

Florence Delmotte • Barbara Górnicka
Editors

Norbert Elias in Troubled Times

Figurational Approaches to the Problems
of the Twenty-First Century

palgrave
macmillan



CHAPTER 2

The Question of Inequality: Trends of Functional Democratisation and De-democratisation

Nico Wilterdink

2.1 INTRODUCTION

Fifty years ago it seemed quite clear: societies, or at least Western or ‘advanced’ societies, were moving in the direction of more equality. Since the nineteenth century, autocratic regimes had given way to parliamentary democracies, mass parties and labour unions had gained power, and class and status inequalities had diminished. After the Second World War, this development accelerated in several respects. Unprecedented economic growth led to considerable improvements of income and consumption levels among lower and middle strata; welfare state provisions were vastly extended; women entered the labour market in large numbers and became more equal to men; young people gained autonomy in relation to parents, teachers, and bosses; minority rights were increasingly recognised and put

N. Wilterdink (✉)
University of Amsterdam, Amsterdam, The Netherlands
e-mail: N.A.Wilterdink@uva.nl

© The Author(s), under exclusive license to Springer Nature
Switzerland AG 2021
F. Delmotte, B. Górnicka (eds.), *Norbert Elias in Troubled Times*,
Palgrave Studies on Norbert Elias,
https://doi.org/10.1007/978-3-030-74993-4_2

into practice; and social interaction styles became more informal and egalitarian.

When Norbert Elias introduced the concept of ‘functional democratisation’ in 1970, these processes were in full swing, and there were hardly any reasons to suppose that they would not continue in the same direction. Democratisation in the wide sense could be regarded as part and parcel of modernisation processes extending over centuries.

Some ten years later, however, a counter movement set in, which was particularly manifest in the economic sphere. After decades of equalisation, income and wealth inequalities started to grow (Wilterdink 1995; OECD 2011; Piketty 2014; Alvaredo et al. 2018). Top management incomes exploded, whereas median wage incomes declined, stagnated, or rose only moderately. Material precariousness among lower and middle strata increased with declining job and income security, the pursuit of ‘flexibility’ in the labour market, and reductions in government-guaranteed social insurances and public provisions. Labour unions lost members and bargaining power. Private companies, on the other hand, increased their power in relation to national governments and organised labour. The impact of ‘big capital’ on political decision-making grew, and collusion between company managers, bankers, and wealthy entrepreneurs and shareholders, on the one hand, and politicians and public officials, on the other, appeared to become stronger, most clearly in the United States. All these tendencies of increasing inequality of power and privileges that started in the last quarter of the twentieth century continue to the present day. As some authors have argued (Mennell 2007, 311–314; Mennell 2014; Alikhani 2014, 2017; Wilterdink 2016, 2017), there are good reasons to speak of a *reversal* of the trend of functional democratisation during the past few decades—a tendency of *functional de-democratisation*.

Yet not all social changes are indicative of such a reversal. In this paper I argue that, while functional de-democratisation has been a dominant trend within Western state-societies during the past few decades, it is not an all-inclusive global trend. With respect to developments along the axes of gender and ethnicity and in the relations between Western and non-Western societies, we can see, rather, tendencies of ongoing functional democratisation. The interconnections between these different developments will be elucidated, and recent trends will be placed in a broader historical and theoretical framework.

The argument in this paper moves from general to more specific and from a long-term perspective to a focus on recent changes and current

issues. First, I will discuss the concept of functional democratisation as proposed by Elias, and its counterpart, functional de-democratisation. As I point out subsequently, these polar twin-concepts do represent not only different ‘realities’, but also a classical controversy regarding the direction of the development of social inequality. In connection to this debate, I proceed with a systematic discussion of ways to assess trends of functional democratisation and de-democratisation. This is followed by a proposal for an explanation of these trends. On this basis, I present an interpretation and explanation of recent developments. I conclude with a few remarks about the use and applicability of the concepts of functional democratisation and de-democratisation and their relevance for understanding current issues of democracy and inequality.

2.2 THE CONCEPTS OF FUNCTIONAL DEMOCRATISATION AND DE-DEMOCRATISATION

Elias introduced the concept of functional democratisation in his book on the fundamentals of sociology, *Was ist Soziologie?* (2006 [1970]; English translation *What is Sociology?* 2012b [1978]). The origins of sociology, Elias argued here, can only be understood in connection with a shift in the internal balance of power in European state-societies in the nineteenth and twentieth centuries, which comprised the ‘reduction of power differentials between governments and the governed’ and the ‘reduction of power differentials between different strata’ (Elias 2012b, 61–62). These two interconnected processes were crucial aspects of an overall social transformation in the direction of a ‘reduction of all power differentials between different groups, including those between men and women, parents and children’ (Elias 2006, 82–88; 2012b, 59–64).¹ It is this encompassing trend that Elias termed ‘functional democratisation’. He spoke of *functional* democratisation to indicate that the concept is much

¹The last quotation is my translation of a part of a sentence in Elias (2006 [1970], 88), which slightly differs from the published English translation in Elias (2012b [1978], 63). Elsewhere, Elias also refers to long-term trends of diminishing power differentials; see, for example, Elias (2012a [1994]), where he speaks of ‘diminishing contrasts’ between social classes in the course of the civilising process (422 ff.) and ‘increasing pressure from below’ on the upper class as part of this process (464 ff.); Elias (2010 [1991], 186, 205), where he connects functional democratisation with the formation of nation-states; and Elias (2013, 27–34), where he focuses on emancipatory movements in the twentieth century in relation to informalisation.

broader than political or institutional democratisation. More specifically, the adjective ‘functional’ refers to the basic explanation of the process: it is rooted in changes in the *Funktionszusammenhänge*, the ‘functional nexuses’ between interdependent people. Functional democratisation occurs when less powerful groups become functionally more important for relatively powerful groups and/or when the latter lose functions in relation to the former. This implies that relations of interdependence become less one-sided and more symmetrical and, as a consequence, power balances more even.

For the same reasons we can speak of functional *de*-democratisation, referring to trends of widening power differences. Functional de-democratisation occurs when less powerful groups become functionally less important for relatively powerful groups and/or when the latter strengthen their functions in relation to the former. As a consequence, relations of interdependence become less symmetrical and power balances more uneven.

Though Elias never used the term ‘functional de-democratisation’, this notion is fully in line with his approach. He advanced the concept of functional democratisation to describe a dominant trend in particular societies (‘most European countries’, ‘the more developed industrial countries’) during a particular period (‘in the nineteenth and twentieth centuries’, ‘over the last two or three hundred years’).² He did not contend that this trend took place in all human societies at all times, nor that it would continue forever in the future.³ In his view, social developments are, in principle, reversible; they exhibit regularities but are not pre-determined, fixed, or inevitable; depending on varying conditions, they can change direction (Elias 2012b, 153–170).

This paper follows this approach. I will try to elucidate regularities and contingencies in trends of functional democratisation and de-democratisation and to explain these trends on the basis of the sociological notion that the relations of interdependence in which people are enmeshed are by implication power relations. More specifically, I assume, following

²The quoted specifications are on p. 60 and p. 62 of Elias (2012b).

³In this respect I disagree with Cas Wouters (2016, 2019), who rejected the whole notion of ‘functional de-democratisation’, criticising in particular Stephen Mennell (2007, 2014), and advanced the bold but unfounded thesis that functional democratisation has been and continues to be a dominant trend throughout human history. While I do not enter into an explicit discussion with Wouters here, the present paper implies a clear rejection of his position.

Elias, that the more one-sided and asymmetrical the interdependencies between groups and individuals are, the wider the power differences, and vice versa. Power differences generate social inequalities—that is, inequalities in the distribution of social privileges or rewards, ranging from material life chances to marks of honour. I regard changes in social inequalities as manifestations and indications of changes in power–interdependence relations and attempt to explain them accordingly.

2.3 THE CLASSICAL CONTROVERSY: TOCQUEVILLE VERSUS MARX

Elias was, of course, not the first to observe a long-term trend of overall democratisation in modern societies. His most famous predecessor was Alexis de Tocqueville, who already in 1835, in the first volume of *De la démocratie en Amérique*, argued that Europe would inevitably follow America on the road to more equality (Tocqueville 1990 [1835, 1840]). In a way akin to Elias's later conceptualisation, Tocqueville conceived 'democracy' much more broadly than in the political–institutional sense; beyond that, it referred to an egalitarian ethos which permeated all spheres of social life, including everyday social intercourse in private and public settings. The living democracy that Tocqueville observed when he travelled through the United States presented for him an anticipation of what was bound to happen in Europe. Here, too, the trend towards more equality was well under way, but still at a much less advanced stage than in America. The French Revolution was one dramatic moment in this long-term development (Tocqueville 1967 [1856]).

At the time when Tocqueville wrote this, a contrary view was developed by Karl Marx and other socialist thinkers (see, e.g. Marx and Engels (1976 [1848])). For them, the French Revolution did not mark the transition to a more democratic and less unequal society, but the replacement of one ruling class, the land-owning aristocracy, by another, the capital-owning entrepreneurial bourgeoisie. Under the veil of legal equality, the transition from feudalism to industrial capitalism brought new forms of exploitation, class polarisation, and a widening gap between the rich and the poor. Only a socialist revolution could stop and reverse this trend of growing inequality.

Tocqueville and Marx represent two contrasting answers to the question that continues to evoke political and scholarly debates: the question

of whether social inequalities and power differences are decreasing or increasing. Both thinkers could sustain their views with empirical observations about the societies in which they lived. Tocqueville referred primarily to the political and ideological transformations that had taken place in Europe since the seventeenth and eighteenth centuries, in which aristocratic privileges had been eroded, and the ideas of inclusive citizenship, equality before the law, and people's sovereignty had taken root in spite of much resistance and counter movements. Marx, on the other hand, focused on material living conditions and labour relations and observed that the growth of production and the accumulation of private wealth induced by capitalist industrialisation went hand in hand with grinding poverty and worsening labour conditions among the working classes. Both Tocqueville and Marx were right, in certain respects.

This classical controversy illustrates that trends of decreasing and increasing social inequality, functional democratisation and de-democratisation, may go together at the same time in the same societies. The general question is how to assess such trends?

2.4 ASSESSING TRENDS

While 'power' is a basic and indispensable concept in the social sciences, it is notoriously difficult to investigate it empirically. As Elias (2012b, 70) remarked, power is not a personal attribute, not a thing that you carry about in your pocket; 'it is a structural characteristic of human relationships—of *all* human relationships'. Power inequalities appear most directly in relations of command-and-obedience but are also manifested in inequalities of material living conditions and in social interaction codes that express high–low distinctions. Long-term changes in the distribution of power in large and highly differentiated social figurations—such as state-societies—can only be assessed by using certain broad indicators. Assessing trends of functional democratisation or de-democratisation depends on the chosen indicators or dimensions and the criteria for determining degrees of inequality. Besides, such an assessment depends on the types of groups or social categories that are compared, the integration level for which the development is described, and the timespan taken.

1. The assessment of trends of functional (de-)democratisation depends, first of all, on the *indicators or dimensions* by which changing inequalities of power and privileges are ascertained. Following a well-known

threefold typology of dimensions of social stratification and inequality (derived from Weber 1978 [1922], 926–955), we may distinguish indicators of political power differences, such as the nature, distribution, and functioning of legal rights, the degree of parliamentary control, and the scope of the franchise; indicators of economic power differences, such as inequalities of income, wealth, and working conditions; and indicators of symbolic or affective power differences, such as codes of honour and status distinctions.

Changes along these different dimensions do not necessarily run parallel. A process of (limited) political democratisation may take place without a corresponding overall decrease of inequality in material living conditions. This can be observed, for example, in Britain from the seventeenth century onwards, when the parliament strengthened its power in relation to the Crown, the franchise was gradually extended from a small group mainly of landowners to larger segments of the population, and the principles of the ‘rule of law’ and ‘equality before the law’ were institutionalised to some extent, while overall economic inequality tended to increase until well into the nineteenth century, as indicated by data on the distribution of income and wealth and reports about the living and working conditions among the labouring classes.⁴ Similar discrepant developments took place, somewhat later, on the European continent. Starting with the French Revolution, political regimes in Western European countries changed, by leaps and bounds, from monarchical and aristocratic to parliamentary and constitutional systems, in which civic rights were extended and larger segments of the population got a say in national affairs. Yet during the greater part of the nineteenth century, economic inequalities in Western Europe tended to increase rather than decrease. It was only in the last decades of that century that the living and working conditions of members of the labouring classes started to improve not only in absolute terms, but also in comparison with other classes.⁵

⁴To give just one indication: according to estimates by Lindert (2000, 18), the share of the wealthiest 1 percent of households in England and Wales in total personal wealth rose from 39.3 percent in 1700 to 43.6 percent in 1740, 54.9 percent in 1810, and 61.1 percent in 1870.

⁵See Scheidel (2017, 103–112) for a discussion of trends in income and wealth inequality in several European countries during ‘the long nineteenth century’. In line with Piketty (2014), Scheidel rejects the thesis of a ‘Kuznets curve’ of increasing inequality in the first stages of industrialisation followed by decreasing inequality in later stages, contending, in

2. Even when one focuses on one dimension or indicator of power inequality, the assessment of functional democratisation or de-democratisation may vary depending on the specific *criteria* that are used to ‘measure’ inequality. For instance, polarisation of incomes as measured by a growing proportional distance between the top p (1, 5, 10...) percent and the bottom q (1, 5, 10...) percent in the income distribution may go together with a decrease of income differences in the middle layers between these poles, expressed in an inequality index such as the Gini coefficient (Coulter 1989). Such discrepant tendencies may also appear in qualitative approaches. Thus, middle strata may strengthen their position in relation to upper strata, while enlarging their social distance to lower strata. This double-edged development actually took place in connection with processes of capitalist modernisation in Western Europe after the Middle Ages, when capital-owning bourgeois groups (merchants, bankers, industrialists) gained power in relation to land-owning aristocracies, on the one hand, and labouring classes (workers, craftsmen, peasants), on the other.
3. The assessment of functional (de-)democratisation also depends on the *types of groups or social categories* that are compared. Power inequalities within a given society can be observed not only between different classes or strata or between governments and the governed, but also between men and women, age groups, or ethnic groups (Elias 2013, 28). Developments along these different axes do not always correspond with one another, as will be illustrated below in the section on recent trends.
4. The assessment of functional (de-)democratisation depends on the *social entities* that are taken as the units of observation and, more in particular, on the *level(s) of integration* under consideration. Trends

contrast, that a clear trend of decreasing economic inequalities in European countries only started with the outbreak of the First World War in 1914, whereas in the preceding five or six decades, inequality continued to grow, remained stable, or fluctuated without a clear direction. The available data on income and wealth for this period are, however, far from complete and open to different interpretations. Moreover, material living conditions are not exhaustively indicated by monetary income and wealth; other relevant aspects are working hours and working conditions, housing, access to health care and other public provisions, and participation in pension schemes and social insurances. If we take these indicators into account, it is quite likely that overall economic inequality in most Western European countries started to decrease in the second half of the nineteenth century. Viewed in this light, the ‘egalitarian revolution’ of the twentieth century (1914–1975) was not a sudden break with the past, but rather an acceleration of a longer trend.

may vary between local, national, international–regional, and global levels. Democratisation at the national level may go together with de-democratisation within local communities, when the central state extends its control at the cost of local autonomy.⁶ And an overall trend of diminishing power differentials on the national level may go hand in hand with increasing power differences on international or global levels, or vice versa. In other words, power relations *within* state-societies may move in a direction different from that of power relations *between* societies. This occurred in the second half of the nineteenth century and the first decades of the twentieth century, when processes of functional democratisation took the upper hand within Western European nation-states, and at the same time these states extended their political and economic power over non-Western societies, bringing about growing inequality on a global scale. Discrepant developments on national and global levels are currently taking place as well, though—as will be specified below—in other directions than before.

5. The assessment of functional (de-)democratisation depends, finally, on the *time-scale* under consideration. Short-term fluctuations have to be distinguished from long-term trends. The dominant long-term trend in human history since the invention of agriculture has been one of increasing power differences within and between societies—emerging stratification, sharper differentiation between rulers and ruled, growing distance between elite groups and the common people (Lenski 1966; Mann 1986; Goudsblom 1996, 27–28; Scheidel 2017). In the framework of this long-term trend, counter currents of functional democratisation took place from time to time. One may think, for example, of the establishment of ‘democratic’ rule in some city-states in Greek Antiquity (which, however, excluded women, slaves, and immigrants) or the formation of burgher councils in medieval cities in Europe. Usually, such partial democratisation was followed by changes in the direction of de-democratisation in which oligarchies or aristocratic families monopolised local political power and/or local communities lost (relative) independence. The processes of functional democratisation since the nineteenth century were more enduring and on a larger scale, yet limited to specific societies and, arguably, a specific historical

⁶This actually happened in Europe around the time of the French Revolution. Historian Maarten Prak (2018, 5) even contends that by destroying local forms of citizenship, ‘the French Revolution initially made Europe less, rather than more democratic’.

period. The current question is, are the recent counter tendencies of de-democratisation part of a new long-term trend or only a temporary phase?

2.5 EXPLAINING TRENDS

In spite of all the problems with assessing trends of functional (de-)democratisation, we can say that functional democratisation has been the dominant trend in Western societies in the period from the second half of the nineteenth century until about 1980 and that it has been succeeded since then by tendencies towards functional de-democratisation gaining dominance within these same societies. How to explain this historical trend of functional democratisation and its recent—at least partial—reversal?

As noted, functional democratisation occurs when relations of interdependence become more reciprocal and less one-sided, when less powerful groups become functionally more important for more powerful groups and/or the latter lose functions relative to the former. Elias suggested that such a development is directly connected with processes of differentiation, specialisation, and extension of interdependency networks:

Because of their particular specialised functions, all groups and individuals become more and more dependent on more and more others. Chains of interdependence become more differentiated and grow longer; consequently they become more opaque and, for any single group or individual, more uncontrollable. (Elias 2012b, 64)

While this is a plausible, if incomplete explanation of functional democratisation in highly complex, industrial societies in a particular historical phase, it falls short as a general explanation of long-term developments. As remarked, widening power differentials within and between societies were a main trend in human history since the introduction of agriculture, and this was causally connected with functional differentiation and growth of interdependency networks. In agrarian societies that grew in size and complexity, some members could profitably specialise in activities other than physical labour—in the exercise of physical force to exploit other people (warriors, slave-holders), in religious knowledge and rituals (priests), or in long-distance trade (merchants). These often overlapping groups in turn contributed to the extension of interdependency networks through military conquest, the spread of religious ideas, or the

establishment of new long-distance trade relations. In all large and differentiated agrarian societies, huge power and class inequalities developed which tended to harden into cast-like distinctions between different strata through the transmission of power resources and privileges along family lines. A recurring mechanism of disequalisation in these and other societies is what can be called the principle of *selective and self-reinforcing accumulation*: groups with a power surplus accumulate advantages with the help of which they further enhance their power in relation to less powerful groups.⁷

Yet this 'logic' of selective and self-reinforcing accumulation of power resources does not work all the time. Power is not simply a zero-sum game in which it is always in the interest of the more powerful to maximise their power at the cost of the less powerful. A basic counter force consists in the competition and rivalry between powerful actors. Within a differentiated state-society, competition between groups with a different power base may induce each of these groups to try to enhance their power by seeking alliances with other, less powerful groups (see Rokkan 1975); in this way, interdependencies between the powerful and the less powerful groups become more reciprocal. Similarly, in the competition between rival state-societies, leading groups in each state may seek the cooperation of less powerful groups within the state and thereby become more dependent on these groups for the attainment of national goals, in particular the maintenance or enlargement of national power and autonomy.

In European societies during the nineteenth and twentieth centuries, these equalising mechanisms were at work. Processes of commercialisation, urbanisation, and monetarisation since the late Middle Ages had strengthened the power of the urban bourgeoisie (merchants, bankers, industrialists) relative to the land-owning aristocracy and contributed to institutional differentiation between the state and the market, the polity and the economy. In their rivalry with the aristocracy, bourgeois groups pressed for a regulation of the economy that guaranteed private property rights and freedom of enterprise and ruled out the arbitrary exercise of political power. These interests found expression in the ideology of liberalism with its pleas for the rule of law, rights of citizenship, legal equality, and parliamentary control, which were institutionalised—to greater or

⁷ Similar to the 'Matthew effect' in the allocation of status or reputation (Merton 1968).

lesser degrees—in the course of the eighteenth and nineteenth centuries.⁸ Initially, these reforms led to discrepant developments in the political and economic sphere, particularly where they coincided with the beginnings of industrialisation: some limited political democratisation went together with an overall growth of inequalities in material living conditions. In later stages of industrialisation, however, processes of political democratisation (extension of the franchise, growth of mass parties) and decreasing economic power differences (witness the growing significance of labour unions and the absolute and relative improvements in working-class families' living and working conditions) reinforced one another.

An important condition for this mutual reinforcement of economic and political democratisation processes in industrialising societies that underwent vast transformations in the direction of differentiation, specialisation, and growth of interdependency networks was that these transformations predominantly took place in strong, sharply bounded and increasingly centralised national states that heavily competed with one another. Within this framework, interdependencies between different groups became stronger and more reciprocal. Where economic, political, and military rivalries between the industrialising nation-states grew, governments and politicians became more dependent on large masses of the population for the realisation of national goals. In the second half of the nineteenth century, military expenditures increased and general military conscription was introduced (or reintroduced) in most European states, which not only extended governmental control but also made the government more dependent on large numbers of armed citizens who were willing to fight for their country (Andreski 1954). In other respects too, increasing government control and bureaucratic regulation—compulsory basic education, proscription of child labour, regulation of working hours and working conditions, control of food and drugs, standardisation of time, campaigns to 'civilise' the lower classes—was immediately connected with increasing mutual interdependencies between governments and the governed, also manifested in the extension of citizenship rights, including the right to vote for, and to be voted in, political bodies with legislative power (Marshall 1963). At the same time, the competition between industrialising European state-societies enhanced their power in the world at large

⁸ Moore (1966) concluded from his comparative historical research that conflicts of interest between a strong upcoming bourgeoisie and a declining landed aristocracy were a precondition for the development towards a liberal democracy.

and stimulated each of them to extend and intensify the exploitation of non-European regions.

The inter-state European rivalries culminated in two ‘total’ wars in the twentieth century, which dramatically intensified interclass interdependencies and accelerated the trends of functional democratisation on the national level. The First World War brought the demise of autocratic regimes in Middle and Eastern Europe (Germany, Austria-Hungary, Russia) and created favourable conditions for further extension of political rights in Western European states. The war also marked the beginnings of a clear trend of diminishing income and wealth inequality in Western nation-states (Piketty 2014). A further, more drastic reduction of inequality took place in and around the Second World War (Scheidel 2017, 130–173). It was in the first three decades after this war that, with the help of extraordinary economic growth, comprehensive welfare state programs with redistributive equalising effects were institutionalised.

Just as the overall trend of equalisation and functional democratisation within Western state-societies was connected with the strengthening of interclass interdependencies on the national level, the subsequent tendencies of disequalisation and functional de-democratisation from the last quarter of the twentieth century can be explained as resulting from a weakening of national interclass interdependencies, related to the widening and intensification of transnational and global interdependencies, particularly in the economic sphere.⁹ Where private companies grew in size and became increasingly transnational, spreading their investments and production over different countries and world regions, the owners and managers of these corporations became less dependent on the workers and the government of any country. Workers in a particular country, on the

⁹I have advanced and elaborated this thesis in several writings since 1993 (Wilterdink 2016). ‘Globalisation’ is the common term for this process. It is, however, not ‘globalisation’ as such that has led to growing economic inequality within nation-states, but rather the specific form that this process took from the 1970s, when cross-border money and investment flows were increasingly deregulated and started to explode and corporations became increasingly transnational (Dicken 1992; Milanovic 2019, 147–155). Globalisation processes comprise, of course, much more, including the spread of the concept of universal human rights and of feelings of identification and solidarity with humanity as a whole (see Elias 2010, 146–152). While we may assume that different (economic, political, cultural, affective) aspects of globalisation are interconnected, it is still not quite clear *how* they are interconnected; we cannot assume, for example, that the extension of transnational and global market relations will automatically lead to higher-level political integration or widening circles of identification.

other hand, had to compete increasingly with workers in other countries on a global labour market, which weakened their economic position and the bargaining power of labour unions that represented them. With the increasing international mobility of financial and physical capital, national governments became more dependent on foreign investments for economic growth and employment in their country. As a consequence of these globalisation trends, capital owners, managers of large transnational companies, bankers, and other financial specialists won power in relation to groups and institutions that remained much more tied to the nation-state: the majority of manual and non-manual workers and their organisations (labour unions), the majority of the self-employed, and local and national governments.¹⁰

Tendencies of functional de-democratisation continue until the present day under the impact of ongoing processes of economic globalisation, which have been greatly facilitated not only by technological innovations in information, communication, and transport, but also by political reforms that took away institutional barriers for international trade, investments, and finance. While the ideology of neo-liberalism which supported and legitimated these reforms has come under heavy attacks from various sides in recent years, the underlying forces that contribute to growing inequality are still at work.

2.6 RECENT DEVELOPMENTS

There are indeed several good reasons to speak of a transition from a dominant trend of functional democratisation in Western societies to one of functional de-democratisation. This pertains not only to economic but also to political developments and their interconnections. The growing power of transnational corporations, financial institutions, and private capital owners during the past four decades was reflected in political reforms of deregulation, privatisation, marketisation, lowering of tax rates and cuts on social expenditures, which in turn strengthened these actors' power and privileges and thereby contributed to growing inequality. Political parties that claimed to represent the interests of the underprivileged classes—such as the Labour Party in the United Kingdom, the

¹⁰Crouch (2004) states that we now live in a 'post-democracy' because the power of 'the global firm' has become overwhelming. As Alikhani (2017) rightly points out, this overdramatises current developments and tends to reduce an ongoing process to static categories.

Democratic Party in the United States, and the Social-Democratic parties on the European continent—largely supported or even initiated such market-oriented policies, weakening or severing their ties with labour unions. Increasingly, private companies, capital owners, and business organisations were able to influence political decision-making by professional lobbying, donating large amounts of money in election campaigns, moulding public opinion through think tanks and mass media, and financing specific political actions and movements. This development has been most apparent in the capitalist core society, the United States. While there was always a particularly intimate relationship between private wealth and economic power, on the one hand, and political power, on the other, in this country (Mills 1956), this relationship has become even stronger and more consequential since the late 1970s when business organisations, corporations, and wealthy individuals started to launch a successful counter-attack against the perceived growing influence of labour unions and consumers' organisations, mobilising vast financial and organisational resources to shape American politics in their favour (Hacker and Pierson 2010). The result is a strong increase of economic inequality, much stronger than in any other Western country, and a decline of intergenerational social mobility. These tendencies are less blatant in Europe. Yet here too, the direct impact of Big Capital on politics did grow,¹¹ coupled with a weakening impact of organised labour.

A basic aspect of de-democratisation is the weakening power and autonomy of national governments with respect to transnational corporations, large investment funds, intergovernmental regulating organisations, and the set of seemingly impersonal processes called 'the market'. To the extent that this development takes place, national parliaments become less important and national elections less relevant, which means that a basic political power resource for ordinary citizens, the right to vote, becomes weaker. This is a problem in all liberal democracies, but greater for the European countries than for the United States, whose central government—owing to the country's size, relative autonomy, and hegemonic power—has, in principle, a larger range of political options among which to choose. The project of European integration can be regarded as an

¹¹ One indication is the enormous expansion of professional lobbying. The number of registered lobbyists in Brussels, most of whom are paid by private companies or business organisations, rose from fewer than 1000 in the 1970s to more than 30,000 in 2014 (Mounk 2018, 86, 296, note 106).

institutional answer to the loss of autonomy and power of each European state, which enhances the capacity for collective action at a higher level of integration, but at the same contributes to this process of diminishing national autonomy and, therefore, to the loss of political power of the majority of citizens on the national level. The right to vote for the European parliament, whose decision-making power is much more restricted than that of national parliaments, hardly compensates for that loss, the more so since national identifications among the citizens of EU member states remain much stronger than identifications with Europe (cf. Elias 2010 [1991], 186–188, 199–204; Wilterdink 1993). Insofar as political power is shifting from the national to the European level, this ‘democratic deficit’ is an element in the process of de-democratisation.

Yet in spite of these interconnected tendencies of de-democratisation, we cannot speak of an encompassing trend of functional de-democratisation at all levels and in all respects in the present-day world. At the global level and, more specifically, in the relations between Western and non-Western societies, we see, rather, a trend of diminishing inequality. This became manifest soon after the Second World War, when colonies in Asia and Africa gained political independence from the weakened Western European powers. In this period of decolonisation, however, the income gap between Western and most non-Western countries continued to grow (Bourguignon and Morrison 2002; Wilterdink and Potharst 2001). This changed during the past few decades under the impact of processes of accelerated economic globalisation, when the economic growth rates of many ‘Third World’ countries (most notably, China) became higher than those of Western countries. All in all, income differences *between* countries diminished, whereas income differences *within* countries grew (Milanovic 2016; Alvaredo et al. 2018). Dichotomous classifications of countries as rich and poor, industrial and nonindustrial, ‘developed’ and ‘underdeveloped’ (or ‘developing’), ‘core’ and ‘peripheral’ increasingly lost significance (Rosling 2018). Globalisation processes were particularly favourable not only for wealthy capital owners and high-income groups in prosperous Western (and many non-Western) countries, but also for broad middle-income groups in relatively poor non-Western countries, particularly in Asia (Milanovic 2016, 10 ff.).

In connection with this global development, power differentials within Western societies along the axis of ethnicity and race have tended to diminish. In the United States, the Civil Rights Movement and subsequent reforms since the 1960s had increasingly eliminated official racial

segregation and discrimination and widened opportunities for upward mobility of people of colour, and these tendencies did not stop when economic inequalities started to grow in the late 1970s. While members of ethnic-racial minorities were particularly hit by reductions of welfare payments, unemployment, and stagnating or declining wage levels from the 1980s, correlations between ethnic-racial identity and class position continued to weaken, though they remained strong (Wilson 1987; Landry and Marsh 2011). Similarly, many descendants of immigrants who had come to Western Europe to fulfil low-paid jobs that required no schooling improved their position in comparison to their parents through education or entrepreneurship (Dagevos and Huijnk 2014).

More striking is the ongoing reduction of power differentials between men and women. Throughout the twentieth century and continuing in the present century, women gained power and relative independence in relation to men, as indicated by the equalisation of formal rights, the strong expansion of women's educational, occupational, and income opportunities, and their growing share in positions of power and prestige (De Swaan 2019, 80–125, 252–257).

There are also indications of an ongoing general trend of status levelling and informalisation of manners in everyday social interactions. This trend became dominant in the twentieth century and accelerated in the 1960s and 1970s, but did not stop after these decades, even if it continued at a slower pace and in different ways (Wouters 2007; Collins 2004, 268–294; Van den Haak and Wilterdink 2019). A new source of status levelling and de-hierarchisation is the enormous expansion of digital social media communication through which expert knowledge and information by professional journalists are bypassed and criticised and alternative claims to truth are spread (Mounk 2018, 137–150).

In summary, the trend of functional de-democratisation over the past few decades is not all-inclusive, even if we confine ourselves to social relations within Western state-societies. Functional de-democratisation in these societies pertains first and foremost to class relations and to political power connected with these relations. Paradoxically, the growth of class inequalities—both in the United States and Europe—went hand in hand with a weakening of class identities, connected with the shift from manufacturing to a 'post-industrial' service economy, the flexibilisation of the labour market, and the weakening of labour unions.

Another paradox is that the tendencies of decreasing power inequality along the axes of ethnicity and gender have contributed to increasing

socio-economic inequalities along class and family lines. The influx of immigrant workers from poor countries into Western Europe from the 1950s increased the supply of cheap labour and thereby mitigated income levelling in the period 1950–1975 and subsequently contributed to delevelling. Ethnic plurality among the population and particularly among the working classes increased, which tended to weaken class identities and class actions. Ethnic-racial dividedness among people with similar class positions, which had been characteristic of the United States since the late nineteenth century, became more common in Western Europe too. In the United States, the extension of formal rights and welfare provisions to non-whites in the 1960s and the growth of a non-white middle-class fuelled resentments among the white working and middle classes, particularly in the Southern States, which brought many of them to go over from the Democratic to the Republican Party, thereby supporting, intentionally or not, policies that contributed to growing income and wealth inequality (Krugman 2007; Massey 2009).

Decreasing gender inequality also contributed to growing socio-economic inequality between families, since it changed the prevailing pattern of assortative mating: as women improved their educational, occupational, and income position, homogamy according to these criteria increased; that is, the partners in a durable pair relationship (whether married or not) became more similar in these respects. To an increasing extent, high household incomes are double incomes based on similar earning capacities and educational credentials of *both* partners in the relationship. In this way, female emancipation has contributed to growing socio-economic inequalities and class differences between families and households (Schwartz 2010; Milanovic 2019, 36–40).

These tendencies of both functional democratisation and de-democratisation help to explain the recent rise and spread of nationalist populism throughout Europe and America. While nationalist populism has often been interpreted as a response to growing inequality, a revolt of underprivileged and increasingly insecure groups against privileged elites (Eichengreen 2018), it can also, and even more clearly, be seen as a response of resistance to *decreasing* inequalities—between members of Western nation-states and people in other parts of the world, between ‘natives’ within these nation-states, on the one hand, and immigrant groups and ethnic and racial minorities, on the other, and between men and women. All these developments are reflected in nationalist-populist discourses, which typically combine a downward negative targeting of

foreigners, immigrants, and ethnic-racial and sexual minorities with an upward negative targeting of members of ‘the elite’ who are accused of protecting and privileging these outsider groups to the detriment of the interests of the national we-group (Mudde 2007; Müller 2016; Wilterdink 2017, 35–39).

2.7 CONCLUDING REMARKS

‘Functional democratisation’ and ‘functional de-democratisation’ are useful as sensitising concepts to describe and explain trends in power–interdependence relations in the direction of decreasing or increasing inequality. The concepts are misleading, however, when they are taken to imply that all kinds of social relations between all kinds of groups in a given society always and necessarily move in one and the same direction. As we have seen, this is often not the case. From the late eighteenth century until at least the middle of the nineteenth century, in most Western European societies tendencies towards political democratisation went together with growing economic inequalities. Since then until the late twentieth century, overall functional democratisation became the dominant trend in these societies, manifested in the extension of the franchise to all adult citizens, the growing bargaining power of labour unions, diminishing income and wealth inequalities, the emergence and extension of the welfare state, female emancipation, the growing recognition of minority rights, and the weakening of interaction codes expressing status distinctions. On the global level, power differences tended to diminish too with post-war decolonisation, though income inequalities between richer and poorer countries continued to grow until around 1980.

During the past few decades, we have seen tendencies to functional democratisation and de-democratisation combined and intertwined: trends of de-democratisation within Western (as well as many non-Western) national societies, in which processes of growing economic inequality and increasing political power differences tend to reinforce one another, go hand in hand with an overall trend of decreasing economic inequality on the global scale and, at least within Western societies, tendencies towards diminishing power differences along the axes of gender and ethnicity and of status levelling in everyday social interactions.

Yet the current trends of functional de-democratisation within nation-states are quite alarming. Not only are these trends unfavourable for the living conditions of the majority of the population in these societies, not

only do they signify a movement away from widely accepted norms of social justice, they also contribute to social and psychological tensions and tend to undermine large-scale cooperation for collective goals and achievements.¹² In this way, the growth of inequality may work against common long-term interests, including the interests of those who profit from it in the short run.

Another, more specific reason to be worried about de-democratisation trends is that they put the very principles of liberal democracy (multi-party system, civil liberties, minority rights) at risk. These trends are part of the processes that have led to the emergence of nationalist-populist counter movements claiming to represent ‘the people’ which, if successful, will paradoxically contribute to further political de-democratisation by damaging or destroying these principles, as can be seen now in such diverse countries as Poland, Hungary, Turkey, India, Brazil, and even, to some extent, the United States. Since 2005, the liberal-democratic quality of political regimes worldwide is on the decline.¹³

It is not inevitable, however, that the current tendencies of de-democratisation will just continue in the same direction, let alone that the institutions of liberal democracy are doomed to dissolve. To say that these tendencies have negative long-term consequences for national collectivities, that they undermine large-scale cooperation and collective achievements, is to say that mutual interdependencies within nation-states remain important, even if there is an ongoing shift towards wider

¹²The thesis that more equality is ‘better for everyone’ has been advanced from a social-psychological and an economic viewpoint. The first perspective, elaborated in the much-discussed work by Wilkinson and Pickett (2010), stresses that high inequality leads to strong tensions between and within individuals, manifested in low trust, much violence, alcoholism and drugs abuse, and a host of medical and psychological disorders. In the economic perspective, represented by Stiglitz (2012, 2019), high inequality leads to economic stagnation and instability since it depresses overall consumption, has a negative effect on work performance, takes away incentives for innovation and productive investments by large companies, and makes large segments of the population dependent on private debts. We may add that high inequality is also likely to have negative effects on collective efforts for the attainment of common goals. An example of such a goal, which has become ever more urgent in recent years, is the reduction of greenhouse gas emissions to combat damaging climate change. As this requires large-scale cooperation on both national and international levels, it is a source of interdependence within and between nation-states.

¹³According to the evaluations by Freedom House (see, e.g. the report *Freedom in the World 2018*, published in 2019) and the Democracy Index compiled by The Economist Intelligence Unit.

interdependency networks. Mutual interdependencies on different integration levels set limits to the advantages that powerful groups can derive from growing inequality. Recognising this may help to initiate and sustain collective actions that counteract the forces of de-democratisation.

Acknowledgements I wish to thank Stephen Mennell and the editors of this volume for their comments and suggestions.

REFERENCES

- Alikhani, Behrouz. 2014. Toward a Process-Oriented Model of Democratisation or De-Democratisation. *Human Figurations* 3 (2). Online open access.
- . 2017. Post-Democracy or Processes of De-Democratization? United States Case Study. *Historical Social Research* 42 (4): 189–206.
- Alvaredo, Facundo, et al. 2018. *World Inequality Report 2018*. World Inequality Lab.
- Andreski, Stanislav. 1954. *Military Organisation and Society*. London: Routledge & Kegan Paul.
- Bourguignon, François, and Christian Morrison. 2002. Inequality Among World Citizens: 1820–1992. *American Economic Review* 92 (4): 727–744.
- Collins, Randall. 2004. *Interaction Ritual Chains*. Princeton/Oxford: Princeton University Press.
- Coulter, Philip. 1989. *Measuring Inequality*. Boulder: Westview Press.
- Crouch, Colin. 2004. *Post-Democracy*. Cambridge/Malden: Polity.
- Dagevos, Jaco, and Willem Huijnk. 2014. Segmentatie langs etnische grenzen. In *Vershil in Nederland. Sociaal en Cultureel Rapport 2014*, 253–280. Den Haag: Sociaal en Cultureel Planbureau.
- De Swaan, Abram. 2019. *Tegen de vrouwen*. Amsterdam: Prometheus.
- Dicken, Peter. 1992. *Global Shift*. 2nd ed. London: Paul Chapman Publishers.
- Eichengreen, Barry. 2018. *The Populist Temptation*. Oxford: Oxford University Press.
- Elias, Norbert. 2006 [1970]. *Was ist Soziologie?* Gesammelte Schriften. Vol. 5. Frankfurt: Suhrkamp.
- . 2010 [1991]. Changes in the We–I Balance. In *The Society of Individuals*, Collected Works, vol. 10, 139–208. Dublin: UCD Press. (Original ed.: *Die Gesellschaft der Individuen*, 1989).
- . 2012a [1994]. *On the Process of Civilisation*, Collected Works. Vol. 3. Dublin: UCD Press. (Original ed.: *Über den Prozess der Zivilisation*, 1939, 2 volumes).
- . 2012b [1978]. *What Is Sociology?* Collected Works. Vol. 5. Dublin: UCD Press. Translation of Elias (2006 [1970]).

- . 2013 [1996]. *Studies on the Germans*, Collected Works. Vol. 11. Dublin: UCD Press. (Original ed.: *Studien über die Deutschen*, 1989).
- Goudsblom, Johan. 1996. Human History and Long-Term Social Processes: Toward a Synthesis of Chronology and Phaseology. In *The Course of Human History*, ed. Johan Goudsblom, Eric Jones, and Stephen Menell, 15–30. Armonk/London: M.E. Sharpe.
- Hacker, Jacob S., and Paul Pierson. 2010. *Winner-Take-All Politics*. New York: Simon & Schuster.
- Krugman, Paul. 2007. *The Conscience of a Liberal*. London: Penguin Books.
- Landry, Bart, and Kris Marsh. 2011. The Evolution of the New Black Middle Class. *Annual Review of Sociology* 37: 373–394.
- Lenski, Gerhard. 1966. *Power and Privilege*. New York: McGraw-Hill.
- Lindert, Peter. 2000. Three Centuries of Inequality in Britain and America. In *Handbook of Income Distribution*, ed. Anthony Atkinson and François Bourguignon, vol. 1. Amsterdam: Elsevier.
- Mann, Michael. 1986. *The Sources of Social Power. Vol. I: The History of Power from the Beginnings to AD 1760*. Cambridge: Cambridge University Press.
- Marshall, Thomas Humphrey. 1963. *Class, Citizenship, and Social Development*. Garden City: Doubleday (Anchor Books).
- Marx, Karl, and Friedrich Engels. 1976 [1848]. *Manifesto of the Communist Party*, Collected Works. Vol. 6, 477–519. London: Lawrence and Wishart.
- Massey, Douglas S. 2009. Globalization and Inequality: Explaining American Exceptionalism. *European Sociological Review* 25 (1): 9–23.
- Mennell, Stephen. 2007. *The American Civilizing Process*. Cambridge/Malden: Polity Press.
- . 2014. Globalisation and the ‘American Dream’. *Human Figurations* 3 (2). Online open access.
- Merton, Robert K. 1968. The Matthew Effect in Science. *Science* 189: 56–63.
- Milanovic, Branko. 2016. *Global Inequality*. Cambridge, MA/London: The Belknap Press of Harvard University Press.
- . 2019. *Capitalism, Alone*. Cambridge, MA/London: The Belknap Press of Harvard University Press.
- Mills, C. Wright. 1956. *The Power Elite*. Oxford University Press.
- Moore, Barrington. 1966. *Social Origins of Dictatorship and Democracy*. Harmondsworth: Penguin Books.
- Mounk, Yascha. 2018. *The People vs. Democracy*. Cambridge: Harvard University Press.
- Mudde, Cas. 2007. *Populist Radical Right Parties in Europe*. Cambridge: Cambridge University Press.
- Müller, Jan-Werner. 2016. *What Is Populism?* Philadelphia: University of Pennsylvania Press.
- OECD. 2011. *Divided We Stand: Why Inequality Keeps Rising*. Paris: OECD.

- Piketty, Thomas. 2014. *Capital in the Twenty-First Century*. Cambridge, MA: Harvard University Press. (Original French ed. 2013).
- Prak, Maarten. 2018. *Citizens Without Nations. Urban Citizenship in Europe and the World, c. 1000–1789*. Cambridge: Cambridge University Press.
- Rokkan, Stein. 1975. Dimensions of State Formation and Nation-Building: A Possible Paradigm for Research on Variations Within Europe. In *The Formation of National States in Western Europe*, ed. Charles Tilly. Princeton: Princeton University Press.
- Rosling, Hans. 2018. *Factfulness*. London: Sceptre.
- Scheidel, Walter. 2017. *The Great Leveler*. Princeton/Oxford: Princeton University Press.
- Schwartz, Christine R. 2010. Earnings Inequality and the Changing Association Between Spouses' Earnings. *American Journal of Sociology* 115 (5): 1524–1557.
- Stiglitz, Joseph E. 2012. *The Price of Inequality*. London: Allen Lane.
- . 2019. *People, Power, and Profits*. New York/London: W.W. Norton & Company.
- de Tocqueville, Alexis. 1967 [1856]. *L'Ancien Régime et la Révolution*. Paris: Gallimard.
- . 1990 [1835, 1840]. *Democracy in America*. 2 vols. New York: Vintage Books (Original ed: *De la démocratie en Amérique* (1835, 1840)).
- Van den Haak, Marcel, and Nico Wilterdink. 2019. Struggling with Distinction: How and Why People Switch Between Cultural Hierarchy and Equality. *European Journal of Cultural Studies* 22 (4): 416–432.
- Weber, Max. 1978. *Economy and Society*. 2 vols. Berkeley: University of California Press. (Original ed.: *Wirtschaft und Gesellschaft*, 1922).
- Wilkinson, Richard, and Kate Pickett. 2010. *The Spirit Level*. 2nd ed. London: Penguin Books.
- Wilson, William Julius. 1987. *The Truly Disadvantaged*. Chicago/London: University of Chicago Press.
- Wilterdink, Nico. 1993. The European Ideal. An Examination of European and National Identity. *Archives Européennes de Sociologie/European Journal of Sociology* XXIX (1): 31–49.
- . 1995. Increasing Income Inequality and Wealth Concentration in the Prosperous Societies of the West. *Studies in International Comparative Development* 30 (3): 3–23.
- . 2016. American Exceptionalism? The Growth of Income and Wealth Inequality in the United States and Other Western Societies. *Human Figurations* 5 (2). Online open access.
- . 2017. The Dynamics of Inequality and Habitus Formation. Elias, Bourdieu, and the Rise of Nationalist Populism. *Historical Social Research* 42 (4): 22–42.

- Wilterdink, Nico, and Rob Potharst. 2001. Socioeconomic Inequalities in the World Society: Trends and Regional Variations, 1950–1998. Paper for the Conference of the Research Committee on Social Stratification of the International Sociological Association, Berkeley, August.
- Wouters, Cas. 2007. *Informalization. Manners and Emotions since 1890*. London: Sage.
- . 2016. Functional Democratisation and Disintegration as Side-Effects of Differentiation and Integration Processes. *Human Figurations* 5 (2). Online open access.
- . 2019. Informalisation, Functional Democratisation, and Globalisation. In *Civilisation and Informalisation*, ed. Cas Wouters and Michael Dunning, 117–160. Palgrave Macmillan.