



Department SEMINARS

Conflict, Social Order, and Complementarities in Production

TANGUY LE FUR

University of Lille

WEDNESDAY, 30 OCTOBER 2024
2:00 PM

Seminar Room Bruguier Pacini, DEM



A B S T R A C T

This paper studies the role of complementarities in collective production in the sustainability of inclusive institutions. We investigate how initial endowments and the elasticity of substitution in the aggregate production function jointly determine the distribution of both economic and coercive power among social groups, and their respective incentives to consent or not to signing a binding social contract. Drawing on a formal model of conflict, we show that i) a relatively balanced distribution of economic and coercive power is necessary for inclusive institutions to emerge and be sustainable, ii) there is a non-monotonic relationship between the degree of complementarities and the sustainability of inclusive institutions, and iii) complementarities determine which group favors conflict over social order and vice versa. We argue that our theoretical framework has both normative and positive applications and can be used to design policies aimed at ensuring the stability of inclusive institutions and to shed light on a number of historical case studies in which such institutions either appeared or broke down.

For information: caterina.giannetti@unipi.it

