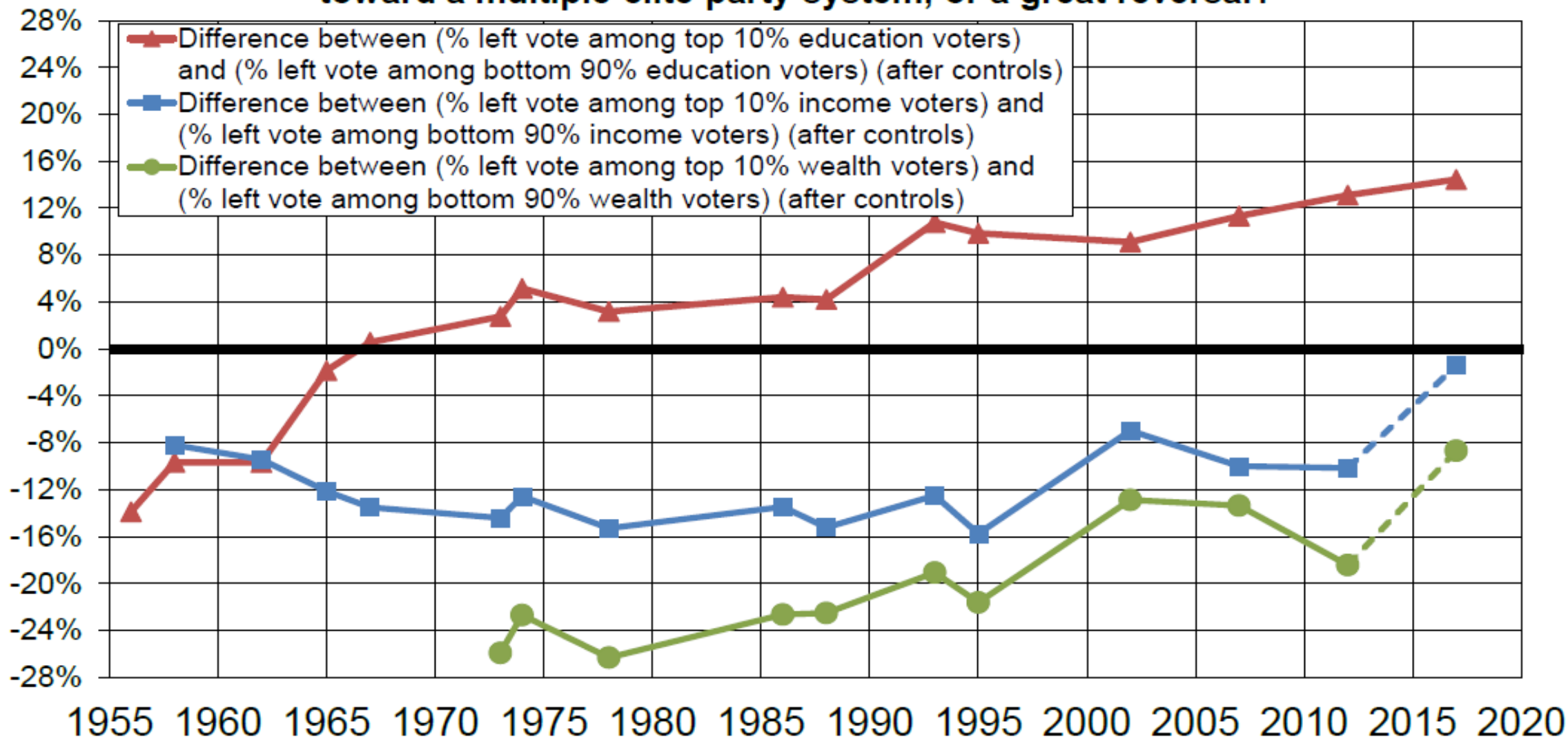
Political conflict in Britain, 1955-2017: toward a multiple-elite party system, or a great reversal?



Source: author's computations using British post-electoral surveys 1963-2017 (BES) (see piketty.pse.ens.fr/conflict)

Reading: the labour vote used to be associated with low education and low income voters; it has gradually become associated to high education voters, giving rise to a "multiple-elite" party system (education vs income); it might also become associated with high income voters in the future, but at this stage this scenario seems less likely in Britain than in France or the US.

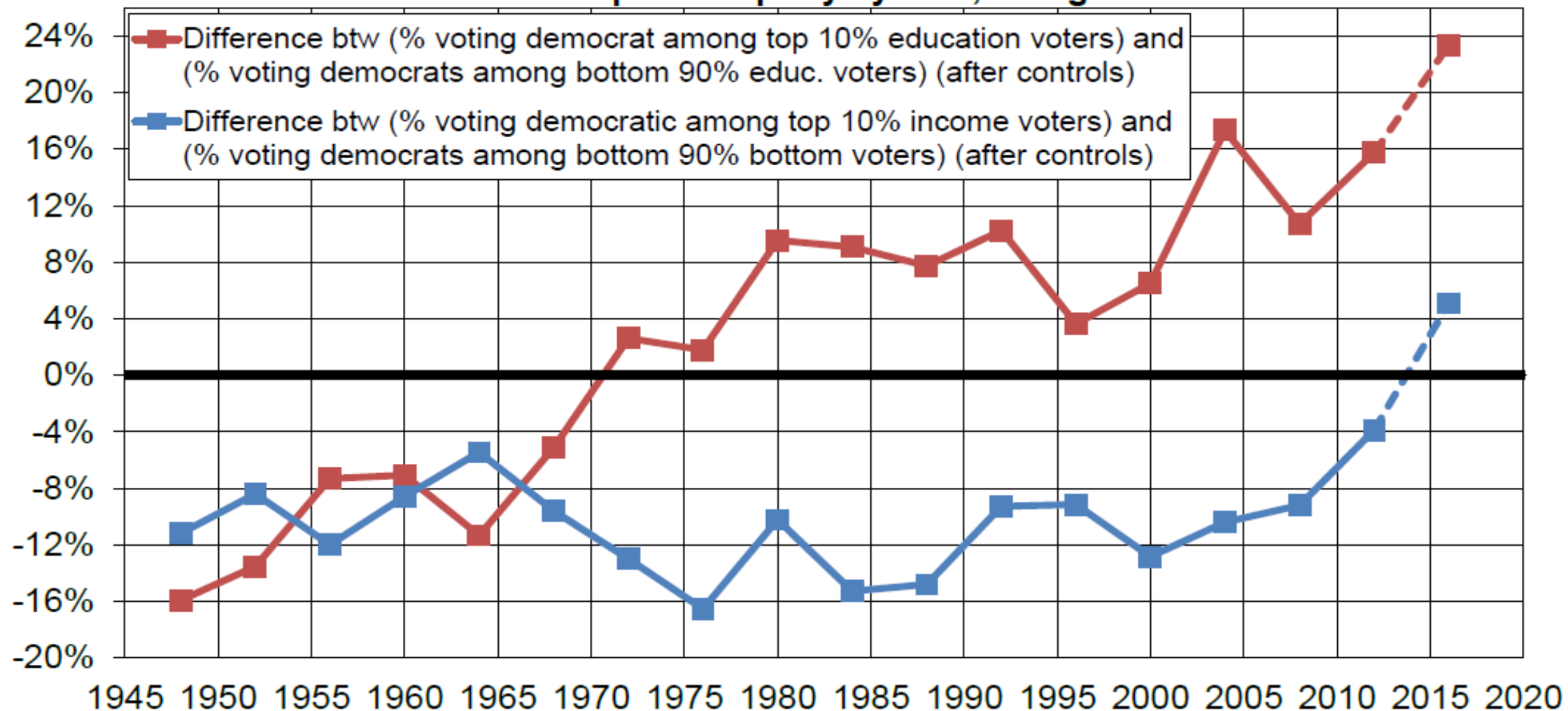
Political conflict in France, 1956-2017: toward a multiple-elite party system, or a great reversal?



Source: author's computations using French post-electoral surveys 1956-2017 (see piketty.pse.ens.fr/conflict)

Reading: the left vote used to be associated with lower education and lower income voters; it has gradually become associated with higher education voters, giving rise to a "multiple-elite" party system (education vs wealth); it might also become associated with high-income voters in the future, giving rise to a great reversal or realignment of the party system.

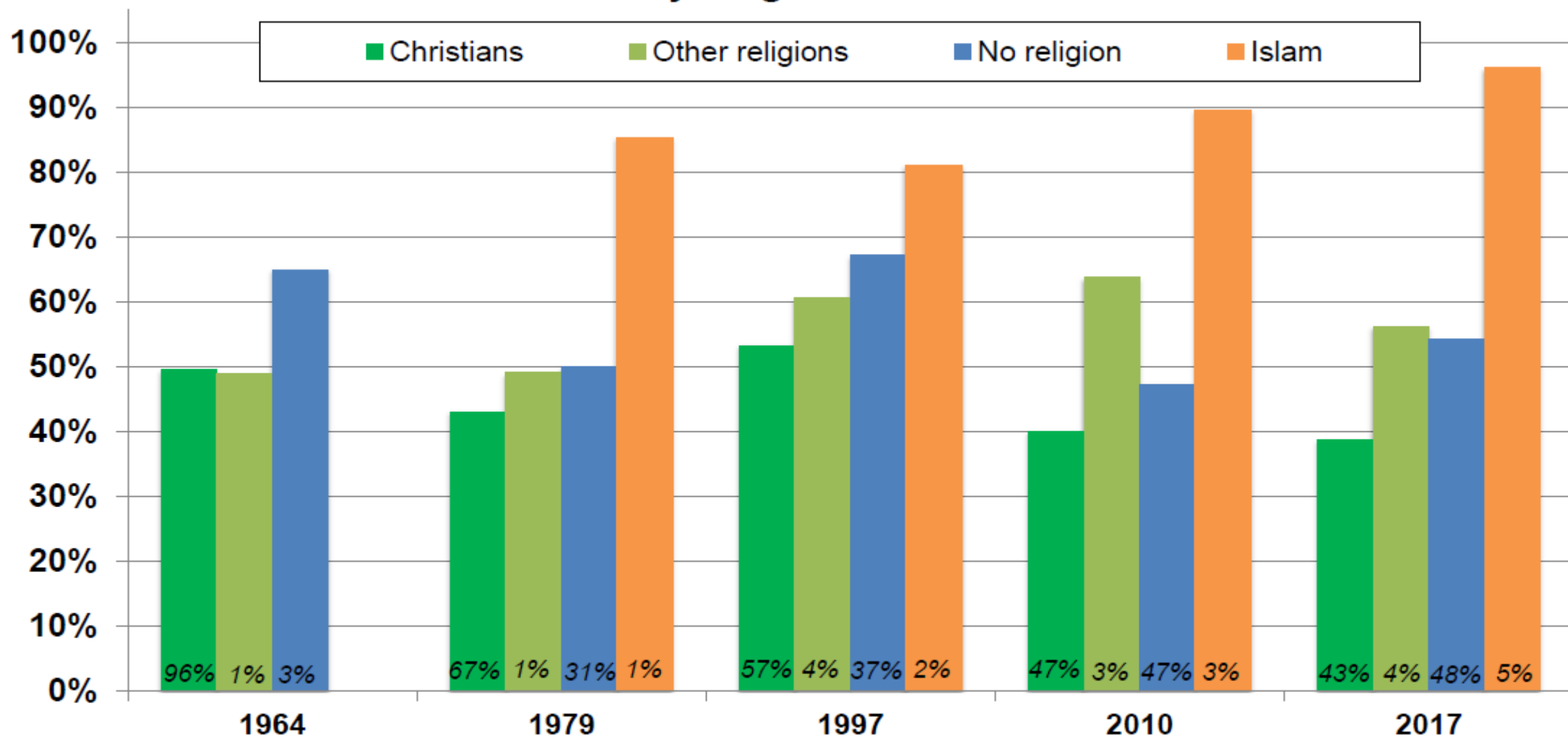
Political conflict in the US, 1948-2017: toward a multiple-elite party system, or a great reversal?



Source: author's computations using US post-electoral surveys 1948-2016 (ANES) (see piketty.pse.ens.fr/conflict)

Reading: the democratic vote used to be associated with low education and low income voters; it has gradually become associated to high education voters, giving rise to a "multiple-elite" party system (education vs income); it might also become associated with high income voters in the future, giving rising to great reversal and complete realignment of the party system.

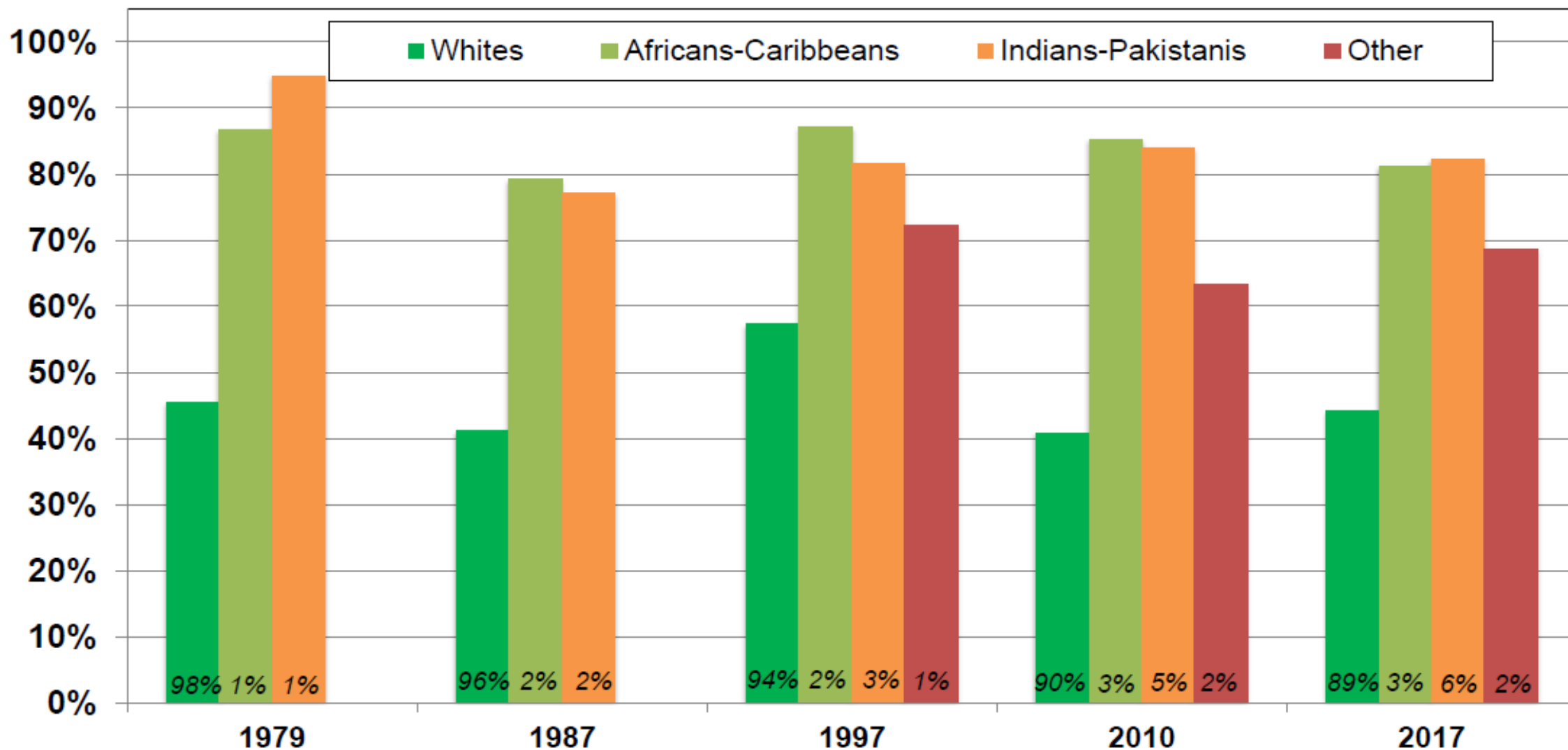
Labour vote by religion in Britain 1964-2017



Source: author's computations using British post-electoral surveys 1963-2017 (see piketty.pse.ens.fr/conflict)

Reading: in 2017, the labour party obtains 39% of the vote among self-reported Christians (inc. Anglicans, other Protestants, Catholics), 56% among voters reporting other religions (Judaism, Hinduism, etc., except Islam), 54% among voters reporting no religion, and 96% among self-reported Muslims. Before 1979, Islam is included with other religions.

Labour vote by ethnic group in Britain 1979-2017



Source: author's computations using British post-electoral surveys 1963-2017 (see piketty.pse.ens.fr/conflict)

Reading: in 2017, the labour party obtains 41% of the vote among self-reported ethnic "Whites", 81% among among "Africans-Caribbeans", 82% among "Indians-Pakistanis-Bengladeshis" and 69% among "Other" (including "Chinese", "Arabs", etc.).

Note: in 2017, 5% of voters refused to answer the ethnic identity question (and 77% of them voted Labour) (not shown here).

Open questions

- **Open question n°1.** Could the transition to a multiple-elite party system have happened without the rise globalisation/immigration cleavage?
- **Open question n°2.** Can multiple-elite systems persist, or will the high-education and high-income/high-wealth voters unite again in the long-run?

Open question n°1: could the transition to a multiple-elite party system have happened without the rise of globalisation/immigration cleavage?

- The rise of the globalisation/immigration cleavage certainly played a key role in the transition: globalisation made vertical redistribution more difficult (at least in terms of perception) + migration intensified the cleavage on universalist/multicultural values (strongly associated with high education)
- Key role of racism/anti-minority strategy in the rise of Nixon/Reagan/Thatcher, and later of LePen/Brexit/Trump
- Racism/nativism: powerful force dividing the poor and making redistributive politics and coalition more complicated

- **But multiple-elite party systems can also happen without the external-inequality dimension: intellectual elite vs business elite meritocratic cleavage.**
- Rise of higher education has created a new form of political cleavage:
- End of simple egalitarian policy platform associated to universalization of primary/secondary education (hard to have a platform promising PhD for all)
- **Rise of educational meritocratic beliefs:** those who succeeded in the high-educ game tend to look down at those who did not and to view them as undeserving. Brahmin left want a bit more tax than merchant right, e.g. to pay for universities and operas, but overall they are pretty happy with current globalization.

(two-dimensional extension of effort-vs-luck learning model presented in « Social Mobility & Redistributive Politics », QJE 1995: education effort vs business effort)

- **One possible test: do we see similar multiple-elite cleavages in countries less exposed to globalisation/ immigration? Yes, to some extent.**
- Both educational expansion and globalization/migration come together (not a perfect test), but educational expansion does seem to precede and to matter more than rising migration cleavage.
- On-going research in developed countries (Germany, Spain, Italy, Japan, Australia, Poland, Hungary etc.) and emerging countries (Brasil, India, etc.).
- **Results on turnout (collapse among low-educ low-income groups) suggest that a more ambitious redistributive platform could make a difference.**

Open question n°2: can multiple-elite systems persist, or will the high-education and high-income voters unite in the long-run?

- **To the extent that high educ commands high income/high wealth in the long-run, multiple-elite party systems are inherently unstable: elites tend to unite**
- US 2016, FR 2017 : evidence that we may be moving toward a complete realignment of the party system, « globalists » (high-education, high-income) vs « nativists » (low-education, low-income).
- This itself could be unstable: in the US, pro-slavery/segregationist nativists Democrats gradually became the New Deal Party (defending poor whites can lead to develop policies which also benefit poor blacks). **Racist left trajectory? I.e. will Fidesz/Front National/AfD become the Democrats of 21c Europe?**
- **We are not there yet: multiple-elite party systems can persist because of different careers and values (high educ doesn't always lead to high income).** And rise of new internationalist-egalitarian platform is also possible. UK 2017?
- With many-dimensional politics, many bifurcations are possible. Actors matter.

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Internationalizing the study of nationalist-racial-ethnic cleavages

- This work builds upon the enormous political science literature using party platforms, parliamentary debates, electoral surveys, etc. in order to study the evolution of party systems and electoral cleavages.
- **Lipset-Rokkan 1967**, *Cleavage structures, party systems and voter alignments*. Modern democracies are characterized by two major revolutions – national and industrial – that have generated four main cleavages, with varying importance across countries: center vs periphery; state vs churches; agriculture vs manufacturing; workers vs employers/owners. **No racial/ethnic dimension?**
- **Bornshier 2010**, *Cleavage Politics and the Populist Right*. The rise of universalist/liberal vs traditionalist/communitarian values since 1980s-90s, following the rise of higher education, has created the conditions for a new cleavage dimension, and for rise of the Populist Right.
Focuses on Europe.

- **I build upon this political science/historical literature**
- **Main novelty: systematic use of historical survey data in order to construct long-run series on voting profiles by education/income/wealth deciles, so as to recover long-run changes in cleavages structure.**
- Previous studies looked at shorter periods and/or do not decompose the income, wealth and education dimensions in systematic manner. Often relied on categories (like blue-collar workers) which are relevant to characterize a given period but do not allow for long-run comparisons. Better to use education/income/wealth deciles for long-run analysis. Same issue as for inequality series.
- **Racial/ethnic cleavages are central and can be better understood in a comparative perspective.** E.g. US 19c-20c: Democrats gradually shifted from slavery party to the party of the poor whites, the New Deal party, and finally the party of the rich whites and the poor minorities. Strange from a European 19c-20c party-system perspective, but relevant for Europe 21c.
- **Bottom line: one needs long-run historical comparative series to study the political economy of inequality and redistribution. And other issues as well.**

Summing up

- **Globalisation/migration (domestic vs external inequality) and educational expansion (education vs property inequality) have created new multi-dimensional conflicts about inequality, leading to the collapse of the postwar left-vs-right party system.**
- Why didn't democracy reduce inequality?
- Because multi-dimensional coalitions are complicated.
- Without a strong egalitarian-internationalist platform, it's difficult to have the low-education, low-income voters from all origins vote for the same party. Racism/nativism & higher education = powerful forces dividing the poor if there's no strong uniting platform.
- **Social sciences can help. Careful construction of historical series & open discussion of politico-economic forces shaping them is maybe more useful than pretending to identify causalities.**

Organizing democracy: electoral & party systems, nations-states, federations, empires

- Proper fiscal-social policies depends critically of the organization of the political process: electoral systems, party systems, bicameralism, etc.
- Again, critical importance of national learning processes (France: long presidential/parliamentary/bicameralism cycles since 1789)
- Limits of electoral competition: parties, social security funds, monarchy
- With unanimity rule about fiscal decisions in Europe, there's little chance to see a rise in tax progressivity and financial transparency
- Current debates about Euro-zone Parliamentary Chambers: this is only the beginning... here again, there's a lot to learn from historical experiences & non-nationalist perspectives

- Reflections about the limit of nation-states, the need to develop new forms of supranational democratic institutions
 - See Beck-Grande, *Cosmopolitan Europe*, 2007 (*Pour un empire européen*, 2007)
 - See Cooper, ***Citizenship between Empire and Nation: Remaking France and French Africa, 1945-1960***, PUP 2014; *Africa and the World – Capitalism, Empire, Nation-State*, HUP 2014
 - **In 1945-1960, a number of African leaders (Senghor, Houphouët-Boigny, etc.) would have preferred a democratic federation with France, including one-man-one-vote representation in a federal Parliament in Paris**
 - **« With small African nation-states we will not be large enough to regulate global capitalist forces and to implement an equitable development strategy »** → long constitutional discussions with France about new « French Union » → but French leaders were afraid to be put in a minority in such a federal Parliament... → **A West Africa federation would probably have been a more realistic and viable strategy**
- An interesting historical episode to re-visit today's European & global debates regarding federal political union

History, development & inequality: what have learned from this course?

- Basic idea pursued during this introduction to economic history = how each country deals with inequality & property relations is central for the construction of a legitimate government, state formation, and the development process
- Pb = each country tends to be self-centered (not enough learning from comparative and historical experience) + power of self-serving ideology (without large political or international shocks, elites are very resistant to change)
- Domestic property relations (forced labor, etc.) used to play central role in historical inequality regimes. With globalisation, international property relations have come to play key role during 18^c-21^c. They are particularly complicated to regulate peacefully.
- Learning to live with inequality, beliefs systems about the ideal institutions: **the dimensions of political conflict**

The dimensions of political conflict

- **Political regime** (organization of government: monarchy, democracy, empires, automatic rules, restraint on govt). *La question du régime politique.*
- **Foreigners** vs citizens (frontiers, national identity, basic civil and political rights, etc.). *La question de l'étranger.*
- **Family** (marriage, children, education, perpetuation of inequality, etc.). *La question de la famille.*
- **Property** (regulation of relations between capital & labor, public vs private property, taxation and public services, etc.). *La question de la propriété.*
- **A complete study of these different dimensions goes well, well beyond the scope of this course.** But preparing this course helped me to think more about these issues. I hope it helped you as well.
- **Thank you for your attention !**