A Comment on: 'Presidential Address: Identity Politics' by Nicola Gennaioli and Guido Tabellini *

Francesco Trebbi

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*Trebbi: University of California, Berkeley, and National Bureau of Economic Research (ftrebbi@berkeley.edu).

1 Understanding Cultural Polarization

Guido Tabellini has been at the forefront of cultural economics within the field of political economy since at least Tabellini (2008b,a). This presidential address further reinforces such presence by extending and consolidating his analysis, with Nicola Gennaioli and Giampaolo Bonomi, about the emergence of a cultural divide between political parties in the US and Western Europe (Bonomi et al., 2021). This presidential address is at its core a road map for understanding the mechanics of cultural polarization in contemporary elections. Its model operates via a series of interacting and amplifying components: multidimensional voter preferences, party competition levering secular shifts in such preferences, and electoral sorting along new rotations of the policy cutline.

Indeed, while the title of this article is "Identity Politics", it really focuses on cultural conflict and (possibly an initial conceptual contribution by Tabellini) shows that these are not fundamentally different concepts. Identity represents a specific dimension of political decision making, one that is horizontal and private to the voter (i.e., whether the voter is female or male, white or black, Southerner or Northerner, etc.). These dimensions may or may not be made salient in electoral campaigns and they do not necessarily drive polarization, yet they have the potential of doing so. In fact, the model in this presidential address implicitly shows that we can define as polarizing any dimension of policy that is not common valued and vertical, like character, honesty, moral integrity of a politician (Kendall and Matsusaka, 2021).

The contribution of this work is to introduce party competition within a model of political behavior with changing economic and cultural cleavages. The article begins with somewhat non-canonical choices for voter preferences and behavior. In general, this would be ground for pause, but in the case of Tabellini, because he has literally written the canon (Persson and Tabellini, 2002), this may be less of an issue. As an example, voter realignment is interpreted in this model as changing preferences. What is discussed less in detail are the various ways in which changing voter preferences should

be modeled. There are alternatives. For example, the political economy literature has emphasized the use of salience weights in multidimensional, additively separable utility models, like the ones explored theoretically by Dragu and Fan (2016) and empirically in series of papers by Cruz et al. (2024) and de Albuquerque et al. (2025). These models have the advantage of being structurally estimable and, in my personal experience, have the capacity of fitting data in field experiments well and robustly –for example in large-scale electoral experiments where certain dimensions of political competition are heightened and others are dampened by political messages. Endogenous manipulation of salience weights along certain dimensions of political competition aligns with empirical regularities highlighted in this address, but through a different psychological mechanism and without the need of foregoing voter rationality.

Besides modeling choices, there are, however, much deeper questions raised by this contribution.

First, do voters lead political polarization in politics (and parties)? Or are parties that induce divisions and polarization in the electorate? The article takes a very decisive direction in the former, as parties conform to shifts in voter preferences in this model. The jury is still out, however, and we have plenty of evidence of changes within the internal organization of parties and their increasing internal cohesion that suggest party leaders and ranking members may play an important role in driving polarization (Canen et al., 2020, 2021; Longuet-Marx, 2024) for their own benefit.

A second set of questions is: Is polarization unavoidable? Will we ever agree again? This address posits a somber trade-off: cultural conflict or class war - you either get one or the other (and we do not know which one is worst). One simply cannot fully depolarize and contain political conflict, as in this theory depolarization along a certain dimension only happens with polarization along another. Yet, in the past, less polarized political equilibria certainly seemed theoretically attainable.

Finally, there is the question of whether economic policy preferences and cultural views should be thought of as independent. In the model these two dimensions are, by assumption, orthogonal. A different reading of the empirical evidence (especially

when it comes to the survey evidence in Section 2) is, however, possible: economic ideas and cultural values interact with each other. It seems uncontroversial to state that economic change associated with automation and globalization has left the median voter in much of Western democracies disappointed (to say the least) with the social contract (Norris and Inglehart, 2019). Economic change, however, has driven voters towards a zero-sum thinking worldview that aligns well with cultural parochialism and current cultural chasms (Chinoy et al., 2023). These voters are easy targets of anti-systemic parties and divisive policies, and ultimately this is electorally useful for parties, as it ring-fences their electoral blocs, consolidating their electoral bases, weakening accountability by captive sub-constituencies. The benefits to party leaderships from identity politics seem clear.

The jury is still out on these important questions of culture and politics. Yet this presidential address shows that significant progress is being made, conceptually and empirically, and that the field of political economy is paying attention.

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