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RETHINKING EQUALITY IN AN AGE OF INEQUALITY

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EUROPEAN UNIVERSITY INSTITUTE, FLORENCE
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Abstract

We live in a time of counter-revolution. Since the 1980s, reversing a century-old trend towards fewer inequalities, the richest among us have kept accumulating revenues and possessions.

The economic and social roots of this situation are well-known. But the complete break-down of the very idea of equality has also played a major role, having gone hand in hand with the insidious undermining of the tax system and other redistributive measures. Inequalities that are seen as unacceptable are denounced; but denunciation does not prevent resignation and a feeling of helplessness. To get us out of today's stalemate, there is nothing more urgent than a refoundation of the idea of equality.

This lecture wants to contribute to this refoundation in two ways: first, by retracing two centuries of debates and struggles around the idea of equality, and shedding new light on today's situation; then by proposing to go beyond dominant theories of justice, from John Rawls' to Amartya Sen's, to outline a theory of equality as social relation. Pierre Rosanvallon will show that refounding a society built on principles of singularity, reciprocity, and community, is the necessary condition for a more active solidarity.

Keywords

Equality, inequality, nationalization, capitalism, individualism.

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IV. Understanding a new age of equality?

The lecture was delivered on 16 November 2011.

*Pierre Rosanvallon
Collège de France*

Everybody knows that inequalities have exploded. The phenomenon has been explored in numerous statistical studies. It is mainly due to a huge increase in top incomes. In the United States, the top 10% of earners accounted for 50% of total income in 2010, compared with just 35% in 1982. The Congress Budget Office has recently revealed that the 1% of wealthiest Americans more than doubled their share of this total income between 1979 and 2007, from 8% to 17%. Their income grew by 275% during this period, while, at the bottom, the income of the 20% of poorest Americans only increased by 18%. In France, the average income of the top 1% increased by 14% between 1998 and 2006, while that of the top 0.01%, at the very top of the income scale, increased by nearly 100%, whereas the lower 90% saw their income increase by just 4% over the same period. Along with widening income differentials, we also see an increased concentration of wealth. In the United States, 20% of the people own 93% of all financial assets (excluding real estate, the value of which has shrunk). In France, the wealthiest 1% own 24% of the country's wealth, and the wealthiest 10% own 62%, while the least wealthy 50% own only 6% of the national riches. The figures are comparable almost everywhere in Europe. To be sure, measuring inequalities is a complex business that raises important methodological issues, and the whole question of inequality is clearly broader than a question of income and wealth alone. It would be easy to extend these indications ad nauseam, because the literature on the subject is endless. However, I mention the figures here merely to set the stage and suggest the magnitude of the phenomenon.

I. The End of the Age of Equality

Rising inequality stands in stark contrast to the earlier reduction in inequality in Europe and America. It is indeed remarkable that the recent increase in inequality follows a lengthy period of reduced income and wealth inequality on both continents. In France, the wealthiest 1% owned 53% of the national wealth in 1913 but only 20% in 1984. In the United States, the top 10% of earners shared nearly 50% of total income on the eve of the Great Depression but less than 35% from 1950 until the mid-1980s. In Sweden, a shining example of inequality reduction, the top 1% of earners claimed only 23% of all income in 1980 compared with 46% at the turn of the twentieth century. A recent book¹ accordingly described a short part of the 20th century as *The Age of equality*. In less than twenty years (1900-1920) a radical rupture with the 19th century was accomplished (a rupture confirmed and accelerated after each of the two world wars). These spectacular reductions were achieved by a rapid increase in low incomes, a slower growth in high incomes, social transfer payments, and a highly progressive tax system, the upper brackets of which paid steeply increasing rates. Today, this legacy has dissipated, and the current system marks a spectacular break with the past, reversing the trend of the past century. A return to the 19th century seems to be on its way.

Hence two questions arise:

- (1) How can we understand this “great reversal”, which is as brutal as Karl Polanyi's “great transformation”? Tax issues reflect this reversal. The progressivity of income tax has decreased everywhere, regardless of the ideological complexion of the government in power. In Sweden, the top marginal rate decreased from 87% in 1979 to 51% in 1983. In Britain, it went from 83% in 1977, the year of Tony Crosland's death, to 40% in 1999 (while the standard rate fell from 35% to 23%). By the early twenty-first century, there was no developed country with a marginal rate above 50%. The change was dizzying, as spectacular as the growth of such rates had been between the creation of progressive income taxation at the beginning of the twentieth century (starting with top marginal rates between 2% and 5% and arriving at a maximum of 94% just twenty years later in the US).
- (2) And how can we understand that such inequalities are criticized in general almost everywhere, while paradoxically the mechanisms producing them seem to be tolerated (e.g. traders' bonuses or

¹ Richard Pomfret, *The Age of Equality: The Twentieth Century in Economic Perspective*, Belknap, 2011.

CEOs' pay are denounced, but not equivalent incomes in sport or show business)? These are key questions for our time. Key questions because they endanger democracies. Democracy is manifesting its vitality as a regime even as it withers as a social form. Citizens are no longer content to make their voices heard sporadically at the ballot box. They exert an increasingly active power of oversight and control. The very vigour of their criticism of the representative system demonstrates their determination to keep the democratic ideal alive. This is a characteristic of our times. The aspiration to expand freedom and establish powers responsive to the general will has toppled despots everywhere and changed the face of the globe. But the "people," understood in a political sense as a collective entity that ever more powerfully imposes its will, is less and less a "social body." Political citizenship has progressed, while social citizenship has regressed. This rending of democracy is the major phenomenon of our time, and an ominous threat to our well-being. If it continues, the democratic regime itself might ultimately be in danger. The rise of populist movements is at once an index of this distress and its driving force.

II. Understanding the Previous "Great Transformation"

Three factors can explain the rupture with 19th Century capitalism:

- The development of a "reformism of fear";
- The effect of the two world wars;
- Moral and sociological transformations producing a de-individualization of the world.

The Reformism of Fear

The development of the workers' movement and its translation into socialist votes (with the universalization of suffrage) at the end of the nineteenth century put a pressure on conservative governments. "We must choose between a fiscal revolution and a social revolution", concluded Emile de Girardin in France. The German example is the most salient in this regard. For Bismarck, the reformist option was clearly a political calculation: its immediate purpose was to counter the spread of socialist ideas by showing government concern for the working class. The Kaiser himself supported this strategy. "If the workers' wounds are to be healed, we must not only repress the excesses of social democracy but also, in a more positive sense, foster the well-being of workers", he argued in a message to the Reichstag. In Germany, in other words, the plan to reduce social inequalities and compensate for the vicissitudes of working-class employment stemmed from what we might call the reformism of fear. Most other European countries followed the German lead. The trend received a boost from the growing power of socialist parties at the ballot box (which reform, though it clearly helped to limit social unrest, ultimately proved irreversible). Liberals and conservatives thus "resigned themselves to reform" in response to alarmist warnings that capitalist society as it had developed by the mid-nineteenth century was untenable. "Too much inequality of wealth and income, too much class warfare, will eventually undermine every political system," was the view expressed by the German economists and sociologists who signed the Eisenach Manifesto of 1872, thus providing an intellectual and moral framework to justify the shift in Bismarck's domestic policies. "Revolution can always be avoided by opportune reform," observed Gustav Schmoller, one of the leading 'socialists of the chair'.

After 1918, a reawakened fear of revolution hastened change in Europe, the October Revolution raising the spectre of insurrection elsewhere. On the other hand, Leninism made political voluntarism respectable again, so that some socialists – those who would eventually join communist parties – were no longer content to await the inevitable disintegration of advanced capitalism. In 1919, Europe witnessed a number of revolutionary uprisings spurred by the soviet ideal. In Germany, it was the Spartacists led by Karl Liebknecht and Rosa Luxemburg. In Hungary, Béla Kun overthrew the government established by the bourgeois revolution and proclaimed the Hungarian Soviet Republic. Large strikes erupted everywhere, shaking established governments. "All of Europe is in a revolutionary state of mind," Lloyd George warned at the Peace Conference on March 25, 1919. "The

workers are deeply dissatisfied with pre-war conditions. They are full of anger and outrage. The whole existing social, political, and economic order is being challenged by the masses from one end of Europe to the other.” Workers had greatly increased their influence, moreover, and were organized on a wide scale. Trade union membership skyrocketed in the immediate post-war years. British union membership rose to 8.3 million, compared with 4.1 million before the war. German union membership rose to 7.3 million, and French membership quadrupled (from 400,000 to 1.6 million). The power of workers therefore had to be dealt with. All these social and political factors converged to encourage governments to extend and accelerate reforms initiated before the war.

World Wars and the Nationalization of life

The development of inequalities is closely related to the detachment of certain individuals from the common run of mankind and to the legitimization of their right to distinguish themselves and separate themselves from others. It is therefore linked by construction with placing a higher value on private norms than on public norms. The experience of World War I reversed this tendency. In a sense, the war nationalized people’s lives. Private activities were largely shaped by collective constraints. Social relations therefore tended to become polarized between two extremes: either withdrawal into the family circle or absorption in the superior problems of the nation. Virtually no middle ground remained between family and country. Concern with one’s immediate family and anguish over the fate of one’s country absorbed everyone’s energy.

Civil society shrank accordingly and was relegated to a position of secondary importance relative to both family and nation. The forced simplification of social life and elevation of the nation to the status of a community undergoing an ordeal radically transformed the conditions of political life. The idea that every individual owes a social debt to the community gained currency. The fact that the war threatened everyone’s existence gave new reality to the fundamental principle of the social state of nature.

The redistributive revolution thus stemmed from the context of World War I. Millions of deaths on the European continent compelled people to think in new ways about what united them. “If the war didn’t kill you, it made you think,” as George Orwell put it. Of course, the soldiers’ lot was the hardest. As all were returned to something resembling a state of nature in the mud of the trenches, each combatant learned that his life was just as vulnerable as those of his comrades. No one expressed this feeling more vividly than Ernst Jünger. In *Storm of Steel*, he extols the thrill of power and will that he discovered in combat, but he also explores what he calls the inner experience of the front. “I have been in this trench for an eternity,” he writes. “Such an eternity that my senses have gone dead one after another, and I have become part of nature, lost in the ocean of night.” Infantrymen experienced equality of conditions in the extreme form of a return to a state of nature, at the border between humanity and animality – naked existence. Living in terror of death, they knew the equality of being cannon fodder. “The consciousness of a community of nature gave rise to a very vivid and comforting sentiment of equality,” one of them wrote. As a result of experiencing this kind of unity, they also constituted a nation in a novel, immediately physical way. As Robert Musil remarked, “Many German soldiers felt for the first time the exalting sense of having something in common with all other Germans. One suddenly became a simple, humble particle in an event that transcended the personal. Subsumed in the nation, one could almost feel it.” Death thus acquired meaning as a form of participation in the life of the community.

The experience of World War I thus marked a decisive turning point in democratic modernity. It restored the idea of a society of fellow creatures in a direct, palpable way. It revived the oldest meaning of the idea of equality, captured by the Greek word *omoioi*. The first sense of the epithet *omoios* applied to *polemos*, or combat: it characterized a battle “that is equal for all, that spares no one.” The *omoioi* were therefore equals in the sense that they had fought together, had experienced the common lot of the soldier in battle. World War I not only demonstrated this aspect of equality through the fraternal experience of combat but also publicly validated it in all combatant countries through the organization of national funerals to honour the “unknown soldier” fallen on the field of battle. The cult of the unknown soldier was carefully staged to heighten its symbolic significance, attesting to the importance bestowed on the humblest citizen as representative of the entire nation. The anonymity of

the unknown soldier expressed in exemplary fashion the idea of radical equality, of strictly equivalent value: the most obscure individual embodied what was best in everyone and became the ultimate measure of the social order. In 1918, *everyman* became the incarnation of the social individual.

Fraternity in combat and the commemoration of sacrifice are complex phenomena, but they helped to pave the way for greater social solidarity. The benefits awarded to veterans led to a general reconsideration of social benefits and other redistributive transfers. Thus, in the French case, the first major social insurance legislation, the law of 1928, was presented by its sponsors as a law “born in the aftermath of war out of the solidarity demonstrated among the various classes of society; out of the determination to grant those who defended the fatherland in the trenches, members of the popular classes who were obliged to defend the common wealth, the necessary aid to see them through difficult days; and out of the great idea of national solidarity.” Identical arguments were used across Europe to justify social reforms in the post-war period.

America itself emerged from the war profoundly changed. The experience changed American attitudes toward taxation and redistribution. When the Revenue Act of 1917 was passed, there was talk of “conscription of income” and “conscription of wealth” at a time when young men were enlisting en masse. “Let their dollars die for their country too,” one congressman said. The call for fiscal patriotism helped to legitimize progressive income tax in the United States. Hence it is fair to say that after World War I all the capitalist democracies reconsidered their basic principles and institutions.

The De-Individualization of the World

The redistributive revolution was made possible by the historical and political conditions just mentioned. But it was also the fruit of an intellectual and moral revolution which made redistribution thinkable. In a word, redistribution became possible because the economy and society were “de-individualized” by thinkers who rejected older views of individual responsibility and talent. What ultimately emerged was a new vision of enterprise itself.

A new understanding of the nature of society changed the way people thought about equality and solidarity in the late nineteenth century. The founding fathers of European sociology – Albert Schaeffle in Germany, J. A. Hobson and L. T. Hobhouse in England, Alfred Fouillée in France – all agreed that society was an organic whole. If we delve into the vast sociological literature of the period, however, we find important differences of sensibility and areas of theoretical disagreement. For instance, there was a considerable gap between the use of the organic metaphor and its practical interpretation. Fouillée’s “contractual organism” differed substantially from Schaeffle’s “social bodies.” However, the rejection of older liberal individualist understandings of social phenomena was clear in all cases. The new approach had a diffuse but significant impact on *political culture* and *social philosophy*, and for our purposes this was perhaps more important than its contribution to the nascent science of sociology.

Socialists of the Chair in Germany, Fabians and New Liberals in Britain, Solidarist Republicans in France: these various political and intellectual movements converged in the late nineteenth century. All three reformulated the question of how society is constituted in very similar terms. The idea of a society composed of sovereign, self-sufficient individuals gave way to an approach based on interdependence. “The isolated man does not exist,” argued Léon Bourgeois, the author of *Solidarité*, a work that would guide a generation of republicans and radicals toward a re-foundation of their political culture. In *Liberalism*, which played a similar role in England, L. T. Hobhouse argued similarly that every individual is constituted by the “social atmosphere” around him. The Pasteurian revolution underscored the idea that the individual is fundamentally social. “Thanks to Pasteur,” Bourgeois wrote, “the idea of a new humanity entered people’s minds. It was he who gave us a more accurate conception of the relations among men. It was he who definitively proved the profound interdependence that exists among all beings. It was he who, by formulating the microbial doctrine so persuasively, showed how much each of us depends on the intelligence and morality of everyone else.”

In this new context, the notions of right and duty, merit and responsibility, autonomy and solidarity were completely redefined. Equality as redistribution not only became thinkable, it also became possible. Thus the introduction of progressive income tax and changes in the estate tax were

closely related to the growing popularity of Bourgeois's idea of the social debt, formulated in *Solidarité*. For him, everyone is born owing a debt to society. Every individual owes something to the accumulated labour of all mankind. The individual comes into the world with all sorts of obligations to society.

In addition to "paying the social debt," there was also a structural reason for the redistributive principle underlying progressive income tax. The tax made it possible to correct the income distribution determined by the market and thus derived from the principles of individual liberty and private party, by taking into account the socialized nature of modern production. The system of production was an interdependent one, in which it was impossible to isolate each person's contribution. Hobhouse mocked the claim of the "self-made man" to be solely responsible for his success. "If he were to dig down to the foundation of his fortune," he wrote, "he would find that it is society that defends and guarantees his possessions and is a necessary partner in their creation." Bourgeois summed up the point succinctly: "It is impossible to tally up each individual's account." The two great American theorists of tax reform, Richard T. Ely and Edwin R. A. Seligman, used the same argument in their brief in favour of a progressive income tax: "There is no such thing as a strictly individualistic production of wealth in the modern world," as Ely put it. This new way of looking at economy and society lay behind progressive tax everywhere. The new tax was seen as a necessary instrument of socialization, a corrective to the market bias in favour of privatization and individualization. In other words, social justice was no longer based on a moral imperative of charity. It was instead necessitated by the social structure itself. The notion of solidarity in the socioeconomic order therefore tended to overlap with the notion of citizenship in the political order: these were two different ways of understanding society as a body, an organic whole.

The idea of a redistributive society also figured in the new conception of the nation that emerged. Instead of looking at the nation solely in terms of an inherited identity, people began to think of it as a construct to be achieved democratically. Léon Bourgeois typifies this view: the nation, he wrote, "should not be reduced to the resolve to defend the homeland against threats from abroad. It commands a larger duty, a duty within as well as without, a duty toward justice, peace, and fraternity, because domestic peace and fraternity are always in danger." In other words, many people now looked to rules of justice and redistributive institutions as additional sources of national solidarity.

A New View of Poverty and Inequality

The development of the welfare state and redistributive institutions was abetted by the fact that the social nature of inequality was increasingly recognized. People were more and more willing to see the organization of society rather than objective and justifiable individual differences as the structural cause of inequality. Socialist critiques of the social order thus gained currency in the first half of the twentieth century thanks to this new social representation. The shift was particularly marked in England, where class differences at the turn of the century were the starkest in Europe. The obvious importance of inherited wealth in Britain (where land ownership was concentrated to an almost incredible degree) fuelled demands for a reduction in inequality. In *Equality*, one of the great classics of English social thought, R. H. Tawney argued that the elimination of structural inequalities of the sort found in England was quite simply the mark of a "civilized society." Although he acknowledged that individual differences were a source of positive social energy, there was no reason to believe that these had to be associated with a high degree of inequality. Individual differences would be just as important if inequalities were reduced.

Views of poverty also changed. Here, too, Britain set the tone for Europe. After Tawney, post-war neo-Fabians such as Anthony Crosland, Richard Crossman, and Roy Jenkins theorized the need for greater equality and described poverty as a consequence of social dysfunction.

The Enterprise as Organization

The history of the welfare state was closely related to the dominant place of Keynesian ideas in macroeconomics, with their concomitant emphasis on demand. To redistribute wealth was to contribute to growth. At the same, a new "post-liberal" approach to the enterprise gained prominence. Writers such as Andrew Shonfield, John Kenneth Galbraith, and Peter Drucker exemplified the new

approach to the firm that became influential in the 1960s, as the social redistribution model reached its apogee. Let us use their work as a guide.

In *Modern Capitalism* (1965), Shonfield summed up a vast study of Europe and the United States by describing the modern private industrial firm as an organization that “sees itself as a permanent institution, entrusted with functions that transcend the search for maximum profits and are at times incompatible with it.” Indeed, the corporation’s style was “more and more reminiscent of certain public institutions.” Although competition had not disappeared, the large firm had emerged, he argued, owing to its ability to “tame the market” by virtue of its great size. In other words, big firms are no longer subject to disruptive short-term changes in the market. Indeed, all three authors agreed that the day of the market economy was over. “The modern industrial system,” Galbraith wrote, “is no longer essentially a market system. It is planned in part by large firms and in part by the modern state. It must be planned, because modern technology and organization can flourish only in a stable environment, a condition that the market cannot satisfy.” In Galbraith’s view, modern firms had become relatively autonomous organizations. Self-financed to a large degree, they had no need to rely on the stock exchange and had largely freed themselves from the power of shareholders, who were content to receive “reasonable dividends.”

“In the large modern firm,” Galbraith concluded, “power has passed ineluctably and irrevocably from the individual to the group, because the group alone has the information needed to make decisions.” This observation was crucial to his description of what might be called the “de-individualization” of power and the socialization of responsibility. For the author of *The New Industrial State*, this transfer of power to the organization had a number of implications. First, it reflected the disappearance of the Schumpeterian entrepreneur: “The entrepreneur no longer exists as an individual in the evolved industrial firm.” The technostructure, a veritable collective mind, had replaced him. The advent of this impersonal power also reflected the fact that the success of the firm depended more on the quality of its organization and the pertinence of its management procedures than on the exceptional talents of this or that individual. It could therefore perform quite well even though staffed by perfectly ordinary people. The point is important enough to warrant another quote, from Peter Drucker: “True success consists in taking ordinary men, instructing them carefully, and then, by means of an appropriate organization, seeing to it that their knowledge is joined to that of other equally ordinary specialists. This dispenses with the need for genius. The result is less exciting but far more predictable.” Talent was thus taken down from its pedestal.

For Galbraith, these changes meant that the role of the firm’s CEO was reduced to that of just another cog in the machinery of the organization. Evidence of this could be seen in interchangeability: “The retirement, death, or replacement of a captain of industry, no matter how important, has not the slightest effect on General Motors or Continental Can.” The CEO of a large corporation is forgotten as soon as he leaves his job, and “all that lies ahead for him is the obscurity of the Styx.” Executives, like other employees, had become “organization men.” They were mere servants. Prestige belonged to the organization, not its members.

The socialization of responsibility and productivity due to this type of organization changed the nature of the social question, in Galbraith’s view. The productive efficiency of the system inevitably redistributed wealth and reduced inequality. The lot of the individual benefited from what were seen as collective achievements. No one could claim these accomplishments as his own. Executives were better paid than workers, of course, but only within the framework of a functional hierarchy of skills (and recall, by way of illustration, that Peter Drucker stated at the time that the pay ratio between the top executive and the humblest worker should be no greater than 20:1).

Galbraith and Drucker were by no means original in describing the evolution of the firm. Although they were not always clear about which parts of their description were factual and which were speculative, the views they expressed were widely shared throughout the industrial world. The egalitarian ethos of the period was closely related to this image of a profoundly socialized world.

III. Understanding the “great reversal”

Considering the political and historical factors behind this “great transformation”, it is easy to understand that they are no longer at work. After the fall of communism, there is no longer room for a reformism of fear. Social fears still exist, but they concern such things as violence, security or terrorism. They appeal to an authoritarian state and not to a solidaristic one. Ecological threats, in a similar way, put concern about the fate of future generations in a general and abstract way, not on matters of social redistribution. On the other hand, Europe has been a peaceful continent since 1945, and there have been no more radical shocks inducing a reformulation of the social contract. But there is, even more importantly, the impact of the transformation of capitalism and society.

The Capitalism of Singularity: The Meaning of a Mutation

The capitalism that began to emerge in the 1980s differed from earlier forms of organized capitalism in two ways. First, its relation to the market changed, as did the role assigned to stockholders. Second, labour was organized in a new way. Fordist organization, based on the mobilization of large masses of workers, gave way to a new emphasis on the creative abilities of individuals. What now counted most was an ability to respond to rapidly changing conditions; the old emphasis on workplace discipline receded. Labour thus became more singular, for two reasons. First, the nature of production changed. New technologies of information and communication were themselves products of knowledge, and new technologies incorporated scientific knowledge in essential ways. Creativity thus became the principal factor of production. Phrases such as “cognitive capitalism” and “productive subjectivity” were coined to describe this change. Second, the growth of the service economy meant that the quality of customer relations took on increasing importance. In the service sector, customer relations are central, and here, too, we can speak of a singularization of the labour process. The change is obvious in fields such as health care, consulting, teaching, and skilled crafts such as cooking. But it is also true of work in delivery services and home repairs, industries that now count among the largest employers of those classed as “workers.” *Quality* has thus become a central feature of the new economy, marking a sharp break with the previous economy of quantity. Work routines have consequently become more diverse and product offerings more varied.

The mode of production in the new capitalism of singularity was shaped by the economics of permanent innovation. Evidence of this can be seen in changes to the list of leading firms in the major industrial countries. This list remained relatively constant from 1950 to 1980, with some firms on it being decades old. During the 1990s, however, the hierarchy underwent considerable change. In the United States alone, the leading firms in terms of stock-market capitalization were relative newcomers such as Microsoft, Apple, and Oracle, while many once-giant firms had disappeared. The industrial and financial landscape was transformed everywhere, and this further accelerated the shift to new modes of organization and labour mobilization.

The Metamorphoses of Individualism

These changes, which precipitated a crisis in societies ruled by the spirit of equality as redistribution, also had a sociological dimension. This is not easy to see, because unbridled individualism came in for a great deal of criticism. Critics charged that the pursuit of wealth had undermined social solidarity and encouraged privatization. Although the critics clearly have a point, their criticisms do not help us to understand the origins of the phenomenon. In particular, they overlook a striking paradox: the new age of inequality and diminished solidarity has also been a time of heightened awareness of social discrimination and tolerance of many kinds of difference. The picture is contradictory, to say the least, and while some ground has been lost, there have been undeniable advances with regard to the status of women, acceptance of differences of sexual orientation, and individual rights generally. If we want to understand recent changes in our societies, we must take note of all of these divergent tendencies. One way to do this is to look at the *internal* transformation in the “society of individuals.” This did not suddenly appear at the end of the twentieth century. For more than two centuries it has formed the

framework within which modern institutions have developed. Succinctly put, what we need to understand is the transition from an individualism of universality to an individualism of singularity.

The Individualism of Universality

Revolutionary individualism does not refer to a social state or moral fact. As we saw earlier, the term did not appear in the revolutionary period. It describes the constitution of man as both legal subject – the bearer of rights guaranteeing freedom of thought and action, property, and autonomy – and political subject, sharing in sovereignty through exercise of the right to vote. The term therefore defined a way of making society, a novel approach to creating a social and political order in place of the old corporatist and absolutist order. Revolutionary individualism was therefore intimately related to the idea of equality and the recognition of human similarity. It characterized a relational form, a type of social bond, and not the condition of a single social atom taken in isolation. Georg Simmel used the phrase *individualism of similarity* to describe the tendency of European societies in the eighteenth century in general terms. His point was that the aspiration to autonomy and liberty was intimately related to a universalist egalitarian ethos. The individualist perspective, he argued, “rested on the assumption that individuals freed of social and historical fetters would turn out to be essentially similar to one another.” In this context, liberty and equality were overlapping values. Once imposed orders, disciplines and structures were removed, individuals would be able to assert themselves fully as human beings. Everyone would become “a man *tout court*.”

The Individualism of Distinction

With the decline of the Ancien Régime, the psychological dimension of individualism was most fully and recognizably achieved in the artistic realm. It was the artistic milieu that gave existential depth to what had previously manifested itself mainly in caricatural form in the royal court. Artists defined their identity in terms of dissidence from the common run of mankind. They turned away from a bourgeois society defined by conformism; that is, by the bourgeois class’s inability to exist other than as a prisoner of its own narrow objectives and lack of imagination. Artists also stood apart from the supposedly gregarious masses, which they took to be slaves of immediate self-interest and unreflective passions. This individualism of distinction was the precursor of today’s individualism of singularity.

The Individualism of Singularity

The individualism of singularity can be seen as a generalization of the individualism of distinction. Distinction became commonplace and lost its elitist connotations: in short, it was “democratized.” This process inaugurated a new phase in human emancipation, defined by the desire to achieve a fully personalized existence. Its advent was closely related to the growth in the complexity and heterogeneity of social life and therefore to changes in the nature of capitalism. At a deeper level, it was also linked to the fact that the life of each individual is now shaped more by personal history than by personal condition.

Another sign of this evolution is the fact that the nature of inequality has changed. Although inequalities between different social groups remain (rich and poor, management and workers, etc.), they have to a certain extent become individualized, and this changes the way in which they are perceived. Inequalities are now as much the result of (individual) situations, which are becoming more diverse, as of (social) conditions, which reproduce themselves. Economists describe these new inequalities as “intracategorical.”

The individualism of singularity also reflects new democratic expectations. In democratic regimes associated with the individualism of universality, universal suffrage meant that each individual had a claim to the same share of sovereignty as every other individual. In democracy as the social form of the individualism of singularity, the individual aspires to be important and unique in the eyes of others. Everyone implicitly claims the right to be considered a star, an expert, or an artist; that is, to see his or her ideas and judgments taken into account and recognized as valuable.

Equality has lost none of its importance in this new context. The most intolerable form of inequality is still not to be treated as a human being, to be rejected as worthless. Hence the idea of equality still implies a desire to be regarded as *somebody*, as a person similar to others rather than

excluded by virtue of some specific difference. To be recognized as being “like” others therefore means to be recognized for the *human generality* one contains (harking back to the original sense of “humanity” as a quality of unity without distinction). But this human generality has taken on a broader, more complex meaning. It has come to include the desire to have one’s distinctiveness – one’s history and personal characteristics – recognized by others. No one wants to be “reduced to a number.” Everyone wants to “be *someone*.”

The advent of the age of singularity has given rise to new types of social conflict. For instance, the growing aspiration to achieve individual autonomy often comes into conflict with the narrowly utilitarian response of firms. But at the same time the individual’s relation to society has changed in ways that have profoundly influenced judgments of the most viable forms of equality, as well as of the most tolerable forms of inequality.

IV. Towards a new age of equality?

As a consequence of the different factors mentioned, the idea of equality has entered a deep crisis. What are the options ?

a) The first one is a return to the evils of the late 19th century, at the time of the first globalization, namely aggressive nationalism, xenophobia, protectionism. National protectionism was sustained by a purely negative vision of equality. Proximity was defined by community membership and a refusal of alienation. Barrès put it bluntly: “The idea of ‘fatherland’ implies a kind of inequality, but to the detriment of foreigners.” In other words, the goal was to bring (some) people closer together by exploiting a relationship of inequality. This negative equality in relation to outsiders was reinforced in Barrès’s mind by the desire to organize another community of the rejected, this one internal rather than external, namely “the crowd of little people,” humble capitalists and workers united in opposition to the “big barons” and “feudal lords.” Indeed, Barrès sometimes superimposed the internal and external dimensions by attacking a “redoubtable plutocracy of exotics.” This extreme position clearly shows that the concepts of identity and equality always refer to a complex interplay of proximity and distance, individuality and collectivity, and class and nation.

What was distinctive about national protectionism was that it represented an extreme case, the result of a radical polarization of both identity and equality. It also simplified the social to the utmost and thereby reduced the idea of equality to the single dimension of community membership, which was itself reduced to a negative definition (“not foreign”). Indeed, the constitution of an identity always needs a demarcation, a separation, a mirroring effect of some sort. Biologists have noted the way in which the self is constituted by recognition of the non-self. Immunology studies the mechanisms by which this occurs. But identity must be linked to a properly positive idea of shared existence to produce a democratic sentiment of membership. This is what distinguished the revolutionary nation of 1789 from the nationalist nation of the late nineteenth century. The former was associated with the formation of a society of equals, but the latter conceived of integration solely in the non-political mode of fusion of individuals to form a bloc.

Such a national protectionist vision is today at the heart of populist movements in Europe and in the United States.

b) The second option is to reconsider the question of inequalities by transforming it from a social problem to an inter-individual one. This has been the task of the different theories of *distributive* justice, based on a new consideration of “justice in equalities” as structured by the notion of responsibility. Equality of opportunity has everywhere been the name for such a perspective, with a great variety of definitions (from minimalist to radical ones).

c) If more redistribution is clearly needed today, it has to be re-legitimized. How? Through a redefinition of equality with a universalist dimension. That is to say a return to the revolutionary vision, in France and in the United States, of equality as a *social relation*, and not as an arithmetic

measure. Equality was then understood primarily as a relation, as a way of making a society, of producing and living in common. It was seen as a democratic quality and not only a measure of the distribution of wealth. This relational idea of equality was articulated in connection with three other notions: similarity, independence, and citizenship. Similarity comes under the heading of *equality as equivalence*: to be “alike” is to have the same essential properties, such that the remaining differences do not affect the character of the relationship. Independence is *equality as autonomy*; it is defined negatively as the absence of subordination and positively as equilibrium in exchange. Citizenship involves *equality as participation*, which is constituted by community membership and civic activity. Consequently, the project of equality as relationship was interpreted in terms of a *world* of like human beings (or *semblables*, as Tocqueville would say), a *society* of autonomous individuals, and a *community* of citizens. Equality was thus conceived in terms of the relative position of individuals, the rules governing their interactions, and the principles on which their life in common was based, and these concepts in turn corresponded to three possible representations of the social bond. The rights of man, the market, and universal suffrage were the underlying institutions. Economic inequalities were seen as acceptable in this framework only if they did not threaten the other modes of relational equality that defined the society of equals. These representations, which were formulated in a pre-capitalist world, were undermined by the industrial revolution, which initiated the first great crisis of equality. In order to overcome the second great crisis, we must recapture the original spirit of equality in a form suitable for the present age.

Today the principles of singularity, reciprocity, and communality can restore meaning to the idea of a society of equals and revive the project of creating one. It is these principles that must serve as the basis of legitimacy for new policies of redistribution.

