I

At the end of the Cold War, as the most fundamental social and economic debates seemed to have been settled, questions of culture and religion became in fashion. This was reflected in public discussions – most prominently perhaps in the controversies over Samuel Huntington’s *The Clash of Civilizations* (1996) – and, fuelled by the ‘cultural turn’, in scholarship. Across the twenty-first century, however, concerns about the injustice and failures of the neo-liberal order simmered in the background, erupting into the anti-globalization movement of c. 2000 and in the Occupy movement of 2010-11. The crash of 2008 stimulated a renewed interest in socio-economic questions. No work has represented this shift more than Thomas Piketty’s international blockbuster *Capital in the Twenty-First Century* (2014). Recent scholarship in the humanities and social sciences reflects this new interest in material matters. In our own subject, history, some of the most exciting works of recent years has come out of the fields of the history of capitalism and commodities. We may perhaps even speak of a material turn.

At the same time, old questions about the relationship between the material world of economic conditions with the non-material world of ideas have gained new traction. The paradox of Thomas Piketty’s new book *Capital and Ideology* (2019) is that while, on the one hand, its concerns are materialist, its analysis of inequality’s origins and possible ends are a surprising apotheosis of non-materialist interpretation. Piketty now proposes an approach to understanding societies, past and present, that gives primacy to the world of ideas: ‘Inequality is neither economic nor technological; it is ideological and political. This is no doubt the most striking conclusion to emerge from the historical approach I take in this book’, he writes (Piketty 2019: 7). ‘In other words, the market and competition, profits and wages, capital and debt, skilled and unskilled workers, natives and aliens, tax havens and competitiveness – none of these things exist as such’. It is hegemonic discourses, resulting in human institutions, that create them. When old social, economic, and political orders collapse, the ones that replace them are the result of the visions of the various actors involved. These ideas, he argues, are independent from socio-economic conditions: ‘I insist that the realm of ideas, the political-ideological sphere, is truly autonomous.’ Piketty thereby explicitly distances himself from liberal economic determinism and a conservative materialism which maintains that social conditions, including inequalities, are based on ‘nature’, as well as from a socialist materialism, or, as he puts it, ‘from approaches sometimes characterized as “Marxist,” according to which the state of the economic forces and relations of production determines a society’s ideological “superstructure” in an almost mechanical fashion’. He concludes: “The history of all hitherto existing society is the history of class struggles,” wrote Karl Marx and Friedrich Engels in *The Communist Manifesto* (1848). Their assertion remains pertinent, but now that this book is done, I am tempted to reformulate it as follows: The history of all hitherto existing societies is the history of the struggle of ideologies and the quest for justice’ (Piketty 2019: 1035). Piketty is not alone. Katharina Pistor’s *Code of Capital* (2019)
recently emphasized the importance of legal institutions in the creation of social and economic conditions.

The controversy about the relationship between mind and material world is, of course, ancient. Put simply: Whereas materialists have argued that it is material conditions that shape the world (including the world of thought), idealists have insisted that it is ideas that shape it (including the material world). This is not the place to go into the related, though more general, philosophical debate about the question whether the world exists outside us, independent from our perception of it, as an objective material reality (which includes man), or whether the material world is a subjective creation of our mind. G. W. F. Hegel famously explained in his 1821 *Elements of the Philosophy of Right* that world history was ‘the actualization of the universal spirit’ (Hegel 1821: 344).¹ Karl Marx, of course, reversed this logic, arguing that ideas emerge as part of the development of the material world, there was no ‘Bewusstsein’ (consciousness) outside of ‘bewusst sein’ (conscious being): ‘It is not the consciousness of men that determines their existence, but their social existence that determines their consciousness’ (Marx 1961 [1859]: 9).² It was how humanity constituted its social being in nature, and in particular in the organisation of work, which created the basis for world views.

It is worth mentioning here that Marx himself rarely used the concepts of ‘base’ and ‘superstructure’. The most important reference to them can be found in his 1859 *Contribution to the Critique of Political Economy*:

In the social production of their existence, men inevitably enter into definite relations, which are independent of their will, namely relations of production appropriate to a given stage in the development of their material forces of production. The totality of these relations of production constitutes the economic structure of society, the real foundation (Basis), on which arises a legal and political superstructure (Überbau) and to which correspond definite forms of social consciousness. The mode of production of material life conditions the general process of social, political and intellectual life. (Marx 1961 [1859]: 8-9).

In his *Theories of Surplus Value*, he explains: ‘Further: from the specific form of material production arises in the first place a specific structure of society, in the second place a specific relation of men to nature. Their State and their spiritual outlook is determined by both. Therefore also the kind of their spiritual production’ (Marx 1956 [1905-1910]: 257).³ The concepts of ‘base’ and ‘superstructure’ only became prominent in post-Marx writings.

Yet we should also not forget that Marx – in contrast to many of his later students – was anything but a narrow economic determinist. In fact, he was always critical of a trivial materialism. In his ‘Theses on Feuerbach’, he famously criticised both idealism, for not reflecting on ideas as a result of concrete social material circumstances, and classical determinist materialism, for describing the world as series of causes and effects which can only be understood but not changed. He wanted human beings to intervene: ‘Philosophers have hitherto only interpreted the world in various ways; the point is to change it’ (Marx 1952 [1886]: 372).⁴ Since then, Marxist thinkers, from Antonio Gramsci (Gramsci 1948-1951), to Louis Althusser (Althusser 1970), to Göran Therborn (Therborn 1980), have offered sophisticated theories of the emergence and evolution of ideologies and their complex relations to the material world.

Critics of materialist thought have argued that it only offered monocausal simplifications. Reinhart Koselleck, in response, once criticised these ‘discussions about (vulgar) Marxist monocausality’, noting: ‘The charge that history cannot be interpreted in a monocausal way, however, can easily be reversed. Whether I introduce one cause, two, five, or an infinite amount of causes says nothing at all about the quality of my historical reflections’ (Koselleck 1972: 22). Thus: ‘When Marxists offer monocausal
constructions – for example, when they indicate dependencies of the “superstructure” upon the “base structure” – this is a legitimate procedure of hypothesis formation.’ (Ibid: 22). Critics of idealism, on the other hand, have pointed out that its proponents naively ignore the material context in which ideas emerge.

Piketty’s criticism of materialist explanations of the world to some extent mirrors this old debate, though without explicitly reflecting on it. His extreme emphasis on ideas as engines of historical change make him, in a way an heir of Hegel. ‘Ideas and ideologies count in history’, he writes more than once (Piketty 2019: 7 and 1035). Material ‘facts’, he asserts, are ‘largely the products of institutions’ and are ‘themselves constructs’ (Piketty 2019: 9). This emphasis on ideas has, to be sure, also practical implications, as it gives the scholar a more important role in world history: The task of the intellectuals is to change the dominant ideological discourse, thereby paving the way for material change. It might be said, with apologies to the ‘Theses on Feuerbach’, that one can see Piketty in the book to be proclaiming, ‘Quantitative econometricians have previously only counted the world, the point now is to change it!’. Social scientists have the duty to question the status quo of society. This view, as comforting as it sounds, may overstate the power of the intellectual to bring about new utopias.

The nature of ideology, a vague concept, is never scrutinized in more detail. In the beginning of the book, Piketty outlines it as ‘a set of a priori plausible ideas and discourses describing how society should be structured’, adding: ‘An ideology has social, economic, and political dimensions. It is an attempt to respond to a broad set of questions concerning the desirable or ideal organization of society. Given the complexity of the issues, it should be obvious that no ideology can ever command full and total assent: ideological conflict and disagreement are inherent in the very notion of ideology’ (Piketty 2019: 3). Yet we learn little about the nature of ideological transformations and the emergence of new ideologies, about the process by which an ideology comes to dominate a society’s discourse, or about the collapse of hegemonic ideologies. We also learn little about the material media and technologies – such as paper and printing press – that transport ideas or ‘a set of a priori plausible ideas and discourses describing how society should be structured’ (Darnton 1979; Idem and Roche 1989; and Darnton 2000, are examples) and the ways in which transformations of the public sphere shaped this story (Habermas 1962).

In practice, however, in his historical tour de force, Piketty sensibly shows himself more flexible in his argument, avoiding monocausal explanations that give absolute priority to the world of the mind. He acknowledges that social conditions influenced the ways in which people understood the world around them:

Social ideologies usually evolve in response to historical experience. For instance, the French Revolution stemmed in part from the injustices and frustrations of the Ancien Régime. The Revolution in turn brought about changes that permanently altered perceptions of the ideal inequality regime as various social groups judged the success or failure of revolutionary experiments with different forms of political organization, property regimes, and social, fiscal, and education systems. What was learned from this experience inevitably influenced future political transformations and so on down the line. Each nation’s political and ideological trajectory can be seen as a vast process of collective learning and historical experimentation. (Piketty 2019: 10).

He is also flexible enough to avoid mechanical deterministic explanations, based on the primacy of ideologies, and underlines the fact that historical evolution is everything but inevitable: ‘Multiple trajectories are always possible. The balance of power at any moment depends on the interaction of the short-term logic of events with long-term intellectual evolutions from which come a wide range of ideas that can be drawn on in moments of crisis’ (Piketty 2019: 1037). Historically, he observes, there is no inevitable path-dependency: ‘At every level of development, economic, social, and political systems can
be structured in many different ways; property relations can be organized differently; different fiscal and educational regimes are possible; problems of public and private debt can be handled differently; numerous ways to manage relations between human communities exist; and so on’ (Piketty 2019: 8). We can almost hear Karl Popper sighing with relief (Popper 1945). There was often more than just one powerful discourse.

Overall, however, it might have been more sensible to avoid the strong emphasis on the primacy of ideology. Mental and material worlds evolve in reciprocity. In an endless cycle, ideas shape social realities, which in turn shape ideas. As a consequence, interruptions in ideology or material realities can engender change. We don’t need a hierarchy of mind over material world, or vice versa. Middle grounds that have long been offered by scholars, most powerfully by Max Weber (Weber 1904-1905; 1922; and 1923), dissolving the alleged antagonism between ideological and material forces in world history. In his essay ‘Objectivity in Social Science’, Weber observed that the ‘so-called “materialistic conception of history” would prevail ‘only in the minds of laymen and dilettantes’ (Weber 1904). ‘In these circles one still finds the peculiar condition that their need for a casual explanation of an historical event is never satisfied until somewhere or somehow economic causes are shown (or seem) to be operative’, he noted. Instead Weber pleaded a more open-minded view on the interplay of material and non-material conditions: ‘Liberated as we are from the antiquated notion that all cultural phenomena can be deduced as a product or function of the constellation of “material” interests, we believe nevertheless that the analysis of social and cultural phenomena with special reference to their economic conditioning and ramifications was a scientific principle of creative fruitfulness and with careful application and freedom from dogmatic restrictions, will remain such for a very long time to come.’

Piketty’s intervention may be read as a twenty-first century version of this Weberian conjecture. It might perhaps also have engaged, however, also with those Marxists who have also explored a middle ground, such as Raymond Williams (Williams 1977) and Stuart Hall (Hall, 1986), who through the categories of ‘mediation’ and ‘articulation’ have investigated the constraints within which ideology finds expression in material life. To paraphrase the opening of the Brumaire, people do not make ideas exactly as they choose.

II

Capital and Ideology is grounded on an extraordinary body of new statistical studies of past and present inequality. Christopher Bayly coined the phrase ‘statistical liberalism’, for those around the late nineteenth and early twentieth century world, and particularly in India, who sought to muster data-based portraits of their societies in order to make the case for social change (Bayly 2011). Piketty is a twenty-first century statistical liberal. ‘Many historical processes of social and political emancipation have relied on statistical and mathematical constructs of one sort or another’ (Piketty 2019: 44). Capital and Ideology, indeed, might be seen as the discursive partner to the World Inequality Database, and as the first major work of social theory to be the complement of an internet resource. In the first decade of the twenty-first century, Piketty, with Emmanuel Saez and Arthur Atkinson, developed Simon Kuznets 1950s work on ‘Top incomes’ in a range of studies on inequality in national context, in particular in France, Britain and the United States (Alvaredo, Atkinson, Piketty 2003, offers a discussion of this literature). The capstone of that first wave was Piketty’s Capital in the Twenty-First Century and parallel studies by Branko Milanovic (Milanovic 2005; 2010 and 2016) and Francois Bourguignon (Bourguignon 2012). One of the criticisms of Piketty’s book was that, despite opening with a reference to the Marikana massacre in South Africa, and offering a chance Saidian reference to Jane Austen’s Mansfield Park as a sign of the place of colonial wealth in eighteenth-century Britain, Piketty paid little attention to the role of slavery and European imperialism in economic history, and indeed was extremely Eurocentric in his approach. Capital and
Ideology, seeks to remedy this, appealing to new historical econometric work on India, Mexico, Brazil, China, in French and British colonies, seeking to include the problematic of the economic role of slavery and imperialism, and responding to recent work in non-western and global history in particular that of Fred Cooper and Sven Beckert. Its ambition is to offer a transnational longue durée history of inequality as the basis for a policy programme for the entire world in present. There is a great deal to admire in both the aim, and in the attempt to execute this grand agenda. For historians, however, there are questions about both the subsidiary parts of this oeuvre and, more critically, about how Piketty approaches the problem of the global.

Piketty in Capital and Ideology seeks to bring together the quite distinct traditions of internal ‘within country’ inequality and international ‘between country’ inequality, but this enterprise is distorted by the primacy of the ‘within’ problematic in the origins of his project. The study of internal economic inequality comes out of liberal welfare economics, which in the early twentieth century began to measure wealth and poverty for a mixture of reformist, patriotic, and eugenicist reasons. Colin Clark and Richard Titmuss in Britain, and Simon Kuznets in the United States sought to provide economic and econometric tools for Keynesian demand management, planning, and social policy. National accounts, and estimates of how the power to consume was distributed in society, developed side by side, with three great peaks of scholarly activity in the 1930s and 40s, the 60s, and the 2000s. The statistical study of international inequality, on the other hand, while it came out of the same interwar liberal policy moment, found expression in a distinct line of work on colonial administration and development economics, with a debate running through Arthur Lewis in the 1940s and 50s, the Economic Commission of Latin America, the Dependency school and the call for a New International Economic Order in the 1950s and 60s and 70s, and against these the anti-Keynesian thrust of P. T. Bauer and Douglass North in the 1970s which arguably underpinned the Washington consensus, and, most recently in ‘The colonial origins of comparative development’ by Daron Acemoglu, S. Johnson, and J. A. Robinson (2001). Capital in the Twenty-First Century and Capital and Ideology are securely rooted in the first tradition, its method principally turns on bringing together national trajectories, where economic data exists, rather than engaging in significant connective analysis.

This efflorescence of statistical studies of international inequality has a common basis and weakness: all are based on the econometric equivalent of the national paradigm, servants of the datasets generated by economists around the nation state or for regions by the World Bank. The international is always derived from the national. The problem here is that the logic of national accounting generates at best a comparative history of inequality. These attempts at comparison are weakened by the different regimes of measurement at each data point – we can scarcely trust contemporary nationally-derived statistics, let alone those before the twentieth-century state. Capital and Ideology while global in its ambitions, is really a collage of national stories and data, some of which is anchored robustly, some of which is conjecture and extrapolation. It should also be noted, at the outset, that Piketty gives attention to the history and historiography of, in descending order, France, Britain, Europe as a whole, even if significant sections address India, for example. Read as a whole, too, it is hard not to come away with the impression that there is a hierarchy of audiences too in this book: the French public, the citizens of Europe, and only after that the rest of the world. In many ways, the ultimate policy momentum of the book is towards a new order of politics and property in Europe, even if this would be connected via a ‘social federalism’ to new forms of North-South political and economic integration. But the theatre for the rise of this new politics appears to be the European nation state, indeed perhaps France, where he sees new ideology as the driver of change.

III
Capital and Ideology offers a history of the world over a very long time span. In its focus on quantitative data and the longue durée it may be read as in the tradition of classical social and economic history, most importantly the Annales School. For premodern Europe, it leans heavily on Georges Dumézil’s ‘trifunctional’ hypothesis, and the structuralist anthropology and historical sociology which stems from it. It argues for a great transition, first in Europe, then via European colonialism and interventions to the world, towards a ‘proprietarian’ society in the post 1750 period. Aspects of that shift, although their place in it is never really fully articulated, are the rise of slave and colonial societies in the Americas, Asia and Africa. It is the nineteenth and especially the twentieth century world that is the focus of the book, within which he conjectures a journey, with Europe in particular under his lens, from proprietor to social democratic and communist societies, towards the rise, after c. 1980 of the ‘neo-proprietarian’ order which now, with its burgeoning inequality, holds the world in its grasp. In each of these ages – the shadow of stadial theory hangs heavily on his analysis – there are distinct articulations of what he calls ‘political regimes’, which are the orders of political society, and ‘property regimes’, which locate rights of particular persons in things, which may include other persons.

Yet it is quite clear that the real temporal focus of this work, around which all the retrospective analysis is articulated, is the c. 1980-2020 ‘neo-proprietarian’ moment in the West. Piketty gives great attention to dismantling the ideological basis of our current order. He challenges, both through quantifying the effects of ‘neo-proprietarianism’ and through historical comparison, a variety of arguments which have underpinned the neo-liberal moment. These include that idea that the pre-1980 period was too equal and taxation was both too high and unjust, that there is an economic virtue to inequality, that rising tides lift all boats and wealth trickles down, and that heroic billionaires like Bill Gates, Jeff Bezos, or Elon Musk deserve their exceptional wealth any more than the beneficiaries of corruption or hereditary rent-extraction privilege in Africa or the Middle East.

Piketty is primarily interested in comparisons of inequality regimes, not in tracing the global connections between them. It is a history of national silos erected next to each other. The author asserts:

Above all, a long detour through history is indispensable because the various regions of the world have only gradually come into contact with one another. For centuries most societies had little to do with foreigners. Trade in goods and ideas broke down barriers, and some states conquered others or established colonies on foreign soil. Only since the end of the Cold War and the era of decolonization have the various parts of the world become intimately intertwined, however, not only through financial and economic interactions but also to a greater degree through human and cultural exchange. Before 1960-1970, for example, many European countries had little contact with people from other continents or different religious backgrounds. The migrant flows of the post-colonial era changed this, and the effect on ideological and political conflict within Europe has been considerable. Other parts of the world such as India, the United States, Brazil, and South Africa have had longer experience with mingling of populations that see themselves as radically different for religious, social or religious reasons’ (Piketty 2019: 42-43).

The assertion that only in the very latest age have large parts of the world been deeply intertwined, or have included radically distinct religious or social factions, will come as surprising to anyone who knows the vast literature on mediaeval and early modern global integration, in particular in Eurasia (Abu-Lughod 1989, for example). Piketty, if this book is an index, is innocent of any critical engagement with the work of Immanuel Wallerstein, James Blaut, or even of Eric Williams and Fernand Braudel. The history of the early modern and modern period was profoundly shaped, around the world, by global interconnections. The emergence of modernity’s class structures and inequalities were products global transformations (Osterhammel 2014: 744-778; Osterhammel 2018; and the chapters in Dejung, Motadel, and
Osterhammel 2019, provide an overview). Even the lives of those who did not move across borders were influenced by global integration, for example the worldwide commodity trade in goods such as cotton, tobacco, and chocolate. In short: societies don’t exist in a vacuum. Can we really explain global inequality in the early modern and modern period without understanding the history of its global entanglements?

In spite of its global scope, the book in many parts remains Eurocentric, even Francocentric. Even the parts on the global South are seen through the lens of Europe’s entanglements with those regions, from slavery to colonialism. This is of course also a result of the sources, scriptural and numeral, available to him. He is in particular perhaps a little over responsive to the University College London Legacies of British slave ownership database. In the section on slave societies there is a mere three pages of discussion on slavery as an inequality regime with long legacies, before Piketty begins, following the UCL data, a detailed comparative discussion of the economic consequences, within Europe, of compensated emancipation. To his credit (Piketty 2019: 276), he remedies some the lapses in Capital in the Twentieth Century with a solid examination of how some wealthy people, and France and Britain aggregates, derived substantial income and rent opportunities in colonies. One startling insight is that France’s colonies contributed as much to its economy at the turn of the century as its principal industrial regions. But his approach, which segregates analytically, in distinct sections, the history of slave and colonial societies from Europe’s trajectories, and which assumes Europe always in the historical vanguard, means that he never really connects how the colonial order created at the same time ‘between country’ and ‘within country’ inequality, as rubber plantations, for example, underpinned plantation societies in Indochina and Malaya, the rise of magnates like Michelin and Dunlop and Citroen, and the rise of a rent-seeking bourgeoisie in France and Britain.

This matters when Piketty comes to paint his golden age of social democracy in the post-war West. He is blind to how in the midst of that 1950s and 1960s moment, the construction via bribery, war and covert intervention, including via the International Monetary Fund, of a neo-colonial order in Iran, ‘Francafrique’, the Middle East, Congo, Indonesia, Chile and elsewhere laid the ground for the ‘neo-proprietarian’ turn. He takes for granted Fred Cooper’s projection that a federal exit from French imperialism was ever seriously possible after c. 1948 (Drayton 2017). Much as in the c. 1500-1800 period colonies provided one driver of the conquest of Europe by capitalist social relations (Blaut 1989), so in the mid and late twentieth century it was in the West’s offshore that the counter-revolution against the Keynesian social-democratic era was incubated. To take one small element of this, Ogle has shown how the history of ‘decolonisation’ was entangled with the dramatic growth in the rise of offshore tax shelters (Ogle 2020). But her argument can be expanded: The model of a society which allowed the extraction of profit and rent by corporate entities located outside its fiscal frontier was pioneered in Europe’s colonies, perfected in the era of the end of empire, and implemented within the West from the 1980s. Empire, as it always does, came home, here in the form of a legal regime which, as Piketty notes, has excluded increasingly large parts of national economies from the duty of paying taxes to the societies they operate in.

Inattention to how law in the twentieth century made important parts of capital invisible to the national state represents the Achilles’s heel of both of Piketty’s books and the tradition which underpins them. At the base of his enterprise, and his project of utopia via taxation, is Simon Kuznets’s study of ‘top incomes’ in the 1950s (Kuznets 1953), to which we ultimately owe the idea of the one percent. From Kuznets, and the approach to tax records he initiated, Piketty derives his portrait of the dramatic narrowing of income inequality in the middle of the twentieth century, as a result of redistributive taxation associated with the welfare state, before the c. 1980s Reagan and Thatcher moment opened a new road. We are not aware of any readers of Piketty’s work who have yet questioned this commonplace. But how much of this apparent decline in the income share at the top was real, and how much was it the
result of new accounting and legal strategies which re-directed income from individuals to artificial persons? Even at the time Kuznets published, he was being challenged by heterodox economists, in particular the United States Communist Party’s economist Victor Perlo, and the Labor Research Association, who mocked Kuznets et. al. as retailing a mythical ‘statistical socialism’. In his pamphlet The Income ‘Revolution’ (1954), Perlo argued that Kuznets was wrong to take the tax returns of the one percent in the post-1940 period as a true index of their incomes, because he missed completely the impact of tax avoidance and evasion, which happened on a large scale from the 1930s onwards, and thus unreported income, while he failed to count undistributed corporate profits, including the keeping offshore of US corporate profits earned abroad which began in the 1950s, the key precedent for today’s now normal offshoring of profit. Perlo wrote, ‘Correct measurement would show no decline in the share of the top 1% or 5% of the population’. Similar attempts to evade the state’s fiscal net became common in Britain as taxation increased during and after the First World War. What if the Achilles heel of all arguments about income and wealth inequality based on national accounts is the concealing of capital and income within the firm, through trusts and foundations, and through offshore structures which mean that the life of national capital may not be audited within national frontiers? (Ogle 2017). What if an ideological turn towards egalitarianism might be complemented, then, and in the 2020s, with persistent, even growing, material inequality because the social relations of capital are not challenged by the state’s taxation of income? Might we see capital in Piketty’s social democratic age de l’or merely re-calibrating its strategies: in economic terms, finding ways to reduce its tax liabilities, while it funded a political and ideological riposte to liberal welfarism?

There were probably more continuities across the twentieth century than Piketty proposes. These continuities are visible in the structure of capital across the generations in key families in every country that was not shaken by the one absolute rupture with the nineteenth-century world: the Russian Revolution and its heirs. It is interesting that the rise of and fall of the communist revolutionary state-making project between 1917 and 1991, finds an awkward place in his analysis. It is first discussed as one of the causes of hypercapitalism, because it discredited the social democratic project by its economic failures and human rights abuses. Later Piketty admits, but only quietly in passing, that the presence and threat of the USSR, played a significant role in the limited gains of social democracy between 1920 and 1989, in the origins of decolonisation, and the success of the civil rights movement in the United States. This awkwardness seems to derive from Piketty’s discomfort with the politics of confrontation and political violence. He imagines an ironic ideological revolution, where the pure reason of reform would spread like a religion, what he calls ‘collective learning’ – which resembles in its shape the self-consciousness of Hegel’s world spirit – would inspire all around the world the implementation of his programme. It is never clear where in history, or on what terms today, the winners in the status quo become converted to the ideal of ending arrangements from which they derive privilege and benefit. If his argument begins with a homage to history, it ends in an idealist utopia beyond it, a withering away of the state and capital as we know them through the pure momentum of utilitarian reason.

IV

We will not as historians comment in any depth here on the final part of the book that concern the contemporary world. Piketty rightly characterises our post-Cold War world, which followed the ‘glorious’ social democratic era, as a neo-liberal epoch of unleashed capital and escalating inequality. It was ideological fatalism after the ‘end of history’, he argues, that led to the failure of progressives to create ideological alternatives to this hyper-capitalism. The parties on the left, in fact, according to Piketty, transformed from workers’ parties into the parties of the highly educated elite. A ‘dual-elite system’ (Piketty 2019, 773) thus emerged: The financial and business elite (‘Merchant Right’), which took over many conservative parties, advocating free markets and small states, and the educated elite (‘Brahmin
Left’), which took over many left-wing parties, engaging in cultural questions, such as the promotion of diversity, while showing less interest in problems of economic inequality. Indeed, around the world, the left-wing parties thus abandoned its disadvantaged voters, whom Piketty also calls ‘the least favored classes (classes populaires)’ (Piketty 2019: 720). Consider Bill Clinton’s Democrats, Tony Blair’s Labour, and Gerhard Schröder’s Social Democrats. ‘The Brahmin left believes in rewarding scholastic effort and talent; the merchant right, on the other hand, emphasizes business talent’, Piketty notes (Piketty 2019: 773). ‘But both camps are strongly attached to the existing economic system and to globalization as it is currently organized, which ultimately serves the interests of both intellectual elites and economic and financial elites’ (Ibid.). As a result, growing segments of these voters turned to the nationalist right, embracing identitarian nativism.

There are some problems with this narrative. First it is debatable whether the working and disadvantaged classes really turned their backs on the old left-wing parties simply because they no longer addressed questions of wealth redistribution (the ‘social hypothesis’, according to Piketty 2019: 753). In fact, many may have moved to right-wing parties because they genuinely supported their nationalist, racist, and xenophobic agendas (‘nativist hypothesis’, according to Ibid.). After all, few of the populist right-wing parties really offer a programme of social and economic equality. Quite the opposite: From Trump’s Republicans to Farage’s Brexit party, neoliberal hyper-capitalism, including assaults on social security and health care, and tax cuts for the rich, is central to their agendas, and yet secure substantial support from many victims of the new regime. Piketty himself admits their ‘lack of appetite for progressive taxation’ (Piketty 2019: 886). He concludes that ‘it seems quite unlikely that today’s social-nativist movements will develop ambitious plans for progressive taxation and social redistribution’ (Ibid.: 887). In the end, they are nativist or capitalist-nativist rather than social-nativist.

More generally, the argument that economic hardship and inequality gave rise to right-wing populism is questionable. In fact, this is exactly the sort of economic determinist argument which the author elsewhere criticises. Ideology matters. Ideological resentment – nationalism and racism, even if much of it manipulated by capital – is the reason for the rise of the right, not the economy. It is therefore also doubtful if a redistribution of wealth will automatically weaken populist nationalism.

Second, the rise of the populist right cannot be reduced to the support it receives from the disadvantaged classes. In fact, most populist nationalist movements can count on substantial middle-class backing. The middle classes have, as one of the authors of this essay recently discussed, never been immune to the lure of illiberal nationalism: ‘Middle classes are not a priori engines of political liberalization. They can readily become the promoters of nativist nationalism and repressive authoritarianism if they fear for the loss of influence and wealth’ (Motadel 2020). Throughout modern history, middle classes have supported illiberal regimes. Today, the growing middle classes in the Global South seem less and less inclined to advocate democratic reform, while parts of the middle classes in the Global North have proven quite open to right-wing demagoguery. In America, for example, in the 2016 elections, about two-thirds of Trump voters had a household income that was higher than $50,000, the average earning (Carnes and Lupu 2017). In the 2020 election, this trend continued, as Trump gained even further ground among the wealthy: ‘Just over half of those whose family income was more than $100,000 a year supported the president’ (Zhang and Burn-Murdoch, 2020; and, for an analysis, Goldfarb, 2020). Similarly, the majority (59 per cent) of voters for Great Britain’s exit from the European Union were solidly middle class (Dorling 2016); indeed, also Piketty can’t ignore the fact that both ‘the lower and middle classes’ (Piketty 2019: 859) backed Brexit. In short: ‘In most developed countries, populism is less a working-class revolt than a middle-class civil war’ (Kuper 2020). We should not fall for the idea, promoted by populist movements, that they represent the losers of society.
Third, the narrative leaves out the upper classes that often embrace populist nationalist movements. All of these groups enjoy support from a right-wing elite – powerful industrialists to finance barons – who are excited about such movements’ anti-welfare agendas and tax policies and underwrite (or at least tolerate) their xenophobia. The face of such voters in America became Patty and Mark McClosky, the Missouri couple infamous for waving their guns as peaceful protesters passed by their mansion. The German Alternative für Deutschland has become a home for more than one disgruntled child of former aristocratic families. It is no coincidence that it was this party that lent the most vocal support for the compensation and restitution claims of the former royal family, the Hohenzollerns, in parliamentary debates. These parties are as often playgrounds of the propertied elite as they are pools of the disadvantaged.

Piketty, moreover, seems insensitive to how racial, religious national identity operated, as W. E. B. DuBois argued long ago (DuBois 1935), as a kind of property, making possible a political alliance of big capital with materially poor women and men (Drayton 2019). In the lineage of DuBois, Black social thought has sought to elucidate how ‘racial capitalism’ operates to organise cross-class conservative coalitions, constituted as much in ideology as in social relations (Robinson 1983; Silva, 2007; Leong, 2013; and Gilmore, 2021).

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Thomas Piketty’s ambitious outline of a political programme, dubbed ‘participatory socialism’, to solve the ills of our time is impressive: ‘the model of participatory socialism proposed here rets on two key pillars: first, social ownership and shared voting rights in firms, and, second, temporary ownership and circulation of capital.’ (Piketty 2019, 989). Indeed, it proposes nothing less than a reinvention of government and property on a planetary scale. One the one hand, this involves relatively modest changes to national and transnational regimes of taxation. At the other end of the scale he calls for a reinvention of property to allow for temporary and social ownership, and a transnational assembly which would federate the national assemblies of the world. The sheer force of reason will negotiate this grand idea through the distinct structures of material interest and political culture.

Still, this political agenda may not be fortified against criticism from liberal, conservative, or hard right advocates of the free market. First, given the excesses of neo-liberalism and dramatic rise of inequality, the massive redistribution programme outlined might seem sensible. Yet, the question remains whether redistribution alone, a narrow focus on taxes, can really solve all of the economic (and political) ills of our time. Liberal economists would argue that economic growth, i.e. the creation of wealth, is neglected in this programme. Second, the redistribution of wealth can also have negative economic effects. Liberal economists would ask how we can guarantee that economic actors still have an incentive to become economically active. Third, the laws governing distribution remain unclear. What principles should be used to establish a fair redistribution of wealth? In a way, the programme outlined presumes the existence of the perfect uncorrupted state which is capable of making those decisions. Critics may ask whether a powerful state which reigns over such massive wealth is not also a risk. Liberal economists would reply that the free market, Adam Smith’s invisible hand, ultimately remains the more just (and elegant) principle of material allocation.

On the other hand, social thinkers of the left would offer a converse set of criticisms to Piketty’s utopian socialism. If r > g, as Piketty famously urged in 2014, using fiscal means to channel the rewards of growth more to the losers of the capitalist regime does nothing to change how the structure of wealth reproduces inequality. For them, the power of capital must be permanently broken, and the regime of heritable claims on rent ended. Piketty’s appeal to ideology reeks of a Saint-Simonian utopianism which requires capital to
endorse a set of policies which run counter to its self-interest. It is inattentive to the psychological problem which Rousseau raised as early as 1755 in *Discours sur l’origine et les fondements de l’inégalité parmi les hommes*, that the wealthy and powerful may come to desire the relative poverty and powerlessness of others. They would point to the long history of the wealthy working openly and covertly to subvert any attempt at egalitarian state-building. Oddly lacking from Piketty’s portrait of the twentieth century is any address of how the ascent of neo-liberalism ideologies, and what he calls ‘neo-proprietarianism’, was actively propelled by wealthy people and conservative institutions. The Mont Pelerin Society, in particular, with which such key economic ideologists as Friedrich Hayek, Milton Friedman, George Stigler, Maurice Allais, James M. Buchanan, Ronald Coase, Gary Becker, and Vernon Smith were associated, is not mentioned (Stedman-Jones 2012). It is nowhere clear what are the mechanisms through which the ideological shift he imagines would come, given that he has no theory of the state nor does he give violent confrontation a role in the recalibration of social trajectories.

As a conjunction of historical and economic analysis, social theory and policy, the book is unusual for our age. Many economists, with their current bias towards mathematical models and theory, have not surprisingly been wary. Paul Krugman, in the *New York Times*, criticised ‘what amounts to a history of the world viewed through the lens of inequality’ – for its lack of a clear ‘message’ (Krugman 2020). Piketty might be seen as an heir of Adam Smith, or more proximately, the historical school of economics, such as Gustav von Schmoller, Max Weber, and Joseph Schumpeter, which predated the marginal revolution. Its closest contemporary disciplinary relatives are the works of the institutional economists, which consider the influence of (formal and informal) institutions – which are shaped by ideology – on the economic world. Many Historians will respond with a similar caution. They will question both its building blocks and their assembly. It offers the sort of grand theory of history that is out of fashion among that majority of historians who seek history in local particularities. Others, in particular global historians, will admire its synthetic ambition. For historians and sociologists concerned to make a new global historical sociology, Piketty’s long durée analysis of inequality and ideology offers important provocations. Like many world-changing books, Capital and Ideology matters not for what it gets exactly right, but for how it engages the most fundamental questions in the social sciences with the problems of its age.

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1 ’Auslegung und Verwirklichung des allgemeinen Geistes’.
2 ‘Es ist nicht das Bewusstsein der Menschen, das ihr Sein, sondern umgekehrt ihr gesellschaftliches Sein, das ihr Bewusstsein bestimmt.’
3 ‘In der gesellschaftlichen Produktion ihres Lebens gehen die Menschen bestimmte notwendige von ihrem Willen unabhängige Verhältnisse ein, Produktionsverhältnisse, die einer bestimmten Entwicklungsstufe ihrer materiellen Produktivkräfte entsprechen. Die Gesamtheit dieser Produktionsverhältnisse bildet die ökonomische Struktur der Gesellschaft, die reale Basis, worauf sich ein juristischer und politischer Überbau erhebt, und welcher bestimmte gesellschaftliche Bewußteinsformen entsprechen. Die Produktionsweise des materiellen Lebens bedingt den sozialen, politischen und geistigen Lebensprozeß überhaupt.’
4 ‘Aus der bestimmten Form der materiellen Produktion ergibt sich eine bestimmte Gliederung der Gesellschaft – Nr. 1, zweitens ein bestimmtes Verhältnis der Menschen zur Natur. Ihr Staatswesen und ihre geistige Anschauung ist durch beides bestimmt. Also auch die Art ihrer geistigen Produktion.’
5 ‘Die Philosophen haben die Welt nur verschieden interpretiert; es kommt aber darauf an, sie zu verändern.’