

Clara E. Mattei, *The Capital Order. How economists invented austerity and paved the way to Fascism*, Chicago University Press, Chicago 2022.

There are few books that once read manage to leave a clear idea and a full-fledged thesis imprinted on the reader's mind: Chiara E. Mattei's book is one of them. The preservation of the capitalist order is seen by liberal-capitalist forces (both class and state) as fundamental to the economic order of a state. When the capitalist social and productive system is in danger, any political and economic means are accepted and endorsed to restore the pre-existing order. Austerity is the main tool through which the capitalist class can enforce the reestablishment of a capitalist social order. In the era of the rising democratic state, austerity has the aim of depoliticizing the economy.

Dictatorship and industrial austerity (in the Italian case), or simply harsh monetary, fiscal and employment policies (as in the British case) are seen as necessary to maintain the existing capitalist order. What the author makes clear is the fact that with the end of the Great War, and the social chaos that ensued, the masses became increasingly conducive to important social and material claims. In fact, it is not just a demand for increased wages and better living conditions in the factories (which in fact increased between 1918 and 1922), but an organic threat to the capitalist system of production. The gradual entry of the masses into the political life of the two European countries, through the extension of voting rights from the nineteenth century onward, as well as the immense sacrifices endured by the worker-soldiers at the front during the Great War (not to mention the victorious example of the revolution in Russia), put workers' social demands on the right side of history.

The Great War proves that a direct state intervention in the economy is a concrete possibility if there is a strong leading political will. The principles that governed the capitalist economy such as private property can be subverted if there are clear political and national interests.

The working masses became the bearers, consciously or unconsciously, of an alternative economic model that undermined in its long-standing foundations the principle of the centrality of capital accumulation in productive and social processes.¹ This is a direct threat to the power and existence of the capitalist class, which plays a hegemonic role (using Antonio Gramsci's words) in European capitalist states. To avoid this collapse, the capitalist class relies on the champions of

¹ M. Tronti, *Operai e Capitale*, Einaudi, Torino, 1966. Eng. Transl. *Workers and Capital*, Verso, New York, 2018.

liberal economic orthodoxy to bend the masses and weaken its social claims. Briefly, capital's reaction against this threat is called Austerity: the central issue of Clara E. Mattei's research book.

The purpose of Austerity is thus to weaken the workers' struggle through harsh instruments of economic repression. Fiscal austerity (with increased taxation on consumption – which affects all citizens – and a reduction in taxation on large incomes/assets) together with monetary austerity (deflation) and industrial austerity (reduction of wages and, at least initially, employment) are intended to return to stimulate capital accumulation and the savings rate.

In the immediate term, Austerity weakens the bargaining clout of workers. Embedded in a capitalist society, the holders of capital – who often identify themselves or are allied with the state's ruling class and therefore have the country's armed forces on their side – still retain the ability to direct coercive actions against labourers. Moreover, the non-homogeneity of the working classes – divided between skilled and unskilled labourers – makes them disinclined to pursue a unified policy in case of economic setbacks (just refer to Jack London's *The Iron Heel*).

Austerity puts the cardinal principles of the capitalist economy back on track and strengthens the rule of the capitalist class. We are thus talking about an economic policy that supports clear class interests. The economic theory that supports Austerity serves only to politically legitimize a clearly ideological and partisan economic behaviour. As the author remarks: "Economic theory was no longer a tool for critical thought and action; it was a mold for imposing passive consent and maintaining a top-down status quo".

As far as I am concerned, austerity policies are not only those perpetrated in the early 1920s (just refer to Britain's return to the gold standard in 1821 or the economic policies pursued by the Italian *Destra Storica* – 1861-1876 – and especially by ministers Sella and Scialoja). However, Clara E. Mattei's book undoubtedly has the merit of convincingly demonstrating how austerity has been and still is an instrument that carries with it a clear economic strategy, namely to reinforce the cardinal principles of a capitalist social and productive model by sheltering them from possible threats. Let us hope that in the public debate there will be discussions as courageous and solid as the theses brought forward by the author.

Giampaolo Conte
University of Roma Tre