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## THE CRISIS OF THE WELFARE STATE AND THE CRISIS OF POLITICAL ACTIVITY\*

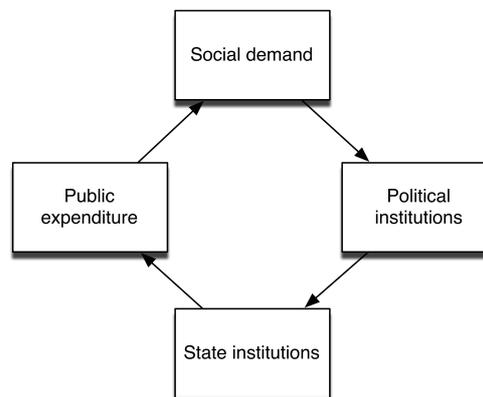
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1 ) In this paper I shall put forward briefly some ideas and hypotheses on what, for Italy, tend to be the consequences of a crisis of the welfare state on the political system and on political activity in general.

The peculiar aspect characterizing the "welfare state" phase of the advanced capitalist countries, within the broader framework of the history of the interventionist state, lies in the relationship, between social demand and public expenditure. In other words, the "welfare state" is simply the sum of the institutional, economic and political structures that act as intermediaries between the expression of social demand by the citizens and the satisfaction of that demand by public expenditure. The lines along which this process functions may be represented schematically as follows:

Social demand => Political Institutions => State institutions => Public Expenditure

Actually it is not so much a line a circuit in which the starting point for the process is not necessarily social demand.



It is the political and economic characteristics of each country which historically have determined the specific way in which the welfare state system has developed; but

whatever the starting point, the important fact is that in all countries the circuit functions in the direction we have indicated. The fact that it is a circuit makes the elements of this process closely inter-correlated so that causal relationships come to be blurred and the process may be considered to be an integrated system.

Today this system is considered to be undergoing a crisis, and when we speak of a "crisis of the welfare state" we refer to the fact that in its functioning this system is beginning to create more contradictions in the social and economic organization of the capitalist countries than it can solve. Even as regards the official diagnoses of the crisis of the "welfare state", over and above obvious specific characteristics, there is a substantial agreement which may be synthesized in the growing incompatibility between the volume, absolute and proportional, both of the deficit and of the total amount of public expenditure, and economic growth. Just what role has been played and is played by public expenditure and deficit in the present crisis cannot be taken so lightly for granted as it is in the daily declarations of governments and experts; but what is interesting at this level of analysis is that the reduction of public expenditure and deficit is now to be considered as one of the main targets if not the main target, of economic policy in the World capitalist system.

2) Public expenditure is only one element of the "welfare state" circuit, a circuit which, being highly integrated, cannot be stopped, by intervention on only one of its elements: or rather, intervention on one element alone, in this case public expenditure, necessarily entails a far-reaching transformation of the system as a whole and of all its elements.

In Italy, as in the other countries, the attitude of the government and of most of the mass media towards public expenditure is and has been now for some time just brutally to cut. Talk about policies of intervening on the qualitative structure of public expenditure is now out of fashion and has been substituted by the chopper wielded by the various economic ministers; there may be some discussion as to how much and where to cut, but all agree on the strategy of cutting.

I will not go into a consideration of the damage and suffering directly caused by a policy of cuts: certainly however, over and above the single categories of citizens who are hit, there will be an overall deterioration of the quality of life, at least insofar as it

is affected by. the quantity and quality of social services. It is not even certain whether and how these cuts will achieve the official economic objectives that are their *raison d'être*. What I am interested in developing here is the theme of the political philosophy underlying this strategy and in analyzing the political and institutional changes that necessarily accompany the policy of cuts in public expenditure.

It is rare to encounter motivations of a purely economic nature for the damage caused by public expenditure per se or by its deficit that are, if not convincing, at least minimally sensible; the fact is that the policy of cutting public expenditure should be considered not so much an economic policy as what is to all intents and purposes a political philosophy. The school of thought that stressed and focused on the qualitative aspect and on the structure of public expenditure accepted dialectically the framework of relationships between social demand and public expenditure and drew attention to the distortions within that relationship; whereas the philosophy of cuts sees, objectively and subjectively, its main objective to be the *destruction of the very link between demand and expenditure*. The breaking up of the "welfare state" circuit, which can now be considered to be broadly dominant at least in ruling-class circles, is the true objective of an economic policy based on the cutting of public expenditure; in order to have any chance of success, however it must be in a position to influence and modify the role of state institutions and political institutions.

3) State institutions carry out their functions, to a greater or lesser extent, by expenditures in money or in services: these expenditures have always in effect been constrained by the autonomous financing capacity or by fixed rules on balancing the books of each institution, whereas they were determined by a complex network of relations between the user and the institution and between the latter and the center of political power. In such a situation the state institutions operate as a locus for negotiating and mediating social demands, and the level of, expenditure is determined by the complex equilibrium of forces and balances of power that are established from time to time in the sphere of the specific institution and in the country as a whole.

The philosophy of cuts tends to make a definitive break with this role of public expenditure as a thermometer of the level of social conflict and of the relationships of forces within the state and political institutions, by introducing "objective",

predetermined rules and modes of behavior. It does not matter much what economic theories or rather, laws, are used to bolster these objective rules: what matters is that these norms exist and are not affected by social conflict.

But this means that the state institution must transform itself from being a locus of conflict into an independent decision-making center, where independence means detachment from civil society and subjection to "objective" laws of behavior. For example, a rule that the books must be balanced, or that the deficit must be constrained within "objective" parameters, would have the effect of placing absolute limits on expenditure, whatever the pressure exerted and whatever the balance of forces in the field of intervention of the institution in question. These are not formal changes but a thorough-going transformation of state institutions into agencies for the technocratic management of public expenditure.

4) The other link between social demand and public expenditure: the political institutions, must also be involved in this process.

The parties, trade unions and representative bodies, in the framework of the "welfare state" system, carry out the function of receiving, mediating and promulgating requests of social demand; it is precisely in the dialectic between citizens and political institutions, and between the latter and state institutions, that social demand is met by public expenditure.

As the case of the state institutions the philosophy of outing social expenditure implied a process that make it autonomous from social demand via the acquisition of objective rules, so in the case of the political institutions there has to be a process of "desensitization" with regard to the demands of the rank and file and more generally of those of the citizenry. *Politics has to be transformed into technology, the politicians into managers*: everything, from the language utilized to the strategic decisions made, must be encompassed by a type of power relations with the citizens where the political institutions play a strong leading role. The break-up of the welfare state circuit has to make the political institutions turn themselves into agencies for the management of social relations, in which the citizen's role is as subjected and as estranged as possible.

The crisis of the state as a paternalistic benefactor and/or antagonist from whom it is

possible to extract some benefits corresponds to the crisis of political activity as an instrument whereby the citizens may impinge upon the relationship between the political institutions and state institutions.

In a representative democracy in which the institutions tend to become autonomous from the citizens, politics, from being an instrument of participation, has to turn into an instrument of estrangement.

5) I am of course speaking of processes that are under way, and it is extremely difficult to give a real picture of the point reached in Italy by this transformation of the institutional system. It is probable that numerous examples of going beyond the welfare state could be offset by just as many examples of the contrary.

What however seems to me indubitable is that also in Italy, as has happened or is happening in the other advanced capitalist countries, a transformation in the direction mentioned is the aim of a large part of the ruling class, in order to get beyond the historic phase of the welfare state. A characteristic that is to some extent peculiar to the Italian situation is that this project witnesses the active participation of parties and union organizations of the left. Paradoxically the only organized opposition that seems able to enter the field and impede this project comes from a part of the political power apparatus and public administration which would, by an abandonment of the welfare state, see a considerable reduction in the power mechanisms it was traditionally accustomed to using, and through which it legitimated its own role and very existence.

In this perspective we should assess and interpret the acute crisis of political participation that is taking place in Italy: today's political struggle is between technocratic rationality and patronage mafias, and all the political institutions without exception are involved in this field of conflict.

Quite apart from possible abstract alternative definitions of politics, a growing proportion of the population, including - indeed above all - on the left, today in Italy looks on politics as a complicated battle between rival gangs, in which the object of the exercise becomes more and more just power as an end in' itself, and in which it becomes more and more difficult to distinguish the various aims, strategies tactics and even the political ideologies underlying the struggle.

The growing refusal of politics, the withdrawal into private life, take on the significance of refusing to take sides with either of the "opposing blocks", as well as refusing the terrain and the rules of the struggle as they are at present constituted.

The difficulty of building poles of attraction as alternatives to the existing - political and institutional - ones, the growing atomization' of . the citizenry, causes many activists of the new left to view with preoccupation, unease, anger or anguish this growing refusal of politics and leads them to resign themselves to using traditional political channels.

But on the other hand the trade unions and left-wing political parties are becoming more and more part and parcel of this process. In particular within the union, where historically the rank and file played a greater controlling role and had more power, a massive strategy to make the leadership and the political line autonomous from the demands of the workers is being carried forward. Both brutal instruments of repressing dissidence and disregarding the institutional channels of grass-roots democracy (factory councils and assemblies) are used, as are more sophisticated instruments of an ideological nature such as attempting to make the union and the workers' needs go back to being a dependent variable within the sphere of "objective" economic laws.

At the opposite extreme we have terrorism: the logic behind the choice of the means of struggle and the objectives of the left-wing terrorist organizations is another example of how one can arrive at a total autonomization of the political activity vis-à-vis the needs of the population.

Certainly there is no lack of qualitatively significant mass reactions to this "barbarization of politics", but the situation has deteriorated to such an extent that the choices made by the political institutions are quite impervious to such reactions.

6) It would however be wrong to be led by all this to the conclusion that the possibility and capability of struggling and transforming society is disappearing. What has to be done is to modify and adapt the instruments and modes of struggle to the new situation. In order to do this I am convinced that this crisis of politics must be faced squarely and lived right through, indeed we must analyze and highlight the more positive aspects of opposition and refusal to be involved in conflicts from which

people are completely extraneous.

The autonomous road of opposition may be to revalue and search out new forms of social coagulation whose objective is to express and to struggle for the satisfaction of a broad range of social demands. For a long time yet these coagulations cannot help being sectorial and even corporative, Owing both to the crisis of values and of unifying perspectives of social change, and to the objective splintering-up of society which submerges the leading role of anyone class.

But the yardstick with which these coagulations must be judged and analyzed should not be the traditional one of political placement; on the contrary, *only if these coagulations succeed in developing outside the institutional political channels will they have the possibility of turning into mass movements.*

Hitherto politics had represented the principal instrument through which it was possible to express and assert the demands of transformation. Today politics has been transformed from instrument of struggle for liberation into instrument for the oppression of the majority of the population.

New channels must therefore be built through which it may be possible to express and achieve those objectives that come under the generic heading of social demand.

It is very hard if not impossible to foresee what these new channels may be, but I am convinced that the modes and aims with which collective movements will move and develop will have to start off from a thorough-going critique of the very concept of "political activity". Today more than ever political activity coincides with the passive acceptance of instruments and modes of behavior that are the negation of the values by the mass movements values that are now a deeply embedded patrimony of larges portions of the population. I believe on the contrary that the only road that today can lead to collective perspectives of global social change must be based on values such as: democracy, the acceptance of diversity, the pluralism of ideas, the expression of spontaneity, and the search for happiness.