

UNEQUAL SOCIETIES PROVIDE AN OPENING FOR RACIST POLICIES BASED ON MINORITY VIEWS

Ideological positions such as racism, which are held by a minority of the voters in a democracy, may prevail when society is divided over economic issues, such as the desirability of income redistribution. Racist policies are more likely to emerge the more the income distribution is polarised. These are the conclusions of research by **Vincent Anesi** and **Philippe De Donder**, published in the October 2009 issue of the *Economic Journal*.

The researchers note that a naive view of democracy would suggest that only policies supported by a majority of voters may be implemented in democracies. Casual observation suggests that this is not the case. For example, although opinion surveys indicate that a minority of voters in Europe hold racist views, policies and parties with racist overtones have recently emerged in several European countries.

Anesi and De Donder claim that the naive view of democracy misses two crucial ingredients of the electoral system:

- First, political parties matter – and a complete theory of democratic decisions should encompass both the formation of parties and how they choose their political platforms.
- Second, those platforms contain many different elements and concern several policy dimensions. Voters then choose policy bundles, and are not able to pick apart these bundles to select the elements they support and oppose those with which they disagree.

The study shows that when those two ingredients are introduced, democratic elections may result in the adoption of ideological policies supported by a minority of voters. Hence, democratic policies – that is, policies selected by elections – may be racist even though a minority of voters hold racist views.

The researchers analyse a situation in which political candidates choose which parties they wish to form and then propose policies along two dimensions: an economic component (redistributive taxation) and an ideological one (racism). Voters differ in their attitude towards income redistribution (a majority is in favour while a minority opposes it) and towards racism (a majority of people hold non-racist views).

Previous research on political economy has shown that a two-dimensional electoral model represents very well the electoral process in western democracies. Moreover, the economic and ideological dimensions are precisely the two dimensions that play the most important role.

This new study shows that if parties did not exist, the policy chosen by a majority of voters would exhibit no racism at all: simple majority rules. But as soon as there is party formation, racist policies may be selected by the electoral process.

An even more striking result emerges for societies in which the income distribution is highly polarised. Then, the only policies that prevail are racist policies, and the degree of racism of implemented policies increases with the proportion of poor voters (those who support redistribution) in the electorate.

The basic intuition for these results is that income polarisation divides the non-racist voters, thus causing the formation of parties in which racist politicians have strong bargaining

power in the choice of electoral platforms.

The bargaining power of the poor and racist politicians inside parties also increases with the proportion of poor people, leading to a higher level of racism.

ENDS

Notes for editors: 'Party Formation and Minority Ideological Positions' by Vincent Anesi and Philippe De Donder is published in the October 2009 issue of the *Economic Journal*.

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