



# THOMAS

# PIKETTY

# TIME FOR

# SOCIALISM

**DISPATCHES FROM A  
WORLD ON FIRE, 2016-2021**

"What makes this manifesto noteworthy is that it comes from . . . an economist who gained his reputation as a researcher with vaguely left-of-center sensibilities but was far from a radical. Yet the times are such . . . that even honest moderates are driven to radical remedies." Robert Kuttner, *New York Times*

## **Long live socialism !**

**February 2021**

If someone had told me in 1990 that I would publish a collection of articles in 2020 entitled *Vivement le socialisme !* in French, I would have thought it was a bad joke. As an 18-year-old, I had just spent the autumn of 1989 listening to the collapse of the communist dictatorships and 'real socialism' in Eastern Europe on the radio. In February 1990, I took part in a French student trip to support the young people in Romania who had just got rid of the regime of Ceausescu. We arrived in the middle of the night at Bucharest airport, then went by bus to the rather sad and snowy city of Brasov, nestled in the arc of the Carpathian mountains.. The young Romanians proudly showed us the impact of bullets on the walls, witnesses of their "Revolution". In March 1992, I made my first trip to Moscow, where I saw the same empty shops and the same grey avenues. I had succeeded in becoming one of the participants in a Franco-Russian conference entitled "Psychoanalysis and Social Sciences", and it was with a group of French academics, who were a bit lost, that I visited the Lenin Mausoleum and Red Square (the "Shrine of the Russian Revolution") where the Russian flag had just replaced the Soviet flag.

Born in 1971, I belong to a generation that did not have time to be tempted by communism, and which became adult when the absolute failure of sovietism was already obvious. Like many, I was more liberal than socialist in the 1990s, as proud as a peacock of my judicious observations, suspicious of my elders and all those who were nostalgic. I could not stand those who obstinately refused to see that the market economy and private property were part of the solution.

But now, thirty years later, in 2020, hypercapitalism has gone much too far, and I am now convinced that we need to think about a new way of going beyond capitalism, a new form of socialism, participative and decentralised, federal and democratic, ecological, mixed and feminist.

History will decide whether the word "socialism" is definitively dead and must be replaced. For my part, I think that it can be saved, and even that it remains the most appropriate term to describe the idea of an alternative economic system to capitalism. In any case, one cannot just be "against" capitalism or neo-liberalism: one must also and above all be "for" something else, which requires precisely designating the ideal economic system that one wishes to set up, the just society that one has in mind, whatever name one finally decides to give it. It has become commonplace to say that the current capitalist system has no future, as it deepens inequalities and exhausts the planet. This is not false, except that in the absence of a clearly explained alternative, the current system still has many days ahead of it.

As a social science teacher-researcher, I have specialised in the study of the history of inequalities and the relationship between economic development, wealth distribution and political conflict, which led me to publish several voluminous books.<sup>1</sup> I have also contributed to the creation of the World Inequality Database, a vast collective and participatory project aimed at bringing more transparency to the evolution of income and wealth inequalities in the different societies of the planet.<sup>2</sup>

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<sup>1</sup> See in particular *Les Hauts Revenus en France au XXème siècle*, Paris, Grasset, 2001; *Le Capital au xxie siècle*, Paris, Seuil, 2013; *Capital et idéologie*, Paris, Seuil, 2019. For a more complete bibliography and a large number of texts, extracts and data available online, see [piketty.pse.ens.fr](http://piketty.pse.ens.fr).

<sup>2</sup> All these data, as well as thousands of pages of studies and documentation on more than 100 countries, are available online at [WID.world](http://WID.world). See also the *Global Inequality Report, 2018*, co-edited with Facundo Alvaredo, Lucas Chancel, Emmanuel Saez and Gabriel Zucman, Paris, Seuil, 2018, also available online at [WID.world](http://WID.world).

Drawing on the lessons of this historical research, and of course on my experience as a citizen-observer of the period 1990-2020, I have tried in my last book to outline some "elements for a participatory socialism" ; I will summarise the main conclusions here.<sup>3</sup> However, I must make it clear that these 'elements' are only a small starting point among others, a tiny contribution to a huge process of collective elaboration, contradictory discussion and social and political experimentation, a process which will have to be a long-term one, approached with humility and tenacity, especially in view of the scale of past failures and the challenges to come.

The interested reader will also find some of my considerations in the present study in which are reproduced all my monthly articles published in the newspaper *Le Monde* from September 2016 to February 2021, without any modification or rewriting. I have simply added a few additional graphs, tables, references and texts published on my blog hosted by *Le Monde*<sup>4</sup>. I would like to point out at the outset that some of the columns have aged less well than others, and I apologise in advance for any repetition. These texts represent nothing more than an imperfect attempt by a social scientist to descend from his ivory tower and his thousand-page books and get involved in the life of the city and in current events, with all

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<sup>3</sup> For a more detailed presentation of these 'elements for participatory socialism', see Thomas Piketty, *Capital and Ideology*, op. cit. chapter 17, pp. 1111-1190.

<sup>4</sup> See [lemonde.fr/blog/piketty](https://lemonde.fr/blog/piketty). The interested reader will also find on the site links to the data files used in the graphs and tables ; some additional data are available on WID.world or on [piketty.ps.ens.fr](https://piketty.ps.ens.fr).

the risks that this entails. I hope that the indulgent reader will find some useful leads for his own reflections and commitments.

### **The long march towards equality and participatory socialism**

Let's start with a statement that some may find surprising. If we take a long-term perspective, then the long march towards equality and participatory socialism is already well under way. No technical impossibility prevents us from continuing along this already open path, as long as we all get on with it. History shows that inequality is essentially ideological and political, not economic or technological.

This optimistic point of view may certainly seem paradoxical in these times of gloom. Yet it corresponds to reality. Inequalities have been sharply reduced over the long term. This is thanks in particular to the new social and fiscal policies introduced during the 20th century. Much remains to be done, but the fact is that it is possible to go much further by drawing on the lessons of history.

Consider, for example, the evolution of property concentration over the past two centuries. First of all, we can see that the share of the richest 1% of the total property (i.e. the total real estate, financial and professional assets, net of debt) was at an astronomical level throughout the 19th century and until the beginning of the 20th century - which shows, by the way, that the promise of equality of the French Revolution was more theoretical than real, at least as far as the redistribution of property is concerned. It can then be observed that the share of the richest 1% of the population fell sharply during the 20th century: it was around 55% of total wealth on the eve of the First World War, and is now close to 25%. However, it should be noted that this share is still about five times higher than that held by the poorest 50%, who currently own just over 5% of the total wealth (despite the fact that they are by definition fifty times more numerous than the richest 1%). The cherry on the cake is that this low share has also been declining

since the 1980s and 1990s, a trend that can also be observed in the United States, Germany and the rest of Europe, as well as in India, Russia and China.

To sum up: the concentration of ownership (and therefore economic power) has clearly decreased over the past century, but it is still extremely high. The reduction of property inequalities has mainly benefited the 'property-owning middle class' (i.e. the 40% of the population between the top 10% and the bottom 50%), but has benefited very little the poorest half of the population. In the end, the share of the top 10% of the richest 10 per cent of total wealth has fallen significantly, from 80-90 per cent to around 50-60% (which is still considerable), but the share of the poorest 50 per cent has never stopped being tiny (see next graph). The situation of the poorest 50 per cent has improved more in terms of income than in terms of wealth (their share of total income has fallen from barely 10 per cent to around 20 per cent in Europe), although here again the improvement is limited and potentially reversible (the share of the poorest 50 per cent has fallen to just over 10 per cent in the United States since the 1980s).<sup>5</sup> The poorest 50 per cent of the world's population is still the poorest 50 per cent of the world's population.

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<sup>5</sup> For a detailed discussion of the historical evolution of income and wealth inequality, see Thomas Piketty, *Capital and Ideology*, op. cit., especially charts 4.1-4.3, 5.4-5.7, 10.1-10.7, 11.1-11.8, 13.8-13.9. All these charts and series are available online at [piketty.pse.ens. en/ideology](http://piketty.pse.ens. en/ideology).

INSERT FIGURE ([Capital and Ideology, Figure 4.1](#))

INSERT FIGURE ([Capital and Ideology, Figure 4.2](#))

## **The social state as a vehicle for equal rights**

How can we account for these complex and contradictory developments, and in particular how can we explain the reduction in inequalities observed over the past century, particularly in Europe? In addition to the destruction of private assets as a result of the two world wars, the positive role played by the considerable changes in the legal, social and tax systems introduced in many European countries during the 20th century must be emphasised.

One of the most decisive factors was the rise of the welfare state between 1910-1920 and 1980-1990, with the development of investment in education and health, retirement and invalidity pensions and social insurance (unemployment, family), housing, etc.). At the beginning of the 1910s, total public expenditure in Western Europe amounted to barely 10% of national income, and a large part of it was regalian/public expenditure related to policing, the army and colonial expansion. Total public expenditure reached 40%-50% of national income in the 1980s and 1990s (before stabilising at this level), and was mainly expenditure on education, health, pensions and social transfers.<sup>6</sup>

This development has led to a certain equality of access to the basic goods of education, health and economic and social security in Europe during the 20th century, or at least a greater equality of access to these basic goods than all previous societies. However, the stagnation of the welfare state since the 1980s and 1990s, even though needs have continued to increase, particularly as a result of longer life expectancy and higher levels of schooling, shows that nothing can ever be taken for granted. In the health sector, we have just bitterly noted with the Covid-19 health crisis the inadequacy of the hospital and human resources available. One of the major issues at stake in the epidemic crisis of 2020 is

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<sup>6</sup> See Thomas Piketty, *Capital and Ideology*, op. cit, figures 10.14-10.15.



precisely whether the march towards the social state will resume in rich countries and will finally be accelerated in poor countries.<sup>7</sup>

Take the case of investment in education. At the beginning of the 20th century, public spending on education at all levels was less than 0.5% of national income in Western Europe (and slightly higher in the United States), which at the time were ahead of Europe). In practice, this meant extremely elitist and restrictive education systems: the mass of the population had to make do with overcrowded and poorly funded primary schools, and only a small minority had access to secondary and higher education. Investment in education increased more than tenfold over the 20th century, reaching 5%-6% of national income in the 1980-1990's, allowing for a very high level of educational expansion. All available evidence suggests that this development has been a powerful factor driving both greater equality and greater prosperity over the last century.

Conversely, all the evidence suggests that the stagnation in total educational investment observed in recent decades, despite the sharp increase in the proportion of an age group moving to higher education, has contributed both to the rise in inequality and to the slowdown in the rate of growth of average income.<sup>8</sup> It should also be pointed out that extremely high social inequalities in terms of access to education persist. This is obviously the case in the United States, where the probability of access to higher education (largely private and fee-paying) is powerfully determined by parental income. But it is also the case in a country such as France, where total public investment in education (all levels) is very unevenly distributed within an age group, particularly in view of the huge inequalities between the resources allocated to selective and non-selective courses

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<sup>7</sup> footnote 2, p.14 – See « Eviter le pire » 14 April 2020 (the references indicated with a title and a date refer to the article by Thomas Piketty published on [lemonde.fr/BLOG](http://lemonde.fr/BLOG) :piketty included in this volume).

8. I will return later to the way in which in future the concept of « growth » should be used.

of study.<sup>9</sup> The same applies to the United States, where the probability of access to higher education (largely private and fee-paying) is strongly determined by parental income. In general, the number of students in France has risen sharply since the middle of the 2000s (from just over 2 million to almost 3 million today), but public investment has not followed suit, especially in general university courses and short technical courses, so that investment per student has fallen sharply, representing a considerable social and human waste.<sup>10</sup>

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9. See Thomas Piketty, *Capital et Ideologie*, *op.cit.*, graphs 0.8 and 17.1. See also : « Parcoursup : peut mieux faire », (Can do better), 13 February 2018.

<sup>10</sup> See « Budget 2018 : youth sacrificed » 12 October 2017.

## **Towards participatory socialism: enabling greater circulation of power and ownership**

Educational equality and the welfare state are not enough: to achieve real equality, the whole range of relationships of power and domination must be rethought. This requires, in particular, a better sharing of power in companies.

Here again, we have to start from what worked well during the 20th century. In many European countries, particularly in Germany and Sweden, the trade union movement and social democratic parties succeeded in imposing a new division of power on shareholders in the middle of the 20th century, in the form of so-called "co-management" systems: elected employee representatives have up to half the seats on the boards of directors of large companies, even without any share ownership. The point is not to idealise this system (in the event of a tie, it is always the shareholders who have the decisive vote), but simply to note that this is a considerable transformation of the classic shareholder logic. In particular, this implies that if employees also hold a minority stake of 10% or 20% in the capital, or if a local authority holds such a stake, then the majority can be tipped, even in the face of an ultra-majority shareholder in the capital. But the fact is that such a system, which gave rise to loud cries from shareholders in the countries concerned when it was set up, and which required intense social, political and legal struggles,<sup>11</sup> has in no way harmed economic development, quite the contrary. There is every indication that this greater equality of rights has led to greater employee involvement in the long-term strategy of companies.

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<sup>11</sup> In particular, the German constitutional laws of 1919 and 1949 defined property as a social relationship involving several types of stakeholders, thus allowing for this kind of reform, which would, for example, be much more difficult to implement with the current French Constitution, which is based on a much more conservative view of strictly private property. Rather than focusing on the transition to the VIth Republic or the establishment of a Constituent Assembly (although the nature of the envisaged constitutional amendment is not always clear), French discussions on constitutional reform on these issues would benefit from more substantial socio-economic objectives, particularly on the issue of property and progressive taxation. See Thomas Piketty, *Capital and Ideology*, op. cit. chapter 17.

Unfortunately, shareholder resistance has so far prevented a wider dissemination of these rules. In France, the United Kingdom and the United States, shareholders continue to hold almost all the power of the company.<sup>12</sup> It is interesting to note that French Socialists, like British Labour, favoured a nationalisation-centred approach until the 1980s, often finding the Swedish and German Social Democrats' strategies of power-sharing and voting rights for employees too timid. The nationalisation agenda then disappeared after the collapse of Soviet communism, and both French Socialists and British Labour almost abandoned in the 1990s and 2000s any prospect of a transformation of the ownership regime. Discussions on Nordic-German co-management have been going on for about ten years now, and it is high time to generalise these rules to all countries.

Secondly, and more importantly, it is possible to extend and amplify this movement towards a better sharing of power. For example, in addition to the fact that employee representatives should have 50% of the votes in all companies (including the smallest), it is conceivable that within the 50% of voting rights going to shareholders, the share of voting rights held by an individual shareholder may not exceed a certain threshold in sufficiently large companies.<sup>13</sup> In this way, a single shareholder who is also an employee of his company would continue to have the majority of votes in a very small company,

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<sup>12</sup> One timid seat (out of twelve) has been introduced in France in the boards of directors of large companies in 2013.

<sup>13</sup> For example, an individual shareholder could hold a maximum of 90% of shareholder voting rights in small companies (below 10 employees), and this threshold would gradually be lowered to 10% of shareholder voting rights for larger companies (above 100 employees). Where there is a single shareholder, unallocated shareholder voting rights would be added to employee voting rights. See Thomas Piketty, *Capital and Ideology*, op. cit. chapter 17. This system generalises to all sectors of activity the voting rights cap rules already proposed for media companies. See Julia Cagé, *Saving the Media. Capitalisme, financement participatif et démocratie*, Paris, Seuil, "La République des idées", 2015.

but would have to rely more and more on collective deliberation once the company becomes more significant in size.<sup>14</sup>

Important as it is, this transformation of the legal system will not be enough. In order to ensure a genuine circulation of power, the tax and inheritance system must also be mobilised to encourage a greater circulation of property itself. As we have seen above, the poorest 50% own almost nothing, and their share in total wealth has barely improved since the nineteenth century. The idea that it would be enough to wait for the general increase in wealth to spread ownership is not very meaningful: if this were the case, we would have seen such a development long ago. This is why I support the idea of a more pro-active solution, in the form of a minimum inheritance for all, which to give an idea could be of the order of 120,000 Euros (i.e. about 60% of average per adult wealth in France today) or 180,000 Dollars (i.e. about 60% if the average per adult wealth in the USA today) paid out at the age of twenty-five.<sup>15</sup> Such an inheritance for all would represent an annual expenditure of around 5% of national income, which could be financed by a mixture of an annual progressive property tax (i.e. on real estate, financial and professional assets, net of debts) and a progressive inheritance tax.

What I have in mind is that this minimum inheritance for all (which can also be referred to as a “universal capital endowment”) should be financed by a combination of annual wealth taxes and inheritance taxes and would constitute a relatively small part of total public expenditure. To clarify my ideas further, one

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<sup>14</sup> With the rules described above, a single shareholder of a company employing 5 employees (including himself) would hold 56% of the votes: 45% of the votes as shareholder (90% of 50%) and 11% of the votes as employee (55%/55%). In the case of a company employing 20 employees (including himself), he would hold 43% of the votes: 40% of the votes as shareholder (80% of 50%) and 3% of the votes as employee (60%/20). With 100 employees, he would hold less than 11% of the votes: 10% of the votes as a shareholder. and 0.9% as an employee (90%/100). It goes without saying that these parameters are given here for illustrative purposes only and should be the subject of extensive historical experimentation.

<sup>15</sup> Currently, the average wealth of the poorest 50% is equivalent to about 10% of the average wealth (hence a share of barely 5% of the total wealth). The measure discussed here would therefore result in a six-fold increase in the average wealth of the poorest 50 per cent. The amount envisaged (60% of average wealth) is slightly above the current median wealth.

can indeed envisage, in the context of consideration of the ideal tax system, revenues of a total of around 50% of national income (close to the current level in Western Europe, but this would be more fairly distributed, which would allow for possible future increases). These would be composed of: on one hand a system of progressive property and inheritance tax (which would bring in around 5% of national income and finance the universal capital endowment), and on the other, an integrated system of progressive income tax, social contributions and carbon tax (with an individual carbon card to protect low incomes and responsible behaviour, and to concentrate efforts on the highest individual emissions which would be heavily taxed), which would bring in a total of about 45% of national income and finance all other public expenditure, and in particular articulate all social expenditure (education, health, pensions, social transfers, basic income, etc.). ) and environment-related measures (transport infrastructure, energy transition, thermal renovation, etc.).

Several points deserve to be clarified here. First of all, no valid environmental policy can be carried out if it is not part of a global socialist project based on the reduction of inequalities, the permanent circulation of power and property, and the redefinition of economic indicators.<sup>16</sup> I insist on this last point: there is no point in circulating power if we keep the same economic objectives. We therefore need to change the framework, both at the individual and local level (in particular with the introduction of an individual carbon card and at the national level. Gross domestic product must be replaced by the notion of national income (which implies deducting all capital consumption, including natural capital), attention must focus on distributions and not averages, and these indicators in terms of

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<sup>16</sup> See "The Illusion of Centrist Ecology", 11 June 2019; "For a Circular Economy", 15 October 2019.

income (essential for building a collective standard of justice) must be complemented by environmental indicators (in particular regarding carbon emissions).<sup>17</sup>

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<sup>17</sup> On the global inequality of carbon emissions and the concentration of the highest individual emissions in the United States and Europe, see Thomas Piketty, *Capital and Ideology*, op. cit., figure 13.7, and id. and Lucas Chancel, "Carbon and Inequality: From Kyoto to Paris", WID.world, Working Paper Series No. 2015/7.

INSERT TABLE ([Capital and Ideology, Table 17.1](#))

I would also stress that although the "universal capital endowment" represents only a small share of total public spending, because the just society as I see it here is based above all on universal access to a set of fundamental goods (education, health, retirement, housing, environment, etc.) enabling people to participate fully in social and economic life, and cannot be reduced to monetary capital endowment. However, as long as access to these other fundamental goods is guaranteed, including of course access to a basic income system,<sup>18</sup> then the minimum inheritance for all represents an important additional component of a just society. The fact of owning 100,000 or 200,000 Euros or Dollars in wealth indeed changes a lot compared to owning nothing at all (or only debts). When you own nothing, you have to accept everything: any salary, any working conditions, or almost anything, because you have to be able to pay your rent and provide for your family. Once you have a small property, you have access to more choices: you can afford to refuse certain proposals before accepting the right one, you can consider setting up a business, or you can buy a home and no longer need to pay rent every month. By thus redistributing property, we can help to redefine the whole set of relations of power and social domination.

I would also like to point out that the rates and amounts given here are for illustrative purposes only. Some people will consider excessive the tax rates in the 80%-90% range that I plan to apply to the highest incomes, estates and assets. This is a complex debate, which obviously deserves extensive deliberation. I would simply like to recall that such rates have been applied in many countries during the 20th century (notably in the United States from 1930 to 1980), and that all the historical elements at my disposal lead me to conclude that the record of this experience is excellent. In particular, this policy has not hindered innovation

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<sup>18</sup> The Basic Income is an integral part of the ingredients of a just society, provided that it is included in a larger whole and that it does not become a miracle solution. See "Basic Income or Fair Wage?" December 13, 2016.



in any way, quite the contrary: growth in national income per capita in the United States was twice as low between 1990 and 2020 (after fiscal progressivity was halved under Reagan in the 1980s) as it had been in the preceding decades.<sup>19</sup> American prosperity in the 20th century (and more generally economic prosperity in history) has been based on a clear educational lead<sup>20</sup> and certainly not on an inequality lead. On the basis of the historical elements at my disposal, the ideal society seems to me to be one where everyone would own a few hundred thousand Euros, where a few people would perhaps own a few million, but where the higher holdings (several tens or hundreds of millions, and a fortiori several billions) would only be temporary and would quickly be brought down by the tax system to more rational and socially more useful levels.

Others will find the rates and amounts too timid. In fact, under the tax and inheritance system outlined here, young adults from modest backgrounds who currently inherit nothing at all would receive €120,000, while wealthy young adults who currently inherit €1 million would receive 600,000 Euros.<sup>21</sup> We are therefore a long way from the complete equalisation of chances and opportunities, a theoretical principle that is often proclaimed but rarely applied consistently. In my opinion, it is possible and desirable to go much further.

In any case, the rates and amounts indicated here are for illustrative purposes only, and are part of an exercise of reflection and deliberation on the ideal system that one wishes to build in the long term, and do not prejudge the gradualist strategies that may be chosen here and there, depending on the particular historical and political contexts. For example, in the current French context, it can be considered that the first priority is to reintroduce a modernised wealth tax (ISF), based on

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<sup>19</sup> See Thomas Piketty, *Capital et idéologie*, *op. cit.*, graph 11.13. See also « Pour une économie circulaire », 15 October 2019.

<sup>20</sup> 90% of an age group was enrolled in secondary education in the United States in the 1950s, compared to just 20%-30% in Western Europe and Japan at the same time.

<sup>21</sup> After operation of the inheritance tax and the universal endowment.

pre-filled wealth declarations and much stricter control than in the past, which would at the same time reduce the property tax, which is a particularly burdensome and unfair wealth tax, especially for all indebted households in the process of becoming homeowners.<sup>22</sup>

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<sup>22</sup> See « Suppression de l'ISF : une faute historique », 10 October 2017 ; « "Gilets jaunes" et justice fiscale », 11 December 2018.

## **Social federalism: towards a different organisation of globalisation**

Let's say it again clearly: it is quite possible to move gradually towards participatory socialism by changing the legal, fiscal and social system within this or that country, without waiting for the unanimity of the planet. This is how the construction of the social state and the reduction of inequalities took place during the 20th century. Educational equality and the social state can now be relaunched country by country. Germany or Sweden did not wait for authorisation from the European Union or the United Nations to set up co-management, and other countries could do the same now. France's wealth tax revenues were growing at a brisk pace before it was abolished in 2017, which shows the extent to which the argument of widespread tax exile was a myth, and confirms that it is possible to reintroduce a modernised wealth tax without delay.

In the United States, given the size of the country, governments can be even more ambitious. The new Democratic administration which took office in January 2021 will need to reconcile the country, especially after the events at Capital Hill, and this will require to take decisive steps in the direction social justice and redistribution.<sup>23</sup> I continue to believe that the Biden team would be well inspired to take up some the key proposals made by Sanders and Warren during the primary campaign, for instance regarding the wealth tax on top billionaires. The US federal government has the capability to effectively enforce such a tax, whose proceeds could contribute to upgrade the modest US welfare state.

Having said that, it is quite clear that it is possible to go even further and faster by adopting an internationalist perspective and trying to rebuild the international system on a better basis. In general, to give internationalism a chance again, we need to turn our backs on the ideology of absolute free trade that has guided globalization in recent decades, and put in place an alternative economic system,

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<sup>23</sup> See "The Fall of the US Idol", January 12 2021.

a model of development based on explicit and verifiable principles of economic, fiscal and environmental justice. The important point is that this new model must be internationalist in its ultimate objectives but sovereignist in its practical modalities, in the sense that each country, each political community must be able to set conditions for the pursuit of trade with the rest of the world, without waiting for the unanimous agreement of its partners. The difficulty is that this universalist sovereignism will not always be easy to distinguish from the nationalist type of sovereignism that is currently gaining momentum.

I would like to emphasise once again here how the different approaches can be distinguished, which seems to me to be a central issue for the future.<sup>24</sup> In particular, before considering possible unilateral sanctions against countries practising social, fiscal and climate dumping, sanctions which in any case must remain incentive-based and reversible, it is essential to propose to other countries a cooperative model based on universal values of social justice, reduction of inequalities and preservation of the planet. This requires in particular indicating precisely which transnational assemblies could be in charge of global public goods (climate, medical research, etc.) and common fiscal and climate justice measures (common taxes on the profits of large companies and the highest incomes, wealth and carbon emissions). This applies in particular to the European level, where there is an urgent need to move away from the unanimity rule and meetings behind closed-doors. The proposals contained in the Manifesto for the Democratisation of Europe (tdem.eu) make it possible to move in this direction, and the creation in 2019 of a Franco-German Parliamentary Assembly (unfortunately without real powers) shows that it is perfectly possible for a sub-

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<sup>24</sup> See "Rebuilding internationalism", 14 July 2020. I return to these questions in several other columns: 'For another globalisation', 15 November 2016; 'Europe and the class divide', 14 May 2019; 'Social-federalism versus national-liberalism', 11 February 2020.

group of countries to build new institutions without waiting for the unanimity of the other countries.<sup>25</sup>

Beyond the European case, these discussions on social federalism also have a much broader scope. For example, the countries of West Africa are currently trying to redefine their common currency and definitively break away from colonial rule. This is an opportunity to put the West African currency at the service of a development project that is based on investment in youth and infrastructure (and not only for the mobility of capital and the richest). Moreover, it is too often forgotten from Europe that the WAEMU (West African Economic and Monetary Union) is in some ways more advanced than the Euro zone. For example, in 2008 it introduced a directive establishing a common corporate tax base and obliging each country to apply a tax rate of between 25% and 30%, which the European Union has so far been unable to decide. More generally, the new monetary policies set up at the global level over the last ten years require a rethinking of the balance between monetary and fiscal approaches, and a comparative, historical and transnational perspective is again essential.<sup>26</sup>

At the global level, I believe that social-federalism and transnational parliamentary assemblies will also be necessary to regulate international economic relations and design adequate financial, fiscal and environmental regulations, e.g. between the US, Canada and Mexico, between the US and Europe, between Europe and Africa, and so on.

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<sup>25</sup> See "Manifesto for the Democratisation of Europe", 10 December 2018; "The Franco-German Assembly, a unique opportunity for fiscal justice in Europe", 21 February 2020.

<sup>26</sup> See "Will money creation save us? " 9 July 2019; "Time for green money", 12 May 2020.

### **For a feminist, multi-racial and universalist socialism**

The participatory socialism I am calling for is based on several pillars: educational equality and the social state; the permanent circulation of power and property; social federalism and sustainable and fair globalisation. On each of these points, it is essential to take stock without concession of the inadequacies of the various forms of socialism and social democracy experienced in the 20th century.

Among the many limitations of the multiple socialist and social-democratic experiences of the last century, it must also be emphasised that the issues of patriarchy and post-colonialism have not been sufficiently taken into account. The important point is that these different issues cannot be thought of in isolation from each other. They have to be dealt with within the framework of a comprehensive socialist project based on the real equality of social, economic and political rights.

All human societies up to the present day have been patriarchal societies in one way or another. Male domination has played a central and explicit role in all the inegalitarian ideologies that succeeded one another until the beginning of the 20th century, whether ternary, proprietarist or colonialist ideologies. In the course of the 20th century, the mechanisms of domination became more subtle (but no less real): formal equality of rights has gradually been established, but the ideology of a woman's place as being the home, reached its apogee in the prosperous 1945-1975 period, known as the 'thirty glorious years' in France. In the early 1970s, almost 80% of wage earners were men.<sup>27</sup> Here again, the question of indicators and their politicisation is crucial. All too often, we are simply informed that the gender difference in pay for "the same job" is 15% or 20%. The problem is precisely that women do not have access to the same jobs as men. At the end of their careers, the average pay gap (which will then continue throughout

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<sup>27</sup> See Thomas Piketty, *Capital et idéologie*, *op. cit.*, chapitre 13.

retirement, not including career breaks) is actually 64%. If we look at access to the best paid jobs, we can see that things change only very slowly: at the current rate, it would take until the year 2102 to reach parity.<sup>28</sup>

In order to accelerate the movement and truly move away from patriarchy, it is essential to put in place binding, verifiable and sanctioned measures, both for positions of responsibility in companies, administrations and universities and in political assemblies. Recent work has shown that this improved representation of women could go hand in hand with an improvement in the representation of disadvantaged social categories, which are currently virtually absent from assemblies. In other words, gender parity must advance in tandem with social parity.<sup>29</sup>

The issue of gender discrimination must also be considered in relation to the fight against ethno-racial discrimination, particularly in terms of access to employment. This also involves the necessary collective and civic re-appropriation of colonial and post-colonial history. Some people are surprised today to see demonstrators of all origins attacking the statues of slave traders that still adorn many European and American cities. Yet it is essential to consider the extent of this shared history.

In France, it is all too often ignored that Haiti had to pay back a considerable debt to the French state between 1825 and 1950, all in order to have the right to be free and to finance financial compensation to slave owners (unjustly deprived of their property, according to the ideology of the time). Today Haiti is claiming reparation from France for this iniquitous tribute; it is difficult not to agree with Haiti and this issue should no longer be postponed, particularly when today

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<sup>28</sup> See « Inégalités salariales hommes-femmes : 19 % ou 64 % ? », 7 November 2016.

<sup>29</sup> See Julia Cagé, *Libres et égaux en voix*, Paris, Fayard, 2020.

restitution is still being organised for spoliations that took place during the two world wars. More generally, it is easy to forget that the abolition of slavery in France and the United Kingdom was always accompanied by the payment of compensation to the owners, and never to the slaves themselves. Compensation to former slaves had been mentioned at the end of the US Civil War (the famous mule and the 40 acres of land), but nothing was ever paid out, neither in 1865 nor a century later, in 1965, when legal segregation ended. In 1988, however, \$20,000 in compensation was awarded to Japanese-Americans unjustly interned during World War II. Compensation of the same type paid today to African-Americans who were victims of segregation would have a strong symbolic value.<sup>30</sup>

However, this legitimate and complex debate on reparations, which is essential to build confidence in a common standard of deliberation and justice, must be framed within a universalist perspective. In order to repair society from the damage of racism and colonialism, one cannot be satisfied with a logic based on eternal intergenerational compensation. Above all, we must also look to the future and change the economic system, based on the reduction of inequalities and equal access for all to education, employment and property, including a minimum inheritance for all, regardless of their origins, in addition to compensation such as that enjoyed by Japanese-Americans and which could be enjoyed by African-Americans. The two perspectives, that of reparations and that of universal rights, should complement, not oppose, each other.

The same is true at the international level. The legitimate debate on reparations such as those concerning Haiti must take place in conjunction with a necessary reflection on a new universal system of international transfers. In particular, the current epidemic crisis can be an opportunity to reflect on a minimum health and education allocation for all the world's inhabitants, financed by a universal right

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<sup>30</sup> See « Affronter le racisme, réparer l'histoire », 16 June 2020.



for all countries to a share of the tax revenues paid by the most prosperous economic actors around the world: large companies and households with high incomes and assets. This prosperity is, after all, based on a global economic system - and incidentally on the unbridled exploitation of the world's natural and human resources for centuries. It therefore now requires global regulation to ensure its social and ecological sustainability.<sup>31</sup>

Let's conclude by insisting on the fact that the participatory socialism I'm calling for will not come from the top: it is useless to wait for a new proletarian vanguard to come and impose its solutions. The devices mentioned here aim to open the debate, never to close it. Real change can only come from the re-appropriation by citizens of socio-economic questions and indicators that allow us to organise collective deliberation. I hope that these lines and the texts that follow can contribute to this.

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<sup>31</sup> See « Éviter le pire », 14 April 2020. See also Simon Reid-Henry, « Global Public Investment : Redesigning International Public Finance for Social Cohesion », London, Queen Mary, 2020.

