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## Institutions and Material Conditions: The Problem of History in Piketty's *Capital and Ideology*

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### *Texte intégral*

- 1 In his celebrated 2013 volume, *Capital in the Twenty-First Century*, Thomas Piketty set out a detailed empirical account of the accelerated growth in inequality within and between societies around the globe, noting that over the past two centuries increases in wealth have increasingly made their way into the pockets of fewer and fewer people. His latest book returns to the question of inequality, but the focus is on what he sees as its ideological origins rather than its empirical manifestations. Unlike the data-driven argument set out in the earlier book, *Capital and Ideology* is a more discursive tour of global history going back to the Middle Ages. There are still data, mainly used to demonstrate the existence of inequality over the centuries, but the bulk of the book—and it is a bulky book—is devoted to various forms of social organization and the evolution of the ideologies that underpinned them. At the heart of this vast tome is the notion that ideas and ideologies, especially those surrounding property, have long been used to justify and

perpetuate inequality, and that new ways of thinking will be required if we are to reinvent our societies as truly egalitarian ones.

- 2 The general thrust seems to be that we can view the historical trajectory of societies and the changes we observe in political and social structures to the present day as evolving manifestations of a 'quasi-sacred' view of property, in many ways redolent of Macpherson's diagnosis of 'possessive individualism' (Macpherson, 1962). In the beginning, Piketty argues, most societies were 'ternary', or tri-functional societies, comprised of ruling/warrior class (the nobility), the Church (clerics), and the 'third estate' (the peasants and other workers). In this form of social organization, property was in the hands of the powerful, the nobles and the Church, and this was justified through their status as rulers, warriors, and men of god. The gradual rise of new ideologies related to ownership, as well as colonialism and communism, brought about transformations in the tri-functional structure, usually in the form of rebellions and revolutions, that resulted in the societies of the modern world—transformations both motivated and justified by ideas about property, who is entitled to it, and how it should be protected. All of the resulting forms—slave societies, colonial societies, communist societies, and even modern social democratic societies—ultimately resulted, over time, in an increasing concentration of wealth in the hands of a few.
- 3 The approach is a self-conscious inversion of Marx, with ideology now the main driver of historical change, while the politics and material conditions on the ground play the role of superstructure, resulting from and in service to a deeply-rooted and widespread propertarian belief system. (7) That said, it is not easy to pin down the precise role of ideas in Piketty's story. He insists in the opening pages that 'the realm of ideas, the political-ideological sphere, is truly autonomous' rather than mere superstructure. (7) The certainty with which this is asserted is undermined, however, in subsequent pages, when he refers to 'the deep structure of inequality' on the one hand and 'how it was justified' on the other (15) and calls 'propertarian ideology' a 'sophisticated discourse' (125), thus also treating it as superstructure. In fact, *justification* is the term he uses most often to describe the ideological underpinnings of inequality, making the argument sound more conventionally Marxist than implied on pages 7-10. These recurring tensions are exacerbated by the absence of any clear, testable hypothesis about the role of ideology as a causal factor in historical social transformations or in the increasingly inegalitarian distribution of wealth in the world. This lack of rigor is surprising, given that Piketty is a social scientist who repeatedly emphasizes, throughout this volume, the importance of granular micro-level data and concrete forms of evidence. Perhaps this is meant to pertain only to indicators of inequality, and not its social and political-economic context.
- 4 But what I want to focus on here (returning to ideology later) is the portrayal of pre-modern history, because it is critical to understanding this political-economic context. It is also a key piece of Piketty's narrative, the basis on which he rests his argument about the rise and evolution of property as an ideology and the centrality of this ideology to institutional reform in 1789. (The argument extends to societies outside Europe, though the focus here will be limited to pre-modern Europe.) In setting out his taxonomy of social organizations, Piketty repeatedly assures the reader that he is aware that societies in the past were more complex than the taxonomy allows, but that the details would unnecessarily complicate the larger story he wants to sketch out about elites and propertarian belief systems (for instance, on pp. 63 and 192). It is true that to make a general argument that holds across space and time, it is necessary to see a larger picture and not allow oneself to be distracted by specific details. But the empirical detail should at least inform the larger picture and be consistent with the more general story. It is disappointing, then, to see how few of the more recent empirical findings about the ways in which past societies functioned have made it into this account.<sup>1</sup> Especially since many of these findings are highly relevant to questions about institutions and inequality across societies and over time and to the idea that modernity (specifically here the French

Revolution) ushered in an era of propertarian values; the sacralization of propertarian ideology at the expense of what he refers to as its 'emancipatory dimensions' (120-122).<sup>2</sup>

5 The pre-modern world described in this book is a world of elites, where the 'third estate' is an undifferentiated mass, with little access to property or power. This is *l'histoire immobile*. The tri-functional society was the enduring outcome of 'functional complementarity' and 'balances of power' (199 and throughout). This is a very old-fashioned view of history, with its focus on structural forms of inequality that are immediately apparent to the modern observer. But does such a superficial view of the past really help us to understand the development of inequality over time? In recent decades, new research in economic and social history, much of it in the spirit of 'history from below', has shown us that peasants, craftsmen, shopkeepers, traders, laborers, and others, going as far back as we have written sources, were a highly stratified population.<sup>3</sup> Many of these held property in various forms: buildings, land, grain, workshops, trade inventory. They borrowed, lent, accumulated, and bequeathed their assets to their children. Even serfs, at the bottom of the feudal ladder, had, in much of western Europe, some formal rights to their property, including to land, which they could buy, sell, and collateralize. In some parts of eastern Europe, most notably imperial Russia, there were serf entrepreneurs whose wealth was considerably greater than that of the average noble landlord.

6 These detailed micro-level studies of villages and towns reveal that forms of property and the mechanisms used to assign and enforce rights to it varied enormously from place to place and evolved over time. This matters to studies of inequality because these mechanisms largely determined the *distribution* of wealth and property within a society. The existence of these institutions and the records they generated, in which people from the bottom to the top of the social scale are represented, suggest a significant amount of conflict over property well before the modern era. At a glance, we observe that serfs in medieval England were not only able to accumulate property but, by the thirteenth century, at least, had the legal right to defend their property and enforce contracts of various kinds beyond the jurisdiction of their local manor (Briggs, 2008). We know now that in central Europe, in areas of the 'second serfdom', east of the river Elbe, serfs had formal rights to land and capital and could defend those rights in courts—even, in some cases, against those of higher status (such as their overlords) (Eddy, 2013; Hagen, 2008). Furthermore, researchers have shown that throughout pre-modern Europe powers and privileges were assigned not only to noble seigneurs and clerics, but also to institutions like craft guilds and towns, in varying degrees, and that this practice, too, had distributional consequences. These organizations were capable, through local channels, of influencing how people earned a living, what their wages were, what they could buy, when they could marry, and even where they could settle. (Ogilvie, 1997; 2003) In imperial Russia, the pre-modern wealth and power structure was in certain superficial ways closer to the conventional model set out by Piketty, as there were no village or seigneurial courts in the European sense; rather, disputes over property or contracts were resolved by selectmen in the village commune or by the officials of noble overlords (Dennison, 2006). Serfs officially had no legal right to hold land until well into the nineteenth century and no appeal to civil courts until after the 1861 Emancipation Act. But even there, ordinary people still figured out ways of securing land and other property, and we see significant numbers of property-related cases in the archives, some detailing surprisingly modern transactions, including the sale of grain futures and the collateralization of debt (Dennison, 2011). In short, the societies Piketty classifies as 'tri-functional' varied significantly in their political, economic, and social structures, and had institutional mechanisms—in some places quite sophisticated mechanisms—for assigning rights to property and resolving conflicts over these rights. And these conflicts over the distribution of surpluses reflect a dynamism that is obscured by the 'tri-functional' label.

7 Okay, so pre-modern societies were in fact more heterogeneous and less stagnant than implied by Piketty's scheme. Does this affect the larger argument about ideology and the 'sacralization' of propertarian notions over time? A closer look at the discussion of

revolutionary France and the 'great demarcation' in Chapters three and four leaves one unpersuaded; there is ample space for an alternative account of institutional change, to which the picture outlined above is relevant. The general thrust of this section of the book is that the property rights regime established in 1789 was in many ways arbitrarily designed and motivated by an ideological commitment to private property rights (especially the *preservation* of the elite's existing rights), and that this emphasis on property and its contractual nature had the effect of further 'sacralizing' this institution in ways that would further undermine egalitarianism. Piketty pays particular attention to the new regime's decision to formally separate the *rights* to property, assigning those to private individuals, and the *enforcement of those rights*, which became, after the Revolution, the sole purview of the state. This 'demarcation' not only created, in Piketty's view, a significant disruption to the long existing social order, and especially 'the lower levels of the judicial system' (101-102). It 'fixed in people's minds' that the state should retain a judicial monopoly (101) and, moreover, it contributed to the enshrinement of a propertarian ideology to fill the void created by the destruction of the old trifunctional system (123), in which an 'inextricable imbrication' of property rights and judicial functions had prevailed (112-113).

8 Two important—and related—points need to be made here. First, the assertion that property, the right to hold it, and the enforcement of those rights were not clearly distinguishable in pre-modern societies is simply not borne out by the empirical evidence. As I have made clear already, conflict over property was widespread right down the social scale, and a range of mechanisms existed within and across societies for resolving contested claims. At one end of the spectrum, there was England, where as early as the thirteenth century we can observe 'forum shopping' by villeins, who were keen to pursue justice outside their own seigneur's courthouse, and in certain cases had the legal possibility to do so (Briggs, 2008). By the late middle ages, there were relatively formal mechanisms in place to resolve disputes over land, credit, labor, inheritance—and these mechanisms increasingly involved the state (more on this below). Similar enforcement mechanisms existed in medieval France, including princely 'state' courts, such as those that have been emphasized in research on the renowned Champagne Fairs (Edwards and Ogilvie, 2011). A number of local mechanisms was employed before the Revolution to enforce a range of property rights for a variety of holders—those of clerics, landlords, peasants, townspeople, and communities as a whole. This appears to have been the case throughout Europe. Imperial Russia, at the other end of the continuum, had far fewer formal mechanisms than found in northwest Europe, but there were certainly processes in place, for which we have records that demonstrate a clear understanding (on the part of unfree peasants) of who owned what, under what terms, and to whom to turn if these rights were violated (Dennison, 2011). Thus the 'demarcation' described by Piketty is not likely to have resulted in any kind of conceptual shift in people's minds. More to the point, Piketty presents no concrete evidence in support of the argument that it did, while all the evidence we have so far, for a range of pre-modern societies, indicates that these concepts were very deeply entrenched long before 1789.

9 It is highly unlikely, then, that the institutional change described in these chapters—in particular, assigning responsibility for property rights enforcement to the state—marked a significant break with the past in the way Piketty posits. The attempts of the new regime to assign and 'contractualise' property rights is reminiscent of the process that occurred in England in the late medieval period, when the crown increasingly began to undermine the judicial monopolies of the nobility, allowing all subjects to bring their cases to the Kings Courts. Serfs and other kinds of long-term tenants could even sue their noble landlords in state courts for violation of custom, the (often unwritten) agreement that governed seigneurial relationships. These cases hastened the production of written tenorial contracts and the gradual emergence of the common law (Bonfield, 1999; Brand, 1992; Hyams, 1980).<sup>4</sup> The extension of the Kings Courts and the crown's jurisdictional space deprived nobles, over time, of a traditional source of power and offered commoners the

possibility of extra-local hearings and legal recourse against more powerful members of society who attempted to expropriate them. A version of this process occurred in central Europe after the Thirty Years' War, when sovereign princes, such as the Hohenzollerns, reiterated their subjects' right to seek justice in the princely courts, over the protests of noble lords, who sought monopolies over justice at the local level as well as the powers of expropriation that came with such privileges. In the Holy Roman Empire, subjects had the right to appeal beyond the local prince to the imperial courts (Hagen, 1986; Schulze, 1980). One must take care not to overstate the extent to which peasants availed themselves of these options (there are still few empirical investigations using these kinds of records), but we know that some certainly did (Crook, 2000; Dyer, 1996; Hagen, 1986). The counterexample is Russia, where no such formal mechanisms existed, and the threat of expropriation perennially loomed over investment decisions of peasants and landlords alike. And where quasi-formal forms of extra-local enforcement *were* offered, serfs were very keen to take advantage of them even if it meant paying a non-trivial fee. These cases suggest that the formalization of property rights and the extension of state mechanisms for enforcement may well have been as welcome a change for French citizens as they were for others.<sup>5</sup> More significant, however, is the scope that such mechanisms *could* allow for protection against predatory practices of powerful elites against whom there had previously been little recourse and the implications of that for the distribution of wealth and what Piketty calls the 'emancipatory' effect of private property (and which, I hasten to add, he acknowledges, here and there, as not unimportant, particularly, he argues, when 'properly' constrained and harnessed to nobler causes (122-123)).

10 Piketty's ideological argument hinges on his historical taxonomy, which views elites as the only significant actors in society. In order to justify and protect their rights to the property they possessed, the wealthy and powerful, in this story, promoted an ideological framework that conferred legitimacy on their claims to property (and rents from it) and whole societies eventually bought into that ideology, creating the modern 'ownership' era. (If this part sounds like a conventionally Marxist account of history, that's because it is.<sup>6</sup>) But it wasn't only elites who were concerned about their rights to property. As the previous paragraphs make clear, many people in pre-modern societies, up and down the social scale, held property in a variety of forms (going back as far as we can document), and they had a strong interest in protecting it. While it is tempting to argue that the stakes were higher for large landholders since their wealth was much greater, one could easily make the opposite case: The stakes were much higher for the poorer person whose small holding comprised a disproportionately large share of his/her wealth and who might be deprived of recourse in case of seizure. (It is, for instance, remarkable how much poorer peasants in Russia were willing to pay to formalize the contracts they made, which often involved property and goods of low to middling value (Dennison, 2011).) Furthermore, it must be noted that the same 'history from below' has revealed that ideologies and attitudes toward wealth and property could be as diverse as societies themselves, with significant variation within and across them.<sup>7</sup>

11 There are explanations for the development of increasingly secure property rights that do not rely on notions of ideology. Conflict among privileged elites appears to have been a critical factor. For instance, the English crown aimed to undermine nobles' power by expanding the reach of the crown courts. Similarly, extending appellate rights to all subjects was a way for the Habsburg emperors to keep the sovereign princes of the Holy Roman Empire in check. These power plays had the (unintended) effect of making property institutions more inclusive and distribution relatively more egalitarian. This is *not* to claim that ideology was irrelevant, or that it played no role in the unequal outcomes we have observed over time. But we are still a long way from a full understanding of the political economy of pre-modern societies, and from being able to identify the concrete mechanisms that generated inequality in specific contexts. We need a fuller picture of the institutional framework that gave rise to specific material conditions in order to say how this equilibrium could have been maintained for so long, and how it might have evolved

over time to the greater advantage of the already well-off. Engaging in speculation about the ideological motivations of people in the past—particularly those who leave behind only evidence of their behavior and not their thoughts—is putting the cart way before the horse. There is much more empirical mileage remaining in concrete, micro-level studies of past societies.

12 Focusing on the political-economic origins of inequality rather than vaguely specified ideological ones more easily allows for systematic comparison across societies and over time.<sup>8</sup> Piketty wants to tell a global story, but forcing a disparate range of societies into the same ideological box ends up complicating the narrative rather than simplifying it. Questions about institutions and the distribution of wealth and power in societies, on the other hand, are applicable to all societies in any time period. They are relevant to modern developing economies as well as those in Europe before the industrial revolution. They are also critical to our understanding of empire. Piketty hints at this in his sections on the French empire and the British empire in India, noting the conflicts generated by the imposition of political and economic institutions from above on societies where these did not fit with the existing social structure. An empirical understanding of the ways in which these concrete kinds of structural problems influenced the outcomes we have observed is vitally important for all the questions Piketty's research raises. None of this is to say that ideology has no relevance to questions about inequality. It is to say that it is difficult to identify and explain ideologies and their various permutations over time without understanding the specific social configurations that gave rise to them. One need not view ideology as mere superstructure to also regard it as very far from autonomous.

13 Nor am I claiming, by placing emphasis on continuities over time, that human society could never look drastically different at some point in the distant future. Might our societies be based someday on an entirely different view of property and property relations? Something more akin to the world imagined by Ursula Le Guin in *The Dispossessed*, where I produce a text with the computer that I use, on the desk that I use, in the house that I use, in a society where possessive pronouns no longer exist? Perhaps. But the devastating failure of the Soviet 'experiment' has made it clear that there is no direct path to Le Guin's world from the one we inhabit now. The attempts of Soviet authorities to change the way their citizens thought was no more successful than the tsars' attempts to create a prosperous agrarian sector without the institutional framework to support it (in particular, those mechanisms described above for assigning and protecting rights to property). Most Soviet citizens rejected Bolshevik ideology because it was completely at odds with what they knew to be the reality on the ground, and at odds with how they perceived their own interests given those realities. This is problematic for the case Piketty wants to make (the case for the primacy of ideology as well as for the idea that 'infinite' paths are open to societies at historical turning points), and it is clear in Chapter twelve that he is not quite sure what to do with the Soviet case. It requires even more of what he calls 'twists and turns' to make it fit the larger narrative.

14 This may seem like a churlish response to an author's attempt to think in broad terms and propose alternative ways of looking at the complex problem of inequality. But my skepticism is due precisely to my strong agreement with Piketty about the importance of the questions he raises. Rising inequality, unequal access to education, the primacy of the nation state and its role in the global distribution of wealth, and the potential threats to democracy of all these trends are urgent issues of our time. I agree that it is necessary to take a longer view of these problems and that history can better inform our diagnoses of present ills. It is therefore of critical importance that we get the history right and that our prescribed policies are informed by concrete empirical findings. In order to forge a path to a new society, we need to understand the existing lay of the land. We must work harder to identify the specific mechanisms that have worked to perpetuate inequality and figure out how to change those; in other words, we must apply the same rigor to uncovering the *origins* of inequality as we have applied to demonstrating its existence. Otherwise, we will find ourselves admitting that, in the deathless words of Viktor Chernomyrdyn after

Russia's bungled monetary reforms in 1993, "We wanted the best, but it turned out like always."

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## Notes

1 Specific references appear later in this essay.

2 Piketty's distinction between the sacralization of property and its 'emancipatory dimensions', outlined on these pages, is left vague; the boundary at which the latter becomes the former is never specified.

3 'History from below' is most often associated with E. P. Thompson, whose work inspired a new focus on the lives of the laboring poor. Local, micro-level studies, often associated with the Cambridge Group for the History of Population and Social Structure, have generated new perspectives on social structure and ordinary lives. Many of these studies are part of the CUP series *Cambridge Studies in Population, Economy, and Society in Past Time*.

4 The literature on law and the use of courts in late medieval England is extensive. See Briggs (2009) for background and specific relevance to property.

5 That the French state was already mediating disputes between seigneurs and peasants before 1789 is clear, even if there remains disagreement among historians about the interpretation of these interventions. See Hayhoe (2008) for a discussion of these debates.

6 'Ownership' societies in this account are effectively 'bourgeois' societies, engendered by 'bourgeois' revolutions, such as that of 1789.

7 There is a vast historical literature on political and popular discourses in medieval and early modern European societies, which is most relevant to the questions Piketty poses, but is beyond the scope of my discussion here.

8 It also enables us to better confront the complexities of phenomena often portrayed, as in Piketty's narrative, simplistically. For instance, the conversion of corvée to rents and the compensation of serf owners for freed serfs was, in a number of European societies, about politics: Recalcitrant elites had to be cajoled into cooperating with large-scale reforms. Thus the opportunities that moments like the French Revolution presented were not unconstrained.

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## ***Pour citer cet article***

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