BOOK REVIEW

Neoliberal Transformations of the Italian State: Understanding the Roots of the Crises


Gemma Gasseau

Scuola Normale Superiore, Florence, Italy
Corresponding author. Email: gemma.gasseau@sns.it

(First published online 4 October 2021)

Italian Politics has gone through several crises and spectacular changes of government throughout the past few years; from the ‘populist government of change’ (Conte I) which alarmed Italian and European elites, to its rapid decline leading to the Conte II, featuring the collaboration of the Five Star Movement with its previous antipodal Democratic Party, and finally the installment of a technocratic government (Draghi), one year after the beginning of the pandemic. Those seeking to understand these changes and related phenomena, among which populism and technocracy, should read the brilliant book ‘Neoliberal Transformations of The Italian State’ by Adriano Cozzolino. In fact, the book provides an in depth theoretical and empirical analysis of the transformations of the Italian State in the last 75 years, with a focus on the period 1976–2015, featuring a transition from a parliamentary regime to a de facto presidential one, centered on the executive powers.

The book has illuminating results on the unique Italian case, but also more broadly on state theory and its intertwined political and economic dynamics. Departing from the critique of functionalist, reductionist, and reifying approaches to state (typical of behaviorist, neo-positivist, and neo-Weberian approaches), the author underlines instead the importance of studying the state not as a thing, but as a social relation, or more specifically as a terrain for contestation. Drawing from Gramscian thought and from the scholarship on critical International political economy, Cozzolino builds an alternative theoretical framework, centered on the concept of integral state, involving a dialectical relation between state and society and the role of hegemony and ideology. Moreover, Cozzolino conceptualizes European integration not only as passively received at the domestic level, but also as actively constructed. The theoretical framework is then empirically applied, first by putting it into ‘the concrete terrain of history’ (Gramsci, quoted by the author in p. 53), then by zooming in on the period 1976–2015, to analyze the transformations of the state, as a social construction, and in the state, as an institutional system.

The extensive and accurate overview of the history of Italian republic, seen through the lens of the structuring capital–labor conflict, is necessary to understand the context and to grasp the complex specificities of the unique Italian case, which are then further analyzed zooming in critical features of the period 1976–2015.

First, critical discourse analysis is applied to the key annual economic and fiscal planning documents (‘Documento di Programmazione economico-finanziaria’). Such an approach is interesting inasmuch it considers not only discourses, but also their broader cultural context and the underlying morality, both intertwined with the materiality of policies. For example, the author highlights and analyzes the ‘gap between the narrative of “Southern fiscal profligacy” and the reality of massive cuts in the state budgets from 1992 onwards’ (p. 88), that lead Italy to attain budget surpluses since the early 1990s and accumulate debt through passive interests. Hence, the state
representatives’ legitimation of permanent austerity (‘Risanamento’) was centered on what Cozzolino calls ‘the political economy of sacrifice and promise’, involving strong cuts to public expenditures combined with the promise of (unrealized) future growth, with the moral dimension of ‘changing’ Italians to bring them forward and aligned with the ‘rest of Europe’, constructed as a model of modernization and civilization.

The second axis of analysis is the quantitative descriptive study of the legislative production of the Italian state, based on an original dataset, in which all the laws issued in the aforementioned period are classified according to the nature of the law (ordinary parliamentary law, decree-law issued by the executive, legislative decrees and EU transposition); the political economy domain, and subdomain (‘Political Economy Legislation Dataset’). The author observes a steady decline in the production of parliamentary laws, while at the same time a streaking increase of on the one hand the systematic use of decree laws, acting as containers for different policy areas and de facto strengthening the executive powers through praxis, and on the other hand the increase of EU legislation. Second, Cozzolino shows the crucial role of executive powers in implementing structural (or neoliberal, see. p. 115 for definition) reforms, permanent austerity for fiscal consolidation, first at the regional and local levels, and de-regulating the labor market. Thus, the analysis proves the strengthening of the executive at the expense of the parliament, through emergency legislation, and its crucial role in the implementation of neoliberal reforms.

In my view, the study has two main original and important implications. First, at a theoretical level, that the debate within political science and international relations on whether states have declined, or whether they are ‘coming back’ during crises (as we heard during the Great Recession and even more recently in relation to the pandemic), is simply wrongly framed. The study successfully shows the continued importance of the state; however, it raises the question of what kind of state operates in Italy, by analyzing its internal transformation, as a social construction and as institutional apparatus, and concluding that fundamental changes (namely, the strengthening of the executive combined with implementation of neoliberal reforms) have re-shaped the democratic potential within it. Second, at the empirical level, considering the long-term evolution of the Italian republic helps understanding the roots and consequences of what happened during the 2008 crisis, and may be even during the contemporary pandemic crisis (leading to a technocratic government once again). In fact, the final chapters aptly substantiate a recurring theme of the book – that we need a historical grounding to understand contemporary politics. Furthermore, that some of the most critical features of the 2008 crisis and its aftermath constituted in fact a trend emerging since the late 1970s. To name a few: the executive gaining more power and the marginalization of the parliament, the role of technocrats in implementing structural reforms, fiscal consolidation, labor market deregulation and cuts to public expenditures. This integrates the crisis and its management with its devastating social consequences into a targeted political project, with firm roots in previous policies of the Italian state; hence removing that exceptionality that too often leads to see the crises as either unexpected or inexplicable.

Hence, the book provides an excellent theoretical and empirical framework to study the transformations of the state. One way to further enrich such framework could be to consider the state through the lens of social reproduction theory, encompassing the internal and contradictory relation between production and reproduction. Such theoretical standpoint also implies an epistemological shift, thus affording the potential to take other vantage points; for example, integrating into the analysis a broader approach to political economy that could address not only unpaid labor, but also environmental policies and public services. Moreover, while both ideology and institutions are flawlessly analyzed through mixed methods, further attention could be given to the structuring conditions of capital, for example analyzing the Italian productive structure and its organic ties with the state.

To conclude, I highly recommend Neoliberal Transformations of the Italian State to scholars, policy makers and activists interested in the relation between economy, politics and society, as well as anyone who wishes to understand the complexity of the state as a ‘multi-layered socio-political terrain’.