The International Political Economy of Berlusconism:

Emergence, Consolidation and Crisis of a Neoliberalising Project

Abstract

In the existing accounts about Silvio Berlusconi, analyses of his political-economic project integrating the overarching context in which it emerged are conspicuous by their absence. The paper addresses this main gap by investigating Berlusconi*sm* as a phenomenon reaching beyond Berlusconi's figure, capturing the twists and turns of Italy's neoliberal reconfiguration. Grounded in an International Political Economy (IPE) perspective and starting from the centrality of dialectics, the study proposes a periodisation of the prelude, emergence, consolidation, and crisis of Berlusconism, zooming in on the interplay of three main analytical foci: (*i*) its insertion into specific geo-historical dynamics both favouring and constraining political agency; (*ii*) its alliance building, which underpinned the creation – in the 1990s – of a political space for the Italian right (both moderate and radical), marking an unprecedented feat in the entire post-war period; and (*iii*) its specific array of enacted policies. Building on such empirical contribution, the article makes a methodological intervention, showing the heuristic added value of dialectically integrating these three foci into a novel double contextualisation of Berlusconism – as both (*i*) a *product of* and one of the *answers to* Italy's organic crisis of the early 1990s and (*ii*) an *expression of* and a political-economic *project within* the global trajectory of neoliberal restructuring. Berlusconism thus stands out as the 'focal point' around which the international neoliberal offensive in Italy could mobilise, with far-reaching implications for contemporary analyses of the far-right in the international political economy.

Keywords

Critical international political economy; neoliberalism; dialectics; periodisation; Italy; Berlusconi

1. Introduction

One of the most enduring challenges in studying neoliberalism within International Political Economy (IPE) lies in bridging abstract conceptualisations with the reality of 'actually existing neoliberalism' (Peck et al., 2018). In this context, concrete political forms often appear either as distorted versions of the abstract ideal-type or are dismissed outright for not conforming to it. One key reason for this difficulty is the insufficient attention devoted to the political dimension of neoliberalism – that is, to how ideologies, discourses, and abstract policy blueprints designed on a global scale are necessarily reworked in specific (supranational, national or sub-national) contexts in light of political-economic constraints, historical contingencies, and the imperative to construct sufficiently broad socio-political coalitions behind projects of societal transformation.

This article addresses this gap by examining how neoliberalism has been politically and materially reworked in the Italian case, focusing in particular on the political-economic project articulated by Silvio Berlusconi from the mid-1990s to the early 2010s. Controversial entrepreneur, media magnate, and long-standing political leader, Berlusconi was deeply embedded in the history of post-Cold War Italy. Yet, as argued below, his ascent, trajectory and contradictions closely followed – and in many ways exemplified – the wider ascent, trajectory and contradictions of neoliberalism. In this view, Berlusconi's project can be regarded as a prism through which to explore central themes in the political economy of neoliberalism and as a case that helps navigate the seeming gulf between abstract concepts and concrete political forms. Moreover, while the literature has tended to focus on developments in the Anglo-American core (Connell and Dados, 2014), shifting the analytical gaze to a semi-peripheral country such as Italy provides a vantage point from which to examine the tensions, contradictions, and adaptations that neoliberalism undergoes as it is articulated under peculiar structural and institutional conditions. This makes such contexts especially revealing sites for investigating how neoliberalism is mediated, legitimated, and sustained over time. This article aims to do this by conceptualising - and analysing - neoliberalism both as a political-economic project and as a dynamic, contradictory, historically, and spatially contingent process that continually reshapes state-society relations.

This work builds on Stuart Hall's seminal analyses of Thatcherism (1979; see also Hall and Jacques, 1983; Jessop et al., 1984) by shifting the analytical focus from the figure of Silvio Berlusconi to *Berlusconism*. We argue that Berlusconism must be understood not just as an

expression of individual leadership, but as a structured and enduring political-economic project that shaped Italy's neoliberal transition. Such a change in perspective implies moving away from abstract conceptions of neoliberalism and towards a concrete analysis of its national political articulations. In this context, rather than asking whether Berlusconi was 'really' neoliberal – a question that, as we show, has long haunted the literature – we trace how Berlusconism operated as a conduit for neoliberal restructuring in Italy's post-1990s conjuncture. Grounded in this perspective, our analysis focuses on the molecular processes through which broader neoliberal dynamics were translated into concrete political and institutional forms – that is, how international transformations were mediated and rearticulated within specific national contexts through tensions and contradictions. Central to our analysis is thus how national dynamics intertwine with international processes, 'creating new original and historically concrete combinations' (Gramsci, 1975: 1585, own translation).

The existing scholarship on Berlusconi has thus far predominantly focused on *Forza Italia*'s (his personal party) corporate-style structure (Hopkin and Paolucci, 1999; Calise, 2015), Berlusconi's push on executive dominance for the sake of 'governability' (Donovan, 2003; Newell, 2018), and his personalised, media-driven leadership, widely seen as emblematic of Italy's 'Second Republic' (Campus, 2006; Fabbrini, 2013; Valbruzzi, 2024). Further works have also explored the symbolic and cultural legacies of Berlusconi (Newell, 2018; Lazar, 2024), as well as its role in shaping voter engagement and centralising political authority (Furlong, 2015; Baldini and Ventura, 2024). While offering valuable insights into discrete dimensions of Berlusconi's influence, this literature – anchored predominantly at the national level – neglects the broader entanglement of Berlusconism with global processes (Gallas, 2016).

In contrast to these accounts, this article interrogates the international political economy of Berlusconi's project, by developing and applying a theoretical and methodological approach rooted in critical approaches to IPE. The paper first reinstates the centrality of a broader and dynamic conception of neoliberalism, understood not as an abstract ideal type but as the context-dependent manifestation of a transnational process of change (Brenner et al., 2010; England and Ward, 2011). We therefore approach neoliberalisation as an open-ended trajectory, marked by shifting equilibriums, ruptures, and compromises across different spatio-temporal frameworks. In Hall's words (2011: 708), neoliberalism 'combines with other models, modifying them. It borrows, evolves and diversifies. It is constantly "in process"' –

and should be regarded more as a 'long-term tendency' than as a 'teleological destination'. Crucially, such a process is shaped by specific political projects and underpinning social forces: politics, ideology, state, and culture are integral to this dynamic (Bruff, 2008), and Berlusconism must be historicised and analysed within it.

Our methodological strategy is based on the articulation of a periodisation and in-depth multidimensional analysis of alliances and policies. The distinctiveness of our approach lies, first and foremost, in situating Berlusconism within a periodised reconstruction of the broader conditioning patterns of international processes – namely, the historical arc of neoliberalism, the integration of Italian capitalism into global circuits of production and exchange, and the evolving mechanisms of European governance (see Bruff, 2010). Specifically, we divide the trajectory of Berlusconism into three phases: emergence, consolidation, and crisis. For each of these phases, our empirical analysis is structured around three specific foci: (*i*) the geo-historical dynamics that both enable and constrain political agency; (*ii*) the configuration of socio-political alliances; and (*iii*) the content and direction of enacted policies. Combining these dimensions offers a twofold advantage. First, such an analysis provides a conceptual understanding and empirical mapping of how Berlusconism restructured the Italian political economy. Our theoretical and methodological approach moves beyond the conventional national/international dichotomy that separates domestic from global dynamics, preserving the analytical leverage of examining national neoliberal trajectories, while situating them within the broader conditioning effects of international processes. By grounding our perspective in a fine-grained investigation of national specificity, the analysis avoids losing empirical depth or contextual nuance. Second, by combining the investigation of geo-historical processes, socio-political alliances, and enacted policies the article advances an IPE-grounded understanding of the relationship between neoliberalism and the far-right in a semi-peripheral context. In particular, we foreground Berlusconism's role in constructing a new political space for both moderate and radical right-wing actors, discourses, and policies. In so doing, our approach contributes to the study of the enabling conditions behind the rise of far-right formations, their historical evolution, and their *entanglement* with (neo)liberalism (Worth 2019; Mattei, 2022; Monaco, 2023). Although in this article we do not directly engage with the most recent developments of far-right politics, our investigation of Berlusconism as a neoliberal project – and of its instrumental role in shepherding the ascendance of the Italian far-right – provides a theoretical, methodological, and empirical roadmap for exploring the relationship between the transformations of far-right politics and the evolutions of neoliberalism. Against this backdrop,

the article makes three interrelated contributions. First, at a theoretical level, it advances a deeper understanding of how (neoliberal) political-economic projects are shaped by the intersection of developments on multiple scales – sub-national, national, European, and international – and how these co-evolve over time. It does so by reframing Berlusconism not as a purely national phenomenon, but as a historically and spatially situated articulation of international dynamics. Second, at a methodological level, the article leverages a geo-historical periodisation attentive to the interplay of international constraints, domestic socio-political alliances, and policy trajectories to study the formation and evolution of a political-economic project across time and space. Third, at an empirical level, it dissects Berlusconism as an original political project within neoliberalism, while shedding light on its enabling role in constructing a political space that normalised both moderate and radical right-wing actors. In sum, such an IPE approach proceeds by (*a*) crafting a novel set of fine-grained *theoretical instruments,* (*b*) laying the ground for a deeper *geo-historical inquiry* from which (*c*) drawing key implications for *empirical analysis*.

The paper is articulated in four steps, following a periodised and multiscalar analytical logic consistent with our IPE perspective. Section 2 engages with relevant contributions on the international political economy of Berlusconism, while setting out our theoretical framework and its implications for the conceptualisation of neoliberalism. This, in turn, paves the way for the empirical analysis through our periodisation of Berlusconism (Section 3). Section 4 foregrounds our central argument: that Berlusconism served as a focal point around which the neoliberal restoration could effectively mobilise within the specific Italian context. In the conclusion, we summarise our core claims and reflect on their relevance for the contemporary political landscape, before outlining potential avenues for a future IPE research agenda on and beyond Berlusconism.

2. The international political economy of Berlusconism and neoliberalism

Given the theoretical ambition of this article – contributing to a conceptualisation of neoliberalism and its political dimension by foregrounding a time- and context-sensitive approach – we build on critical approaches in IPE to analyse Berlusconism not as a national anomaly, but as a situated expression of the rise and transformation of global neoliberalisation processes.

From a political economy perspective, a substantial body of scholarship has engaged with the contested issue of whether – and to what extent – Berlusconi(sm) can be meaningfully characterised as neoliberal, especially focusing on its legacy. Most accounts conclude that Berlusconi's (neo)liberal revolution ultimately failed precisely because it was not enough – or not *coherently* enough – (neo)liberal[1]. Ginsborg, for instance, argues that 'it is difficult to discern a coherent economic strategy emerging even from the narrow perspective of neoliberalism', since '[a] strong odour of crony capitalism pervade[d] many of the government's economic initiatives' (2004: 135; see also Mascitelli and Zucchi, 2007). Newell (2018: 165-66) emphasises that, while the first phase of Berlusconism (1994-95) was characterised by a 'clear neoliberal programme', it shifted to less defined positions in the following phase (2000s), owing to the divergent interests of its allies in the South and the North of the country (see also Section 3). More recently, Mulé and Toso (2024) have analysed Berlusconi governments' tax policy, concluding that the neoliberal revolution was more rhetoric than reality[2]. Similarly, Lazar writes that, despite adhering to neoliberal ideas, Berlusconi 'displayed an inclination towards protectionism and never fully implemented liberal economic policies during his tenure' (2024: 9).

While these interpretations often highlight real contradictions, they fundamentally misrepresent neoliberalism, as cleansed of the contradictions typical of any political project, including political and geo-historical contingencies. In particular, such a conceptualisation focuses on neoliberalism only as a narrow economic doctrine made of a set of well-known assumptions (e.g. self-regulating markets; utility-maximizing and rational decision-making individuals and firms) informing a blueprint of policies (most prominently public budget cuts, privatisations, and liberalisations) that apply prescriptive principles (the necessity to 'unshackle market forces' and to reduce state intervention in the economy). While these are all relevant aspects, such a narrow view of neoliberalism neglects that it has in fact never been about the 'free market', neither in principle (Bruff, 2024: 238) nor in practice (Peck et al., 2018: 4). Furthermore, this view tends to universalise neoliberal experiences rooted in the 'core' of global capitalism (typically the US and the UK), while neglecting how neoliberal strategies can take on peculiar traits depending on the geo-institutional and historical contexts in which they

[1] For some notable exceptions, see for example Amable et al., 2011; Briziarelli, 2014; Dominjianni, 2024.
[2] Yet, the authors also note that, in the context of the 2008 financial crisis, '[w]hat had once been a rhetorical nod to the neoliberal economic policies of the 1980s, emphasizing a crackdown on 'scroungers', became a tangible reality in the context of the global economic downturn' (Mulé and Toso, 2024: 3).

unfold (Connell and Dados, 2014). Neoliberal political-economic projects are also mediated by social contestation as well as shaped by competing economic interests.

Against this backdrop, we argue that conceptualising neoliberalism in a holistic manner necessitates a theoretical perspective grounded in IPE, particularly in its critical approaches. These strive to analyse political-economic developments through the lens of transformations *of* and *in* capitalist social formations, and their related social and political power relations (Cox, 1981; Bieler and Morton, 2001, 2018; Cafruny and Ryner, 2003; van Apeldoorn et al., 2009; Shields et al., 2011; Wigger, 2022).[3] To this end, we draw on a growing body of research advancing a critical IPE agenda in the study of the Italian case (e.g., Caterina, 2019; Caterina and Huke, 2021; Cozzolino, 2021; Gasseau and Maccarrone, 2023; Ferragina and Arrigoni, 2024; Monaco, 2024) and engage with seminal analyses that explore the Berlusconi governments within the framework of structural conditions, power relations, and underlying social blocs (Amyot, 2004; Amable et al., 2011).

Doing IPE in a critical fashion implies, first of all, foregrounding the dialectical interplay of different sets of factors giving rise to specific historical and social configurations: structures and agency, international and national spheres, material and ideational levels, and state and society are dimensions internally *and* dialectically connected (Bieler and Morton, 2018). This centrality attached to dialectics allows us to draw two main implications relevant to our understanding of neoliberalism. First, when examining a phenomenon, the context matters and should not be regarded as a given, inert background. Instead, every phenomenon is an expression of and is shaped by a specific historical context, reflecting the structural configurations, contradictions, and inequalities it embodies (see Cox, 1981).

Second, the relationship between state and society should not be conceived as ontologically separate and external to each other, but as a 'unity-distinction' nexus, or, in Gramsci's words, as *integral* (Gramsci 1975: 1765). The state – with its apparatuses – is present in society as much as society is present in the state; that is, borrowing from Nicos Poulantzas, 'the political field of the state [...] has always, in different forms, been present in the constitution and reproduction of the social relations of production' (1978: 17). Thus, the state and its apparatuses enjoy relative (*political*) autonomy from social forces (Poulantzas, 1978: 128, 135). This relative autonomy entails a contingent and contradictory balancing of the

[3] As remarked by Wigger, this perspective implies an 'integrated understanding of the realm of politics, society, the state and economic production' (2022: 191).

legitimacy of the state and political power vis-à-vis social groups' material interests (see also Gallas et al., 2011).

On this basis, eschewing the equation between neoliberalism and free market, neoliberalism is more adequately conceptualised as a process shaped by political-economic projects, worldview and set of multiscalar practices aimed at mobilising state power to commodify ever more aspects of social life (Brenner et al., 2010). Yet, neoliberalism extends even further: it constitutes a (counter)historical political movement characterised by hostility towards any process of collective action – from mass party democracy and popular participation to trade unionism and the welfare state. Hence, the narrow, economi(sti)c view of neoliberalism employed by existing literature on Berlusconism is particularly problematic because it can hardly grasp how neoliberalism – besides being tied to capitalist restructuring – contributed to a restriction of democratic spaces (Gill, 1998) – or, as more recently argued, reconfigured the state in a more authoritarian direction (Bruff, 2014). Neoliberalisation processes require a significant mobilisation of the state's ideological and institutional apparatuses, for instance via a gradual yet relentless strengthening of executive power – indeed, one of the key legacies of Berlusconism. One of the foundational manifestos of neoliberal politics written on behalf of the Trilateral Commission, *The Crisis of Democracy: On the Governability of Democracies* (Crozier et al., 1975), is paradigmatic in this respect. The report suggested that one of the key political steps to restore state power was to enhance *governability* while narrowing the spaces for substantive democracy. If the issue identified in the report was an excess of participation, the solution could only lie in strengthening executive apparatuses and technocratic, depoliticised institutions.

Thus, from our theoretical standpoint, neoliberalism is not external to political and social phenomena; rather, it represents the material *and* ideational transnational configuration which has become hegemonic since the 1980s, shaping the direction of historical movement and, at the same time, generating its specific contradictions. Thus, it would be naive to expect a straightforward, absolute application of neoliberal 'less state/free market' rhetoric in concrete policy decisions. Our critical IPE framework – as influenced particularly by Gramsci and Poulantzas – advises keeping in mind the contradictory and contingent nature of policy-making, which may involve concessions to both allied and subordinate groups to extend the reach of political hegemony, while simultaneously not losing sight of the *general direction of*

travel, which in the case of Berlusconism – as we show below – remains fundamentally neoliberal.

Furthermore, and crucially, this occurs within a broader bundle of institutional, material and political constraints at various geographical scales. When analysing Thatcherism, for instance, Jessop et al. aptly noted that it 'must be seen less as a monolithic monstrosity and more as an alliance of disparate forces around a self-contradictory programme' (1984: 38). Similarly, we conceive Berlusconism as a bundle of ever-changing and contingent contradictions and compromises – yet still within a neoliberal politico-economic project. Hence, if, on the one hand, Berlusconism stands out as a *product* of the neoliberal restructuring of productive, symbolic, political, and ideological forms and processes that began in the 1980s, it also stands out, on the other hand, as a political-economic *project* – to be sure, not the sole – seeking to translate those elements into practice in a specific way, as detailed empirically in the following pages.

3. Into Berlusconism: a periodisation

Our approach to the IPE of Berlusconism, as outlined above, draws attention to the dialectical interplay of structure and agency while foregrounding the centrality of time and space. To this end, we propose an integrated analytical framework combining periodisation and detailed empirical analysis. This gives prominence to three main analytical foci: *(i)* geo-historical dynamics, shedding light on the factors favouring or constraining political agency; *(ii)* political and social alliances, elucidating how Berlusconism created an (unprecedented) political space in/for the right; and *(iii)* concrete policies adopted under the Berlusconi governments, illuminating the peculiarities of Berlusconism as a neoliberal project muddling through a contingent process of adaptation, adjustment, and compromise. Moving back and forth between these three foci throughout its prelude (3.1), emergence (3.2), consolidation (3.3), and crisis (3.4), we argue that – akin to Thatcherism – Berlusconism succeeded in providing a 'focal point' (Jessop et al., 1984: 41) around which the neoliberal offensive in Italy could mobilise. Most importantly, we argue that the rise of Berlusconism unfolded within a dialectical relationship between Italy's organic crisis and the global trajectory of neoliberal restructuring. Berlusconism can be conceptualised both as a product of the former and as a response to it. At the same time, it can be regarded as a historically specific articulation of the

latter: a political-economic project shaped by, and contributing to, broader processes of neoliberalisation (see Section 4; Figure 1).

3.1 Prelude: Early 1980s-1992

Given the centrality of history in critical IPE understandings, it would be impossible to grasp the emergence of Berlusconism without considering its breeding ground. In this respect, it is imperative to start from the crucial phase of transformation of the politico-economic regime underpinning Italy's First Republic in the 1980s. At the same time as the neoliberal offensive held sway in much of the Western world, the Italian political economy underwent a shift towards neoliberalism under the so-called *pentapartito* – a five-party coalition including *Democrazia Cristiana* (DC) and *Partito Socialista Italiano*, as well as smaller liberal and social-democratic parties. The 'patchy' Keynesian model based on currency devaluation which had characterised the Italian political economy in the 1970s (see Caterina and Huke, 2021: 267-269) was thus gradually dismantled, via, for instance, Italy's entry into the European Monetary System (EMS) in 1979, the 'divorce' between the Bank of Italy (BoI) and the Treasury in 1981, and a restrictive monetary policy aimed at weakening labour power and curbing inflation (Talani, 2017: 125).

Yet, this neoliberalisation process turned out to be highly contradictory and uneven, generating social tensions and discontent both within and outside the social bloc underpinning the First Republic's political-economic regime. High interest rates, together with a rise in expenditure to accompany and cushion industrial restructuring, led to a massive increase in public debt (Cozzolino, 2021: 66–70). In turn, soaring interest rates and the attempt to reign in public debt via increased fiscal pressure on labour prompted a reverse income redistribution in favour of capital and a new class of rentiers (see Barba, 2011). Meanwhile, the large number of self-employed and small and medium enterprises (SMEs) came to be penalised by the high interest rates, their inability to capture state aid (which was largely pocketed by large firms), and the strong lira policy (see Amyot, 2004: 53, 107, 152–53). The rise of the Northern regionalist party Lega Nord (LN) illustrated how Northern SMEs and the petty bourgeoisie were growing impatient with the 1980s politico-economic regime (Palombarini, 2001: 198–202). Additionally, the Mezzogiorno was caught between the end of the state-led industrialisation strategy and the unsustainable use under a (Europeanised) disinflationary

regime of public sector and welfare expansion as 'sponges' to absorb unemployment (see Celi et al. 2017: 227–28).

These tensions came to a head in the early 1990s, when a political crisis shook the foundations of Italy's First Republic, provoking the disintegration of the country's post-war political system and the disappearance of the parties that had hitherto defined Italian politics and mass political participation. Drawing on Gramsci (1975: 513), a crisis becomes *organic* when there is a growing disconnection between the masses and their political representatives, thus creating a chasm between representatives and represented. In this vacuum, as Gramsci suggests (1975: 311), 'morbid symptoms' emerge – namely, phenomena that, in other circumstances, would have found no space to arise. In this regard, the speed and depth of – dramatically overlapping – changes characterising the 'critical juncture of 1992' (Ferragina and Arrigoni, 2024: 771) were truly unprecedented in post-war Italy. Within a few months, three main bundles of economic and political fault lines converged. First, a currency crisis led to the exit of the lira from the EMS and to a situation of acute financial emergency. The currency crisis represented the tipping point of a crisis of competitiveness affecting the Italian industry and political economy. This, in turn, was due to the over-appreciation of the lira under the EMS and the emergence of competitors (e.g. in East Asia and Southern Europe) in Italy's traditional and low-added value specialisation sectors (Graziani 1998: 148–49; Talani 2017: 151–57). The crisis was overcome thanks to a temporary fix (a large devaluation and the institutionalisation of wage restraint in 1992-93), which, however, left the underlying contradictions of Italian capitalism untouched. Second, the *Tangentopoli* corruption scandal triggered the collapse of the post-war party system centred around the dominance of the DC and furthered a wave of anti-politics and anti-statist sentiments (Mete, 2010). Third, the Italian government signed the Maastricht Treaty, with its array of ordoliberal fiscal rules tracing a path of permanent fiscal consolidation (Storm, 2019).

In short, the 1992 critical juncture swept away the political establishment buttressing a politico-economic regime which had become increasingly fragile and plagued by latent social discontent. In the context of such an organic crisis, major tectonic shifts in Italy's political economy dating back to the early 1980s caused the dismantling of the country's post-war order, paving the way for the emergence of new political forces and politico-economic projects at the dawn of the Second Republic. In this context, Berlusconism would emerge both as a *product of* Italy's organic crisis – and one of the *answers to* it.

3.2 Emergence: 1994-95

Among the politico-economic projects emerging in this phase, the one advanced by technocratic figures mainly coming from the ranks of the BoI played a pivotal role in reigniting Italy's neoliberalisation process in the early 1990s (Giannone and Cozzolino, 2024). Between 1992 and 1995, technocrats occupied top executive positions, shepherding the adoption of several wide-ranging neoliberal measures and representing Italy in the Maastricht Treaty negotiations (see Dyson and Featherstone, 1996). However, while the technocrats turned out to be crucial in laying the ground for neoliberal restoration, it was Berlusconi who provided the *focal point* around which the neoliberal offensive could effectively mobilise. Starting from its entry into politics in January 1994, the Cavaliere succeeded in creating a new right-wing political space from scratch – something missing in the Italian post-war political landscape due to DC's role as a gatekeeper of the country's political regime. The year 1994 was thus crucial in constructing such a – geographically diversified and politically relevant – space in which Berlusconism would thrive over the next two decades. Berlusconi pursued two central intuitions in this respect: firstly, to inaugurate an unprecedented process of normalisation of the far right in Italy's post-war scenario; secondly, to do so by crafting a political alliance comprising two far right parties with different (and complementary) geographical electoral bases. These parties were LN in the North and, in the South, the *Movimento Sociale Italiano* (MSI) – the direct heir of the fascist party, which softened its sulphurous image to become *Alleanza Nazionale* (AN) in 1995. Given the incompatibility between LN's regionalist (and secessionist) tendencies and MSI-AN's nationalist (and centralist) identity, Berlusconi and FI resorted to building two separate alliances for the 1994 elections: the *Polo del Buongoverno* with AN-MSI in the Centre-South and the *Polo delle Libertà* with LN in the North (with both coalitions also including centre-right splinters from the demised DC).

This alliance building was thus 'at base a *geographical* operation, appealing to distinct constituencies in different places by offering them distinctive menus of electoral choice', with Berlusconi and FI acting as the 'national "glue"' (Shin and Agnew, 2008: 74, emphasis added). By doing so, Berlusconi managed the remarkable feat of uniting and giving political representation to social groups left orphaned by the collapse of the old party system (the assisted classes in the South and the petty bourgeoisie), as well as to those discontent with the *pentapartito* (Northern export-oriented firms and SMEs), building what became the core of the

right-wing social bloc (see Amable et al., 2011; Amyot, 2004: 108-111). Due to this close relationship with SMEs and petty bourgeoisie, Berlusconi's relationship with Italy's large capital was less straightforward. Long considered an outsider as an entrepreneur by the Italian 'good salon' of major industrialists (Amyot 2004: 36), Berlusconi's entry into politics was welcomed with coldness by Confindustria (the main employers' association long dominated by large industrial firms) (Brann, 1995: 2). Nonetheless, once in power, the right-wing coalition has always managed to build strong links with large capital fractions, not least due to its neoliberal orientation and its highly confrontational stance towards trade unions (see section 3.3).

In a major upset, the results of the 1994 elections vindicated this strategy, as FI became the largest Italian party, and the right-wing 'double alliance' amply defeated the centre-left Progressive Alliance. The Berlusconi I government – the first openly right-wing and non-Christian Democratic in the Italian Republic's history – was thus formed in May 1994. As noted by Ignazi (2018: 217, own translation), '[f]or the first time, genuinely liberal-libertarian tones with strong neoconservative undertones resonate[d] in the Italian political debate', 'mark[ing] a break with the dominant political culture of solidarism, tinged with welfare-based policies, in its Catholic, socialist, and communist variants'. At the same time, Berlusconi and his coalition vowed to uphold Italy's Atlanticist and Western capitalist orientation against the (more imagined than real) 'Communist threat', offering a certain degree of continuity to the *pentapartito*'s old social bloc.

The 1994 success was achieved by fully tapping into the neoliberal repertoire to respond to the anti-politics wave and the widespread desire for change. FI's economic programme – largely shaped by Antonio Martino, economics professor of neoliberal orientation and Mont Pelerin Society member – foregrounded the role of the market while pledging a significant reduction of public spending and a tax system overhaul (Landi, 1994). Berlusconi promised a 'liberal revolution' delivering 'lower taxes for all' (Mulè and Toso, 2024: 3), portrayed himself as the only truly novel political actor, and exploited his image as a 'self-made' businessman. Accordingly, among the first adopted measures were tax reliefs for companies which linked tax reduction to new hirings (decree-law n.357/1994) – a measure conceived as in continuity with neoliberal principles (Katz and Ignazi, 1995: 40). The Berlusconi I government also pursued the agenda of privatisation of banks and public companies advanced by the previous technocratic executives in the early 1990s (Cavazzuti 1995: 197), with law n.474/1994

establishing the modalities of divestitures of state's participation and the transformation of public entities into shareholder companies. Moreover, the law introduced provisions for independent authorities' regulation in liberalised sectors, responding to the theorisations of market creation; however, these were not established by the deadline imposed by the decree (Cavazzuti 1995: 210). In the realm of taxation, while the project of lowering taxes for all via a flat-tax rate system failed faced with the necessity to abide by the Maastricht convergence criteria, tax amnesties for the core social bloc of self-employed and businesses were instead promptly introduced (Mulè and Toso, 2024: 2).

Crucially, austerity also occupied a central role in the first phase of Berlusconism, largely as a result of the neoliberal policy orientations of the executive, compounded by the external constraint imposed by the Maastricht convergence criteria (Dyson and Featherstone, 1996: 273-74). In order to meet the fiscal and macroeconomic targets required for Italy's participation in the Economic and Monetary Union, the government implemented 55 billion liras (around €28 billion) in budget cuts, *de facto* carrying over the austerity policy of its predecessors (Mascitelli and Zucchi 2007: 133). Even larger public savings were to be accrued thanks to harsh pension reform, including, among other measures, severe penalisations for workers retiring with seniority pensions (Ferrera and Gualmini, 2004: 110–11). However, trade unions opposed the reform, resulting in a general strike and large-scale demonstration (Katz and Ignazi, 1995: 43) as well as in internal coalition divisions, with LN siding with the opposition (Ferrera and Gualmini, 2004: 111). A final agreement with the unions significantly winded down the reform and appeared as a government's failure, thus contributing to its crisis (Katz and Ignazi, 1995: 44). Berlusconi's first experience in power ended in January 1995, after LN pulled the plug on the government, eventually leaving the right-wing coalition (only to come back to the fold in 2000; see the following section). This failure inaugurated six years in opposition – a period Berlusconi spent to reorganise the right-wing camp in preparation for his comeback in 2001.

3.3 Consolidation: 2001-2006

Berlusconi managed to recompose the rifts within the right-wing camp before the 2001 elections and to build a – this time nationwide – coalition (*Casa delle Libertà*) comprising FI, LN, AN, and other small Christian-democratic parties. This alliance won the 2001 national

elections by a landslide, with Berlusconi's FI evolving from being the 'glue' holding together Northern and Southern allies to constituting a dominant force in its own right – both in the North (where it was able to partially displace LN in the Northeast) and the South (where it drained support from AN) (Shin and Agnew, 2008: 91–97). The quintessential element characterising the 2001 electoral victory was Berlusconi's 'Contract with the Italians', a document presented and signed during a popular television programme few days before the elections (Corriere della Sera, 2023). In the Contract, Berlusconi committed himself, in case of electoral success, to achieve at least four out of five main goals: cutting income and other taxes; enacting measures against crime; increasing minimum pensions; halving the unemployment rate; and investing in large infrastructures. In case of failure, he pledged not to run in the following elections. Far from being a mere rhetorical device, the Contract consolidated Berlusconi's vision of a 'liberal revolution', while the mix of tax cuts and liberalising measures with accrued government spending (particularly on infrastructures) illustrates the socio-geographical compromises struck within the right-wing coalition.

FI's nationwide dominance concealed latent socio-geographical tensions arising from differences among its coalition partners. These tensions were inextricably linked to the impasse of Italian capitalism in the 2000s, exacerbated by the entry into the EMU, which not only made currency devaluation impossible (Guarascio, et al., 2025: 8), but also contributed to a broader decline in the state's fiscal and steering capacity (Caterina and Huke, 2021: 272-273). Declining internal demand and intensified international competition in Italy's specialisation sectors thus went hand in hand with these emerging constraints. Concurrently, Italy's peripheralisation within European capitalism was accompanied by rising fragmentation within the Italian capitalist class (Monaco, 2024: 955-957) and widening territorial inequalities (Cozzolino, 2021: 134–35; Guarascio et al., 2025: 21-23). In the aftermath of the 2001 electoral victory, the government privileged the interests of Northern social groups via the formation of a 'Northern axis' between FI and LN – with Economy Minister Giulio Tremonti acting as the main linchpin. This is illustrated, for instance, by the adoption of key measures (detailed below) – especially tax cuts and a labour market reform set to benefit Northern rather than Southern constituencies (Shin and Agnew, 2008: 107-108). This manoeuvre inevitably alienated AN and the minor Christian-democratic ally, which in 2004 demanded (and obtained) Tremonti's resignation (Ignazi, 2018: 131). Despite these tensions, in retrospect, the 2001 electoral success led to the formation of the longest-serving government in the Italian Republic's history until 2006, thus inaugurating Berlusconism's consolidation phase.

In response to the impasse of Italian capitalism, restoring the country's 'competitiveness' – the hallmark of the global neoliberal trajectory – became one of the government's key objectives and the golden thread running through the measures adopted during this phase – in line with the neoliberal thrust of the previous Berlusconi government in 1994.Three policy areas stand out in this respect: labour, pension, and fiscal policy. As for the labour market, faced with trade unions' resistance to initial attempts to weaken protections against unfair dismissal in standard contracts, the government pursued an agreement with employers and moderate trade unions targeting non-standard contracts (Ferrera and Gualmini, 2004: 156–61). The resulting 'Biagi Law' (2003) introduced several short-term contractual forms, thus building upon – yet greatly expanding – the 'Treu law' adopted by the centre-left in 1997. The reform intensified working class precarisation (Ferragina and Arrigoni, 2021: 975-977) and further shifted the Italian labour system towards workfarism (Caterina, 2019: 93–94). Importantly, the measure marked the complete re-alignment between Berlusconi and Confindustria following their tumultuous relationship in the 1990s (Amyot, 2004: 124–25). The key changes introduced by the Biagi Law intersected with migration policy measures introducing stringent rules and effectively criminalising immigration - thus marking the beginning of a prolonged period of tightening conditions for migrants that continues to this day. In the realm of pensions, the Berlusconi government enacted a major reform in 2004, succeeding where it failed in 1994. Natali and Rhodes (2004: 172) highlight that the reform was shaped by the external constraint of EU fiscal rules and received support from Confindustria, as well as domestic and international financial actors. Notably, it represented the first welfare reform enacted through trade union exclusion in two decades (Natali and Rhodes, 2004: 172–174). This approach underscored a shift in governance, emphasising executive dominance in welfare policymaking.

Finally, focusing on fiscal policy helps shed light on the contradictions of Berlusconi's neoliberal project and the troubled relations between the Berlusconi government and European economic governance. While upholding its commitment to the Stability and Growth Pact (SGP) and pursuing tax cuts, the government was deemed by EU institutions as indecisive in enacting so-called 'structural reforms' (Della Sala, 2005: 135). When, in early 2005, tax cuts disproportionately benefitting wealthier households (Mulè and Toso, 2024: 6-8) contributed to an increase in deficit, the European Commission called for an excessive deficit procedure – a sanction that was eventually avoided thanks to new public spending cuts (Della Sala, 2005: 132-134).

A further element of the Berlusconi government's commitment to competitiveness was the 'competitiveness package' launched in March 2005. In its original formulation, this initiative tried to address both Italy's economic stagnation and the public outcry against unfair foreign competition (particularly from China) through a set of neoliberal measures. Yet, following conflicts with social partners and within the centre-right coalition, the law was partially amended before final approval, introducing counterfeiting rules and provisions only indirectly related to competitiveness (Amyot and Marangoni, 2005: 226-227). While LN – whose core social base included Northern SMEs most affected by East Asian competition – supported the measures, Confindustria criticised them as *insufficiently neoliberal.* This once again exposed the chasm between the peculiar neoliberal project of Berlusconism and the interests of elite industrialists represented by Confindustria, which eventually shifted from supporting the Berlusconi government to aligning more closely with the centre-left (Amyot and Marangoni, 2005: 227). Crucially, these shifts continued to underscore tensions among Italy's various capital fractions tied to different political projects of neoliberal restructuring – tensions that will increasingly come to the fore during the crisis phase of Berlusconism (as will be detailed in the following section).

The electoral implications of Berlusconism's consolidation phase were ambiguous. Despite its significant disadvantage in the polls ahead of the 2006 elections, the centre-right coalition managed to close the gap in the final campaign days, resulting in one of the closest electoral outcomes in Italian history. Romano Prodi's centre-left alliance eventually won – yet by an extremely narrow margin. Most importantly, Berlusconi's absence from power would prove temporary, albeit his next electoral success in 2008 would mark the onset of the *crisis* of Berlusconism.

3.4 Crisis: 2008-2011

The centre-left government taking power in 2006, strained by internal divisions and ideological differences, collapsed in January 2008, leading to the dissolution of the Prodi cabinet. This set the stage for early elections, which saw the contraposition between long-standing political rivals under new party labels. Berlusconi swiftly orchestrated a merger between FI and AN, resulting in the formation of the *Popolo della Libertà* (PdL) in reaction to the founding of a big-tent centre-left party, the *Partito Democratico* (PD). In the April 2008

elections, backed by the LN in the North and the regionalist *Movimento per le Autonomie* in the South, Berlusconi's coalition could secure a significant majority in both parliamentary chambers.

From a policy perspective, the winning centre-right coalition started by revamping some of its long-standing priorities, such as the criminalisation of migration and tax cuts. One of the first measures of the Berlusconi IV government was the decree-law n.92/2008 (converted into law n.125/2008), which tightened immigration rules and introduced criminal penalties for illegal immigration. Regarding fiscal policy, among other tax reliefs, the government abolished the property tax for residential homes levied by municipal authorities (decree-law n.93/2008, converted into law n.126/2008). Although this measure proved particularly popular among large segments of the Italian population who were especially homeowners, municipal authorities had to face significant budget reductions as a result. Crucially, the agenda of neoliberal restoration quickly extended beyond the core policy areas discussed in the consolidation phase of Berlusconism. On the one hand, the 'Gelmini reform' significantly redefined key aspects of the education system in primary and secondary schools and in universities. The far-reaching scope of the reform and its neoliberal character – centred on public funding reduction, workforce precarisation, and promotion of competition and 'meritocracy' – sparked contestation (Gasperoni, 2009). On the other hand, the neoliberalisation process under Berlusconism extended to the public administration, which went through a harsh restructuring process based on austerity and stricter worker surveillance, on the back of a narrative portraying the public sector as backward and inefficient (Di Mascio and Natalini, 2014).

Yet – however solid the centre-right coalition winning the 2008 elections, and however consistent the trajectory of neoliberal restoration Italian-style – the 2008-2011 period is unequivocally associated with the crisis of Berlusconism. The roots of such a crisis are undoubtedly composite and multilayered – pointing *also* to Berlusconi's private affairs and legal proceedings. From a political economy perspective, however, paying almost exclusive attention to the scandals surrounding Berlusconi's private life – a prevalent concern among the centre-left opposition – runs the risk of obscuring the broader historical context of the crisis of Berlusconism. In other words, we argue that the rise and fall of Berlusconism urges an integrated analysis of domestic and international dynamics within the wider crisis of neoliberalism in the wake of the intermeshing global financial (2008-2009) and Eurozone

(2009-2012) crises. Already a few weeks after the bankruptcy of Lehman Brothers in September 2008, the Berlusconi IV government implemented a contradictory blend of austerity measures and expansionary policies, attempting to balance the demands of its core supporters with the need to mitigate the impact of the downturn. Decree-law n.112/2008 introduced greater labour market flexibility and measures to reduce public spending, while an 'anti-crisis package' (decree-law n.185/2008) included financial support for the banking sector, tax incentives for businesses, assistance for families and consumer credit, expanded social safety nets to address layoffs, and initiatives to stimulate public investment. After navigating the immediate storm of the crisis, the government returned to a more stringent austerity by 2010. Decree-law n.178/2010 included reductions in public administration costs and hiring, disability benefits, and social security, alongside yet another pension reform and measures to further flexibilise the labour market.

Despite these policies, the executive's stability was tested by significant tensions from both international and domestic fronts. Internationally, the government's austerity packages and neoliberal reforms failed to reassure European and international stakeholders about Italy's high debt levels. Starting from the spring of 2011, Italy became a target of financial speculation, leading European Central Bank President Jean-Claude Trichet and BoI Governor Mario Draghi – soon to succeed Trichet – to send a confidential letter to the Italian government in the summer of the same year. The letter outlined a sweeping set of additional neoliberal and austerity reforms, including the request to enshrine the balanced budget principle in the Italian Constitution (Corriere della Sera, 2011). Domestically, as shown by Amable et al. (2011: 33-36), the right-wing coalition's social base rested on a 'two-level compromise': one between (predominantly Northern) financial rent-seekers and SMEs (first level) and one between this core alliance and precarious and state-dependent Southern popular classes (second level). However, sustaining this balance became increasingly difficult under mounting financial pressures. Berlusconi – together with LN and the re-appointed Minister of the Economy Tremonti – prioritised the first-level compromise by espousing austerity, while neglecting the social protection demands of Southern popular classes. This shift exacerbated tensions within the coalition, ultimately leading to fractures – including the defection of a significant far-right faction (led by the current Prime Minister Giorgia Meloni) from the PdL linked to the old AN party. Furthermore, among the factors fuelling the crisis of Berlusconism was also social contestation, exemplified by the successful June 2011 referendum against water privatisation, repealing the 2009 Ronchi decree-law (Bieler, 2021: 51). Analysing water governance can

effectively reveal broader dynamics of state transformation, marketisation, and social contestation (Gasseau, 2025: 1) and, indeed, the 2011 referendum represented a clear challenge to the neoliberalisation of the water services sector, with the outcome significantly hindering and fragmenting its trajectory (Bieler 2015: 12; Gasseau, 2024: 1147). Caught between international pressures and domestic tensions and contestations, Berlusconi eventually resigned on 12 November 2011, paving the way to the return of technocrats to power with the government led by Mario Monti in 2011-2012 and to the parallel emergence of new political actors riding the populist wave, including the Five-Star Movement and Matteo Salvini's repurposed nationalist *Lega*. Berlusconi's resignation did not mark his complete departure from the political stage; however, this moment represented the decline of Berlusconism as the *focal point* around which Italy's right-wing neoliberal offensive had managed to mobilise, as discussed in detail in the next section.

4. Berlusconism: focal point of Italy's neoliberalisation and architect of the right-wing political space

Our periodisation of Berlusconism across its prelude, emergence, consolidation, and crisis has revolved around three main analytical foci, i.e. (*i*) geo-historical conditioning factors, (*ii*) socio-political alliance-building and (*iii*) policy choices. Following the framework outlined in Section 2, these levels stand in a dialectical tension – a crucial methodological point to analyse and understand processes of societal change. Specifically, the neoliberal project of Berlusconism featured a necessarily *spurious* character from its inception in 1994, then throughout its consolidation and decline almost two decades later. While Berlusconism perfectly fitted the global neoliberal *Zeitgeist*, at times its outcomes partly eschewed what is usually perceived as the classic neoliberal policy blueprint. As shown in the periodisation, Italy's neoliberalisation under Berlusconism constituted a molecular, continuous process of sustained bargaining and conflict with – and within – the structural and geo-historical features of the Italian political economy.

In short, the aim is not to evaluate Berlusconism using a quantitative scale of neoliberalism – from 'more state/less market' to 'less state/more market' – simply because such a scale does not exist, neither in theory nor in practice. Instead, understanding state and market as internally related (Bieler and Morton 2018: 14-17), allowed us to show that Berlusconism's policy mix – despite its inconsistencies and continuous adjustments – should

be understood through two key dimensions. First, through a dual contextualisation: domestically, as both a *product of* and *an answer* to Italy's organic crisis of the 1990s; and internationally, as both an *expression of* and an *autonomous project within* the broader global trajectory of neoliberalism. Second, in dialectical relation with its unprecedented ability to structure a right-wing political space in Italy through normalisation (AN) and integration (LN). As illustrated in Figure 1, relying on this holistic perspective, it becomes possible to show how Berlusconism emerged, consolidated, and eventually declined as the *focal point* around which the neoliberal offensive could mobilise in the Italian context. In such a specific constellation, Berlusconism represented a specific and contradictory national form of 'actually existing neoliberalism' (Peck et al., 2018) characterised by a peculiar dialectical intermeshing of political space-building and related policy choices.

[Insert Figure 1]

Crucially, the periodisation served to illuminate the differential impact of these two aspects throughout the various phases of Berlusconism. For example, in the emergence phase (1994-1995), if we stopped at the policy dimension, the ensuing assessment would prove quite disappointing. The Berlusconi I government accomplished a partial implementation of its radical neoliberal programme based on low taxes and cuts to social services, resorting instead to a somewhat milder combination of budget cuts and tax amnesties for its core social base. This rescaling of policy targets was due to the necessity to bring together political forces with divergent socio-geographical bases as well as disparate social groups favouring different policy orientations. However, evaluating the policy constraints imposed by this composite social base as a weakness would be misleading. On the contrary, the related – highly ambitious – creation of a new right-wing political space virtually from scratch represents the crucial achievement of Berlusconism in this phase. This successful political space-building, as we have seen, relied on the twin intuitions to (*i*) normalise far-right forces like MSI/AN and (*ii*) integrate centripetal forces like LN. Looking beyond policy outcomes, the emergence phase of Berlusconism thus stands out as foundational and constitutive for its future consolidation as a focal point of the Italian neoliberal offensive (Gallas 2016), assuming specific political characteristics and creating its own long-lasting political space.

In turn, the period 2001–2006 is key to understanding Berlusconism both as a response to Italy's 1990s organic crisis and as a consolidated expression of the broader international trajectory of neoliberalism. Contrary to the emergence phase, in which Berlusconism became

the focal point of the new right-wing camp, the consolidation phase represents a key juncture in the implementation of Berlusconism's policy agenda. To be sure, such a prolonged phase of policy consolidation took place amidst intensifying contradictions – both internal, as in the case of geographical (North-South) and political tensions, and external, particularly in the relationship with European institutions. These tensions notwithstanding, Berlusconism succeeded in consolidating the creation of a solid right-wing political space – the main political legacy of the emergence phase –, thus cementing a mature structure for the right-wing power bloc, positioning itself as a cohesive and enduring force in Italian politics. Overall, following its brief ascendance in 1994-1995, Berlusconism eventually consolidated into a set of tangible politico-economic outcomes. The wide range of policies adopted during this phase advanced and deepened the neoliberalisation process pursued with increasing speed, depth, and intensity from the early 1990s by technocrats, centre-left forces and Berlusconi's right-wing alliance alike. If neoliberalisation materialised as the shared response to Italy's organic crisis uniting these diverse actors, why does Berlusconism stand out within the neoliberal consensus emerging in Italy from the 1990s onwards?[4]

Considering policy outcomes, for instance, technocrats indeed played a pivotal role in shepherding the initial phase of neoliberal transition in the early 1990s (Giannone and Cozzolino, 2024). The centre-left, in turn, acted as an equally important engine of Italy's neoliberal restructuring (Cortinovis, 2025; Cozzolino and Giannone, 2019; Fifi, 2022). However, while technocrats never managed to build a stable socio-political alliance and their neoliberal project suffered from a broken chain of political representation, the centre-left was instead paralysed by the 'left-party paradox', operating a disconnect between neoliberal politico-economic strategies and the fundamental interests of traditional centre-left constituencies (Cioffi and Höpner, 2006). Technocratic and centre-left governments thus overtly embraced neoliberal policies, yet they developed their projects in conjunction with supranational pressures and often seeking legitimation beyond their own core social base. The search for an 'external legitimation' in the form of the European *vincolo esterno* ('external constraint') is paradigmatic in this respect. '*Ce lo chiede l'Europa*' ('Europe demands it from us') became a constant refrain to justify permanent austerity and neoliberal reforms (Ferragina and Arrigoni, 2021: 974-975; see also Cozzolino, 2021: 85-87), standing in contrast with the more contentious relationship between Berlusconism and the European economic governance.

[4] We thank one of the anonymous reviewers for suggesting further clarification on this central question.

For instance, while the centre-left has traditionally utilised the SGP to legitimise and shield fiscal restraint from socio-political conflicts, Berlusconi's right-wing alliance has always considered EU fiscal rules as a spanner in the works in the construction and maintenance of its geographically diverse social bloc (see Della Sala, 2005: 125).

In sum, contrary to its competing political-economic projects, Berlusconism endowed neoliberal restructuring with a high degree of political and ideological coherence, resources, and symbolic power. In so doing, it articulated a politically robust project fusing neoliberalism with popular consent, charismatic leadership, and a stable social bloc. Therefore, Berlusconism contributed to making neoliberal restructuring hegemonic in a Gramscian sense – anchored not only in imaginaries, media narratives, and a deep cultural transformation (as the vast literature focused on Berlusconi's *persona* has documented; see Introduction), but also, crucially, in institutions and policies.

Nevertheless, power and resources notwithstanding, things began to shift in 2008–2009. In the wake of the global financial and Eurozone crises, Berlusconism came under mounting pressure – both from above and from below. Overall, it could not stabilise (and thus guarantee) the coexistence of the two crucial factors that had hitherto underpinned its emergence and consolidation: (*i*) the further consolidation of the right-wing alliance and its underlying composite social bloc, and (*ii*) the – however adapted, adjusted, and compromised – policy path of neoliberal restructuring. Such contradictions between these elements soon came to a head: saving the first meant sacrificing the latter, and vice-versa. Berlusconism – both as an *expression of* and a specific *project within* neoliberal restoration – was deeply intertwined with the beginning of the (endless) crisis of neoliberalism itself.

This leads us to go beyond personal and legal scandals in explaining Berlusconi's decline. Rather, we have shown how the crisis of Berlusconism can be understood only within an IPE perspective, combining structural domestic and international dynamics. As our periodisation has concluded, Berlusconi's resignation did not mark the Cavaliere's complete retreat from Italian politics. Nevertheless, from then on, Berlusconism ceased to act as the focal point of that neoliberal restoration spectacularly launched in January 1994. As a main product of and answer to Italy's organic crisis spanning the early 1980s-90s, it became clear that the political-economic recipe offered by Berlusconism was built on shifting sand.

5. Conclusions and Outlook

Although Berlusconi has been extensively studied, his political-economic project has rarely been situated within the broader international and historical trajectory of neoliberalism. To do so, we have proposed an IPE of Berlusconi*sm* as a phenomenon that reaches beyond Berlusconi's figure, capturing the twists and turns of Italy's neoliberal reconfiguration *and* evolution of right-wing politics. At a theoretical level, we have stressed how adopting a critical IPE perspective on Berlusconism translates into the importance attached to dialectics, which bears important implications for how to conceptualise state-society relations and neoliberalisation. To be sure, our analysis did not reject key insights emerging from the extensive literature on Berlusconi. Nonetheless, we went further by highlighting the political economy of Berlusconism and its historical unfolding conditioned by national and international dynamics.

Hence, as an entry point into this broad research agenda, we have developed an integrated analytical framework centred on the periodisation of Berlusconism, designed to capture the dialectical interplay among three specific foci: *(i)* the peculiar intermeshing of geo-historical conditioning factors underpinning Berlusconism; *(ii)* Berlusconism's alliance-building featuring the unprecedented creation of a new political space on the right, capable of normalising far-right actors like MSI/AN and integrate centrifugal forces like LN; *(iii)* the specific array of enacted policies – the result of a process of contingent adaptation and compromise throughout four terms in government. Building on the periodisation of Berlusconism's prelude, emergence, consolidation, and crisis, we have argued that Italy's neoliberalisation process unfolded in and through it, beginning with Berlusconi's entry into politics in January 1994. In this sense, Berlusconism established itself as the focal point around which the neoliberal offensive in Italy took shape, while simultaneously forging a durable political architecture for the right-wing political space and its core components. Drawing inspiration from work on Thatcherism, such a periodisation could thus shed light on the double contextualisation of Berlusconism as (*i*) a *product of* – and one of the *answers to* – Italy's organic crisis of the early 1990s, and as (*ii*) an expression *of* – and a project *within* – the trajectory of global neoliberal restructuring.

In this context, Berlusconi's political project must be seen in complementarity with other neoliberal projects shaping the process of neoliberalisation of the Italian political economy in recent decades, namely by technocrats and centre-left forces. In other words, we have argued

that such political projects must be seen as pieces of a puzzle, depicting the neoliberal transformation of the Italian state. With this contribution, we aimed at reconstructing one crucial piece of such a puzzle (that is, Berlusconism) that has thus far been overlooked in the (critical) IPE literature and yet represents a pivotal moment. While the technocratic and centre-left neoliberal projects also concurred to consistently shape Italy's neoliberalisation, none of them paralleled the capacity of Berlusconism to exert influence at multiple levels, from ideology to politics, from policy to culture. In this article, we offered an explanation of the specificity of Berlusconi's neoliberal project centred on the issue of legitimation and on the coherent fit between ideology, discourses, symbolic features, socio-political alliances, and policies characterising Berlusconism. Future research could build on this analysis by examining more closely the continuities and divergences among the various neoliberal projects that have shaped Italy's political-economic trajectory.

The reasons for the political dominance of Berlusconism over two decades are thus several and complex. Our context- and time-sensitive analysis has shed light on the added value of a holistic approach comprising the creation of political space and the articulation of a policy agenda. Supra- and sub-national developments, socio-political alliances, and related policy choices exerted a differential impact on the emergence and consolidation of Berlusconism. Neglecting one of these levels of analysis at the core of our suggested periodisation would impair a thorough understanding of Berlusconism's ascendance, consolidation, and decline. Importantly, the relevance of our study reaches beyond Berlusconism – and beyond the Italian case more generally. Inspired by pivotal studies such as Connell and Dados (2014), our work shares the same methodological insistence on the urgency to rethink what should be foregrounded in analyses of neoliberalism and neoliberalisation processes.[5] In this light, our *ontological* stance on the nature of neoliberalism, our *epistemological* view on how projects of neoliberal restructuring can be 'known', and our *methodological* framework grounded in a periodisation and the integration of three interconnected foci – all together enable us to illuminate key *empirical* insights into the evolution of far-right formations in the neoliberal era across diverse geo-historical contexts. In other words, starting from a conceptualisation of neoliberalism beyond the state/market dichotomy makes it possible to trace how neoliberal restructuring and right-wing politics do not follow separate trajectories, but often develop in

[5] We thank one of the anonymous reviewers for prompting us to reflect on this point.

tandem. Not only neoliberal restructuring creates the conditions for far-right resurgence, but far-right politics, in turn, works to safeguard many of neoliberalism's core economic priorities. The study of Berlusconism relying on this conceptualisation and following our methodological approach perfectly illustrates this point. Accordingly, we have shown that the historical trajectory of Berlusconism – a neoliberal political-economic project which simultaneously structured the Italian right-wing camp and legitimised far-right political forces – exemplifies the entanglement between far-right politics and neoliberalism and offers insights that can help better empirically situate the current rise of the far right. As a matter of fact, one of Berlusconism's enduring legacies is the consolidation of a political space that enabled the present ascendance of Giorgia Meloni's right-wing bloc – offering key insights into its policy agenda and social base (see Caterina et al., forthcoming). Still along these lines, Berlusconism anticipated several defining traits of the contemporary far right, including its anti-elitism, media manipulation, personal politics, aversion to liberal democratic norms and countervailing powers (particularly the judiciary), and anti-immigrant policies. In short, while often presented as an 'exception' or dismissed as an 'anomaly', Berlusconism in fact prefigured the *entanglement* of neoliberalisation with far-right politics. This consideration challenges prevailing accounts of the rise of the global far right – including the increasingly popular concept of 'Global Trumpism' (Blyth, 2016) – which risks reproducing a US-centric perspective that overlooks or marginalises earlier (and in some ways foundational) experiences, including Italy's Berlusconism. Hence, Berlusconism – and the Italian case more generally – illustrates how neoliberal restructuring does not simply coexist with far-right politics but can at the same time actively feed it and be fed by it. In this respect, our work can be considered as part of and as complementing a recent renewed interest in the historical intermeshing of liberalism and far-right politics (Mattei 2022), which has shed light on how 'the political right thrives in conditions of permanent austerity, capitalizing on the precarisation of everyday life and the popular internalisation of neoclassical economics' (Mattei and Singh, 2025).

A forward-looking IPE research agenda thus holds the potential to extend well beyond a detailed empirical understanding of the Italian case. By promoting dialectical awareness and sensitivity to space and time across disciplinary boundaries, this paper lays the theoretical and methodological groundwork for a systematic analysis of political-economic projects that may appear 'peripheral' but are, in fact, central to understanding broader dynamics (see also Connell and Dados, 2014). This foundation can serve as a springboard for future studies that investigate in greater depth, both in historical perspective and across geographies and scales, how projects

like Berlusconism have contributed to shaping the political-economic dimensions of neoliberalism – as well as whether and how they have opened the way for other right-wing movements to emerge and gain dominance.

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