The Turn to Real Actors: Achievements and Challenges for Actor-Centered Institutionalism in the Comparative Political Economy

FEDERICO PANCALDI
PhD, University of Milan
federico.pancaldi@unimi.it

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ABSTRACT

Actor-centered institutionalism (ACI) has gained increasing currency in political science as a useful approach to the study of public policy. In particular, it has conveyed scholarly attention on the salience of actors and their interaction as more proximate explanatory factors to policy outputs than institutions. This paper takes stock of the main achievements of the ACI literature with main reference to the political economic domain. Yet, the paper emphasizes two main issues that ACI has evoked but not thoroughly discussed: the disaggregation of collective actors into lower-level units of analysis; and the process of preference formation within collective actors. The paper suggests that scholars need to systematize their reflection on these aspects that cater to several analytical and methodological challenges for ACI and policy analysis. Finally, the main insights of ACI are applied to the case of Italian labor market and social policy. The adoption of an actor-centered approach would allow the Italian welfare scholarship to cover existing knowledge gaps on the role played by parties, unions, and employers in shaping the development process of the Italian labor market and welfare regimes.

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INTRODUCTION

'Actors and their interactive choices, rather than institutions, [are] the proximate causes of policy responses, whereas institutional conditions, to the extent that they are able to influence actor choices, are conceptualized as remote causes' (Scharpf 2000: 764). This key assumption may be seen as one common denominator for a burgeoning literature that has adopted an actor-centered institutionalist approach to the study of public policy during the last decade.

'Actor-centered institutionalism' (ACI) owes its label and systematization to the works by Fritz Scharpf (1997, 2000; Mayntz and Scharpf 1995). To be sure, ACI does not represent a variant from the four institutionalisms in political science (rational-choice, historical, sociological, and discursive, see Hall and Taylor 1996, Schmidt 2008). Rather, it suggests ‘a framework how to proceed with empirical studies’ (Scharpf 1997: 37) on the basis of a theoretical endeavor to go beyond the classical dispute concerning the primacy of agency or structure in policy development (cf. McAnulla 2002). ACI’s core insight is to maintaining a neat analytical separation between actors’ interaction dynamics and institutional factors when explaining policy development processes. Even though institutions – broadly intended as formal rules and social norms - undoubtedly influence actors’ perception of reality, structure their interaction, and therefore condition policy outputs, it is simply actors that make policies. Therefore, ACI encourages scholars to cast deeper theoretical and empirical attention on actor-related factors as possible explanatory variables in their own right to political phenomena, to be treated distinctly from the effects that institutions exert on them.

This paper takes stock of the contribution that ACI has provided to the recent turn of the literature to ‘real actors’. With particular reference to the political economic field, ACI has more or less explicitly inspired in-depth investigations on how firms structure
their production strategies within different institutional settings proper to distinct varieties of capitalism (Hall and Soskice 2001: 4-5), on how political actors such as governments, employers or organized labor both individually and collectively make use and in turn shape institutions and their development over time (Estevez-Abe et al. 2001; Hancké 2002; Thelen 2004, 2012), as well as on the organizational and policy strategic responses of collective actors – most notably trade unions and employers - to institutional change in industrial relations (cf. Frege and Kelly 2004, Streeck and Visser 2006). In fact, actor-centered research has overcome the original game-theoretic imprinting devised by Scharpf (1997) and adapted its insights to rational-choice as well as historical and sociological institutionalist approaches. ACI has therefore become an encompassing umbrella for a range of studies with different theoretical premises that nevertheless share a common interest in the multifold problems related to actors and agency-structure relationships.

This paper has the main aim to organize a structured discussion of the achievements and challenges for ACI research. In the first section, it builds on Scharpf (1997) to identify the main building blocks of ACI and explore their application and further elaborations by the existing literature in the political economic and European integration fields. The second section tackles two issues evoked but not thoroughly discussed by ACI that may constitute objects of more accurate analytical and methodological systematization for actor-centered research: the disaggregation of collective actors into lower-level units of analysis; and, the process of preference formation within collective actors. Finally, section three suggests possible ways of applying the insights of ACI to the study of labor market and social policy in Italy. Whereas neo-institutionalism has constituted the main paradigm for the Italian welfare scholarship, ACI may provide a useful approach to deepen our knowledge on the dynamics of institutional development in Italy as it did with respect to other countries.
1. ACTOR-CENTERED INSTITUTIONALISM: ELABORATING ON THE BUILDING BLOCKS

We may understand actor-centered institutionalism (ACI) as an analytical approach that casts attention on the behavior of and interaction patterns between actors as proper causal factors in order to explain policy-making and institutional development processes. ACI does not strive to challenge existing theoretical paradigms in political science but rather aims to integrating them by bridging methodological individualism and neo-institutionalism. It does so by tackling three main crucial aspects concerning the relationship between agency and structures, which constitute the main building blocks of the approach.

First, ACI draws on methodological individualism when regarding policy outputs primarily as the ‘outcome of the interaction among purposeful actors’ (Scharpf 1997:1). Policies and institutions in general do not mechanically come into place nor reproduce. As tautological as it may seem, the proposition that ‘actors make policies’ implies that we accord a theoretical primacy to agency as a causal factor to policy-making and an analytical focus on actors as objects of investigation.

Second, and related, we need to part ways with reductionist understanding of actors as self-interested utility-maximizers and seek to lend an enhanced theoretical and analytical corporeity to actors. This does not only mean the consideration of both material and cognitive/ideal dimensions of agency. It also entails that we need to separate distinct dimensions of analysis – preferences and strategic interaction -, as well as to have deeper regard for the internal complexity of actors, in particulate collective actors.

Third, contra to methodological institutionalism ACI contends that our understanding of political phenomena would be severely crippled if we did not recognize that ‘real’ actors and their interaction are embedded within a thick set of institutions – broadly intended as both formal rules and social norms – that crucially
condition their self-perception of reality, structure their interaction, and hence shape policy outputs. In short, it is actors that make institutions, but to a certain extent also institutions make actors. To specify how institutions influence actors, and where to draw the fine line that leads to the inbuilt deterministic temptation of institutionalism (cf. Radaelli et al. 2012: 5-6), ACI provides a relevant blueprint for analysis.

Each of these three aspects are discussed in what follows.

1.1. ACTORS VS. INSTITUTIONS

One first characterizing trait of ACI is that it treats actors’ preferences ‘as a theoretically distinct category’ from the institutional conditions in which they are embedded (Scharpf 2000: 771). Combining rational-choice and sociological insights, ACI regards actors’ preferences as having a broad corporeity formed by both their subjectively defined (material) interests and by their normative and cognitive orientations (Scharpf 1997: 19-22).

As discussed more in-depth in section 1.3, ACI scholars do not dispute the basic assumption that institutions affect the behavior of political actors. However, in a world populated by multiple and composite actors - each with a set of possible perception of their self-interest and normative beliefs, and subject to an intricate set of institutional and structural pressures – a deterministic role of institutions on actors’ behavior is likely to fall on the extremes of either too superficial or too complex explanations of actors as such and agency. For instance, institutionalism would tend to explain a game-changing mutation in one actor’s political strategy (e.g. the radicalization of employers’ positions on labor market issues) on a complex set of exogeneous variables that make up the strategic context for that actor. ACI suggests that when such factors fail to be convincing if analyzed in cross-country comparative perspective (e.g. under the same external conditions, employers in country A did radicalize but they did not in
country B), then a focus on endogenous variables within actors may be conducing to better explanatory results.

The adoption of an actor-centered approach may involve a closer theoretical and empirical investigation of (a) actors’ preferences as the dependent variable of analysis or (b) of actors’ interaction patterns if (comparative) policy outputs are the object of analysis. It is therefore a strive for explanatory precision that primarily justifies pushing institutions on the background as remote causes of policy outputs and pulling actors forward as more proximate causal factors (Scharpf 1997: 42).

In European integration studies, for instance, Treib (2003) argues that an actor-centered approach is more useful to explaining cross-country variance in the implementation of European Union Directives than structural fit/misfit between national policies and European Union requirements (Green-Cowles et al. 2001). He shows that the preferences of national parties in government are stronger determinants of their differing attitude to implementing EU directives, depending on their domestic political objectives. Similarly, the notion of ‘usages of Europe’ emphasizes the explanatory leverage of actors’ autonomous and creative use of EU-provided rules and cognitive resources to achieve their own purposes. (Jacquot and Woll 2003):

actors do not give automatic responses to political pressure: they can choose and learn and thus develop agency independent of structural conditions. By focusing on this agency, the notion of usages highlights how actors engage with, interpret, appropriate or ignore the dynamics of European integration (Woll and Jacquot 2010: 116).

The consideration of actors’ preferences and strategic usages of EU institutions has proved an useful contribution to understanding persistent cross-country differences in the impact of EU employment and social policies on domestic reforms (Graziano et al. 2011).

In sum, ACI fosters enhanced analytical attention on the preferences of actors as
object of analysis or as salient explanatory variables for policy outputs. Thereby, ACI intends to avoid deterministic tendencies by institutionalist scholars to derive explanations of actors’ preferences and behavior as a direct consequence of the effects that institutions have on them. This is not only because agency constitutes a thick internal complexity as a political phenomenon, and thus may possess explanatory value in its own right. But also because institutions are themselves object of manipulation: similarly as ‘sweet dreams’, we may vulgarize, institutions use actors as much as they are used by actors. It is up to theoretical and empirical work to distinguish under which conditions and to what extent actors provide a distinct and salient explanatory value to policy evolution.

1.2. ACTORS? WHICH ACTORS?

A second building block of ACI lies in its discussion of the level of aggregation by which to consider collective (‘composite’) actors as relevant unit of analysis (Scharpf 1997: 53-5). Composite actors are considered those organized groups and administrative bodies capable of intentional action to achieve a common purpose through collectivized resources and normative orientations. Yet, however resources and purposeful collective actors may be, their composite nature derives from the fact that they aggregate the preferences of their individual members. To the extent that the latter may have diverging policy goals between themselves (e.g. between sector federations within a union confederation or between different factions within a party), the definition of a common purpose for composite actors’ policy action may be regarded as a political fact in itself, with important implications both for strategic interaction with other actors and for policy outputs. Put differently, we should be aware that the preferences and behavior that we ascribe to one macro collective actor are the result of multiple levels of interaction ranging from the micro-level of individuals to a meso-level of, say,
internal group structures.

The key analytical suggestion follows that research may study the same policy event both from the outside perspective of the collective actor as such, and from the inside perspective of the interaction between individual members or subgroups composing political actors in order to steer collective group action (Scharpf 1997).

One example may help clarifying. The recent literature has increasingly oriented to analyze the politics of welfare state and industrial relations development by disaggregating the collective preferences of employers and workers’ organizations down to the sector level (cf. Mares 2003, Thelen 2004, Häusermann 2010). This effort has been rewarded with the identification of significant preference divides within both business and labor across sectors. In turn, intra-class divides have been found replete of consequences for the politics of institutional evolution. In fact, political economic scholarship has turned from class-based accounts of welfare policy – based on the presumption of homogeneous group preferences within business and labor – to a cross-class coalitional explanations stressing the saliency of political agreements between ‘core’ segments of employers and workers mainly in manufacturing sectors with converging interests on certain types of policy arrangements (cf. Thelen 2012).

ACI encourages such contributions to our knowledge of policy processes, not least because collective actors’ internal complexity matters to policy outputs and outcomes. There is no sharp boundary that can be drawn a priori to tell the level of actors’ aggregation that can be treated as a composite actor in its own and theoretically relevant to policy processes (Scharpf 1997: 58). For instance, Paster (2012) reaches down to the individual level of firms to detect the ‘paradox of individual support and collective [associational] opposition’ of German employers’ preferences for codetermination institutions and practices. We can certainly agree with Thelen (1999: 378) that ‘we must do the empirical work to make sure that the actors to whom we
attribute strategic behavior are in fact ‘players’ in the first place’.

However, Scharpf’s discussion of collective actors provides little further specification of theoretical and methodological hints for inquiry in actor-centered research. This issue is tackled in the section two of this paper.

1.3. WHAT DO INSTITUTIONS DO ON ACTORS?

The rejection of the assumption that institutions determine actors’ preferences and behavior does not lead ACI to discount the many ways in which institutions influence them. Scharpf (2000: 775-7) discusses three main effects of institutions: formal rules constrain the feasible set of policy options available for agency; and they create ‘constellations of actors’ involved in the political game; in turn, social norms attached to institutions shape actors’ orientations concerning existing settings and possible future changes.

Scharpf interprets the constraining effect of institutions on available policy options for actors in a rational-choice perspective. Formal rules discourage actors to pursue policy objectives that are in clearly conflict with rules’ contents. Moreover, institutions constitute ‘structures of incentives’ that increase or decrease the payoffs associated with given strategies, and thus the probability of their adoption by self-interested actors (Scharpf 1997: 39). This reasoning grounds the Varieties of Capitalism actor-centered framework, inasmuch as it assumes firms in different types of economic regimes to develop different production strategies and behavior depending on the institutional conditions in which they are embedded (Hall and Soskice 2001: 5-6). Yet, drawing on historical institutionalism, we may also regard institutions as distributing material and power resources across actors (Hall and Taylor 1996: 941).

Second, the argument that institutions structure the constellation of actors participating to policy processes allows us to identify relevant players and restrict the
range of testable research hypotheses. Scharpf (2000: 775-6) makes an immediate reference to the creation of formal veto positions and their effect on the strategies that actors have to formulate when negotiating in single- or multiple actor constellations. Yet, institutions also create actors, for instance when states found independent authorities or agencies, and assign them specific tasks, material resources, social value and interaction rules, such as what the German constitution does with organized business and labor (Scharpf 1997: 38). We may however revert the perspective, and stress that once institutions create actors constellations, the latter sustain and steer institutions. Recent explanations of processes of institutional formation and incremental change (cf. Thelen 2004) have put forward an actor-centered ‘political coalitional theory’ that

*underscores the way in which shifts in the political coalitions on which institutions rest drive changes in the form and functions those institutions take over time’*

(Thelen 2009: 476).

In other words, the mutation of the constellation of actors supporting one institutions provide a subtle yet more proximate causal factor to changes in that institutions than the mechanical working out of policy feedbacks on actors under exogenously determined challenges. An ACI approach allows us to shed light on the activation of policy feedbacks by a set of purposeful actors.

Finally, institutions intended in a sociological sense of social norms shape the value orientation and preferences of actors. As Italian labor market scholars know well, to the extent that unions perceive dismissal protection as a constitutive value to their very identity, they will fiercely oppose any change of rules, beyond any rational debate over the likely effectiveness of the measure (cf. Baccaro and Simoni 2003). Similarly, the common belonging to a supranational, insulated, and norm-dense institution such as the EU Committee of Permanent Representatives often drifts its members’ negotiating preferences away from the narrow pursuit of their states’ interest and leads them to
adapt their negotiating positions in search of consensus and legitimation within the group, even on highly controversial issues (Lewis 2005).

For ACI, these three aspects represent different mechanisms through which institutions may affect actors’ preferences and behavior by defining possible and acceptable courses of action on the basis of which actors construe their strategic choices (Scharpf 1997: 42). Yet, Scharpf provides us with little hint about the interaction of these mechanisms with each other contribute to forming composite actors’ preferences. Which are the linkages between the internal preference heterogeneity of composite actors, the material opportunities and constraints set by institutions, and the social norms that they produce? How do they affect agency? These are the questions addressed in section 2.2 below.

2. NEW CHALLENGES FOR ACTOR-CENTERED INSTITUTIONALISM

The first section of this paper has offered a description of the main building blocks of ACI as designed by Scharpf (1997) and of the elaborations produced by those scholarly works that have adopted an ACI analytical perspective. It has also emphasized, however, two particular aspects that ACI has evoked but not thoroughly discussed in their analytical and methodological implications, that is: (a) the challenges attached to disaggregating composite actors in order to gain a deeper understanding of their internal heterogeneity; and consequently (b) how we are to analyze the process of preference formation on policy issues and political strategies within composite actors, taking into account their internal diversification.

The following paragraphs turn to each of these aspects.

2.1 DISAGGREGATING COLLECTIVE ACTORS

Taking seriously into consideration the fact that collective actors aggregate wider sets
of individuals and subgroups entails diminishing the level of abstraction of concepts such as ‘employers’, ‘workers’ or even ‘states’, and focusing on more subtle actor-centered explanatory variables in the analysis of policy-making processes.

The disaggregation of collective actors into lower-level units of analysis has become a particularly important exercise for political economists and welfare scholars investigating the political dynamics of processes of change in complex institutions such as pension systems or labor market regulation regimes. We may take as an example the recent work by Silja Häusermann (2010a) on the determinants of pensions reforms in Continental Europe.

The main theoretical intuition is that one can hardly make sense of the main actors’ (parties, unions, and employers) political behavior – i.e. preferences and interaction strategies -, if she does not consider how domestic socio-economic structural changes occurring during the last decades - what we name ‘post-industrialism’ - have differentiated both the risk profile and the composition of the target individuals and groups that collective actors aim to representing. The decline of traditional reference groups (blue-collar manufacturing workers for unions, or large manufacturing firms for employers associations) and the emergence of new risk groups (e.g. working lone mothers, or contingent workers) generate new conflict lines cutting across the constituencies of collective actors (ibidem, 56). Comparative differences in the type of pension reforms implemented in France, Germany, Switzerland depends on the consequent ability of segments within collective actors to engineer complex cross-class coalitions centered on composite policy packages that primarily respond to the social needs of the coalesced groups (ibidem, 76).

To investigate the political mechanisms by which socio-economic structural change affects collective actors’ preferences and strategic behavior under post-industrialism, Häusermann resorts to ‘unpack’ employers, unions, and parties into lower-level units
that correspond to the main intra-class cleavages detected within their constituencies. Also building on the existing literature, she disaggregates trade unions across the federations representing high- and low-skilled workers (roughly coinciding with manufacturing and service sector federations); and workers with predominantly open-ended, fully insured employment contracts (insiders) and with temporary, less secure contracts (outsiders). The insider/outsider cleavage also overlaps with a gender fault line between men and women associated with different risk profiles on old-age income insecurity (ibidem, 71). Conversely, in line with Mares (2003), employers peak associations are disaggregated mainly along the large- vs. small-firm cleavage (ibidem, 77). Concerning employers, it should also be noticed that scholars have identified a further relevant cleavage between manufacturing- and service associations (Thelen 2012: 149).

The identification of relevant intra-class cleavages is conducive to the formulation of theoretical expectations concerning the policy preferences for pension reform of each group and the distance between them. By process tracing the policy positions of employers’ and unions’ segments, and the policy instances formulated by political parties catering to reference social groups within their electorates in the main reform episodes over time, she is able to detect the evolving nature of conflict lines between and within classes, the points of interest convergence between actors, and the formation of political alliances supporting different types of reforms.

Häusermann’s effort reflects a growing challenge for the recent literature and puts forward an articulated research agenda for ACI: to what extent and why do lower-unit of analysis of actors matter to the explanation of policy processes? Which are the relevant dimensions along which we can decompose collective actors?

In the light of the discussion in section 1.3, we can identify three main contributions that an analytical strategy of disaggregation of collective actors may lend
to the development of ACI.

First, if we assume institutions to be structures of incentives and constraints for policy action, we may expect that alternative policy options entail a set of different, not necessarily convergent payoffs for collective actors depending on the number of internal cleavages present within its constituency. In other words, the more heterogeneous a collective actors’ constituency is (or aims to be), the more problematic it will become for them to formulate collective policy positions that are satisfactory to all of its members or target groups, and minimize internal conflicts. Noticeable examples have been portrayed by the existing literature with respect to intra-labor divides on pension reforms between sector federations advocating policy adjustments targeted at the risk profile of their particular membership (Häusermann 2010b); intra-business divides in Germany between federations that represent firms hostile to co-determination rules and practices and those representing firms with more tolerant preferences (Paster 2012); and the strategic dilemma faced by Social Democratic parties when having to adopt labor market policy strategies that can hardly conciliate the interests of two segments within their target electorate, i.e. workers on permanent jobs (insiders) or temporary workers and the unemployed (outsiders) (Rueda 2007).

Second, collective actors’ disaggregation provides a better definition of the actual constellations of actors relevant to policy processes. As Mares (2003) emphasizes, among others, the formation of social insurance programs in France and Germany was not participated by two uniform social actors – employers and unions – but rather by a wider set of actors, including large- and small-firm employers associations and diverse sector trade unions federations. Most importantly, the prevailing of one intra-class segment over others (small-firm employers in France, large-firm employers and unions in Germany) crucially determined different policy outputs in comparative perspective.
Likewise, to the extent that party factions constrain their leaderships to adopt certain political platforms over others before the elections (Ceron 2012), party factions may count as a relevant actor in policy-making processes when parties are in government (cf. Zohlhöfer 2010 with respect to the German Social Democrats’ employment policy).

The third contribution pertains to the investigation about nature and formation of collective actors’ policy preferences. This aspect is thoroughly discussed in the next section. Suffice it here to remark, from a sociological institutionalist perspective, that in the real world one could hardly detect a homogenous value orientation prevailing within collective actors. Most political movements and structured actors of larger dimension present, above a shared core set of values, relevant distinctions between ideological ‘hard-liners’ and ‘moderates’ (or ‘conservative’ and ‘progressive’ segments, to follow Gourevitch 1986: 222-4). Ideological divisions between such factions is likely to lead to different evaluations of and preferences for different courses of policy within collective actors with possibly important implications for political and policy processes.

Distinct theoretical pathways cater to different analytical strategies how to unpack collective actors into lower-level units. Depending on the theoretical micro-foundations of actor preferences that they adopt, researchers may want to descend to the micro-level of individuals to trace the relevant cleavages they assume to be more salient within one composite actor (cf. Paster 2012). For the sake of analyzing policy-making processes, one could instead focus on the agency of those organizational structures that most faithfully represent the relevant cleavages within one collective actor: factions or territorial articulations within political parties, or sector and territorial federations, or party-related factions within trade unions and employers associations. If we were to investigate the behavior of supranational actors, for instance European political parties or European-level interest groups confederations, typically domestic cleavages would be sided by national identity.
The disaggregation of composite actors requires a prior theoretical definition of the expected actor-related variables that are relevant to affect policy outputs. ACI limits to suggest that intra-group divides matter to integrate existing knowledge, and to stimulate further research in this direction.

2.2. INVESTIGATING PREFERENCE FORMATION WITHIN COMPOSITE ACTORS

Given their internal heterogeneity, one central problem for ACI is to understand how collective actors formulate their policy preferences. Moreover, the issue of preferences is salient to ACI because it assumes that actors are the proximate causes of policy responses to collective problems, and that existing institutions are necessary yet not sufficient conditions to explain their preferences and behavior. This section advanced some reflections for the analysis of the process of preference formation among collective actors.

To start with, we may introduce a theoretical distinction between three building blocks in institutionalism, i.e., 'interests', 'preferences', and 'positions'. Interests are ideal state-of-the-world associated with the very societal nature of individual and collective actors; policy preferences are pre-strategic, concrete manifestations of ideal interests applied to alternative courses of actions; finally policy positions represent the embodiment of actors’ strategic choices for action in the political arena.

Collective actors’ interests on a given policy lie at the highest level of abstraction. Whether they are deducted from the material benefits that actors can gain out of a certain situation as in rational choice theory or inductively identified from actors’ behavior as historical institutionalists posit, social scientists can only formulate deliberate assumptions over them and then empirically observe actors’ behavior in order to test the actual relevance of their assumptions. In this perspective, in order to tackle the heterogeneity of collective actors, we may borrow from Cornelia Woll (2008:}
77-80) a finer analytical distinction between 'universal' and 'subjective' interests.

*Universal interests* reflect the broad societal nature of actors as producers, workers, politicians etc. However, more specific individual and group identities (or situations in the world) filter universal interests. Woll dubs *subjective interests* individual actors' own translations of the universal interest in relation to their particular identity (ibidem). Hence, one can disaggregate one collective actor into multiple units depending on the structural factors we assume that matter most in constituting actors' identity. For instance, workers may be divided into Italian or German workers, unskilled or specialized workers, permanent or temporary workers. There is no way in telling *a priori* what factors really shape one actor's subjective identification of his own interest, e.g. whether a worker identifies her subjective interest in labour market regulation as a function of her work contract, her skill profile, or out of her belonging to a social class opposed to business.¹ However, the distinction between universal and subjective interests allows us to make sense of intra-class interest cleavages within collective actors.

Instead, *policy preferences* represent the material expression of a set of beliefs about different policy options which actors deem necessary in order to achieve their interests in the face of specific challenges. We may understand policy preferences as pre-strategic (or 'genuine'), as they primarily refer to the nature of the specific problem to be tackled and the existing policies to solve it. Importantly, unlike interests, policy preferences are empirically observable. However, it would be problematic to infer pre-strategic preferences from the policy positions that actors take during the policy-making process. This is because the latter are often filtered through strategic motives, such as rallying different groups (e.g. union federations) around one common position expressed by a collective actor (the union confederation), or accommodating with

¹ The same reasoning applies to employers, whether we want to distinguish them by nationality, firm
other collective actors (e.g. employers) with the view to obtaining the least-disfavored policy output. One possible way to observe policy preferences is to look at statements made prior to the bargaining processes, for instance in the time between two reform events, through policy papers, draft law proposals, press interviews, or convention platforms. At any rate, if we assume that collective actors are constituted by multiple groups with possibly diverging subjective interests concerning a particular problem or policy, then the empirical identification of different intra-group policy preferences will ascertain the correctness of our theoretical reasoning. Should we detect no different preferences within a collective actor, it may mean that the problem or policy in question does not generate any relevant divarication between subjective group interests, but it should not lead us to conclude that the latter simply do not exist.

The political context finally shapes the policy positions that collective actors push through in the political arena. As mentioned, positions are strategic in nature. On one side, they are the result of the aggregation and composition of various group preferences within one collective actor. On the other hand, strategic interaction with other players during policy processes requires actors to adapt and 'bend', at least to some degree, their original preferences in order to achieve a political compromise. Policy positions are straightforward to observe empirically (e.g. from press statement, parliamentary hearings, and amendments proposed to legislation), but much trickier to explain or interpreted theoretically. To put it with Thelen (1999: 375), since 'whatever people do is a revealed preference', a prior knowledge of pre-strategic preferences and underlying group interests allows us a more precise understanding for why collective actors behave as they do, especially when they do not behave as expected.

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2 In this paper the concept of 'position' is used in order to distinguish its material content from the raw political act of 'choosing'. Simply said, actors choose positions on the basis of preferences. Rational choice scholars mainly investigate the strategic motives of choices, whereas historical institutionalists concern with the economic and strategic sources of the content of choices.
Figure 1 provides a graphical overview of the sequence connecting subjective group interests, policy preferences and strategic positions in the formation of collective actors’ positions.

Figure 1. Process of formation of collective actors’ policy positions

Source: own adaptation based on Woll (2007: 83)

Actor-centered institutionalism assigns a prominent role to the study of actors’ preferences and of their behavior. A deeper theoretical and analytical discussion of the underlying challenges for collective actors during policy action figures as a prominent task for political scientists to provide more than simplicistic explanations for the behavior and decisions that political actors show in public.

3 BRINGING IT ALL BACK HOME: THE POLITICS OF ITALIAN LABOR MARKET POLICY

The Italian welfare scholarship has rarely been home to an actor-centered approach in recent times, although actors have obviously constituted an important factor for analysis. Following the emphasis attributed to labor mobilization and ‘political exchanges’ between unions and government by the sociological literature in the 1970s (Pizzorno 1978), the literature has sought the main explanatory variables for the
The evolution of Italian labor market and social policies in the feedback produced by institutions, in line with the dominant institutionalist paradigm (Ferrera 1993, Gualmini 1997, 1998; Ferrera and Gualmini 2004, Jessoula 2009, Sacchi and Vesan 2011). Agency has been thus understood more as a by-product of political and welfare institutions than as a self-sustaining explanatory variable for policy development. In this perspective, it seems justified for the last section of this paper to advance some hints for the application of the above discussion on actor-centered institutionalism to the case of the Italian labor market policy.

One substantive question has haunted the academic debate on the Italian labor market and welfare regimes: how can we explain the resilience of strong elements of continuity over time with the ‘original’ model devised in the golden age, despite evident problems of social rights segmentation, financial sustainability, and social inequalities? In other words, to follow Sacchi and Vesan (2011: 18), why has Italy not been able to introduce ‘revolutionary’ labor market and welfare policy and systemic changes but only limited ‘evolutionary’ adjustments at the margins in the face of mutated social and economic conditions under post-industrialism?

As mentioned, scholarly accounts have stressed the importance of a set of institutional factors to explain the limited scope of change in Italy: the number of veto points generated by the political system – this including proportionality electoral rules, fragmented party system, and parliamentary form of government (Gualmini 1998, Ferrera and Gualmini 2004, Sacchi and Vesan 2011, Picot 2012); decision-making practices empowering veto players, such as neo-corporatism in industrial relations (Gualmini 1997); and the constraints and opportunities created by policy legacies on the material and cognitive resources of policy actors (Ferrera 1993; Gualmini 1998; Jessoula 2009, Sacchi and Vesan 2011). This synthesis may not render justice to otherwise more articulate theoretical elaborations, which are however beyond the
scope of this paper to review in detail. To date, Ferrera (1993; and Gualmini 2004) attributed causal relevance also to actor-related learning processes – conditioning actors’ behavior independently of institutions, whereas Pritoni (2010) explicitly adopted an actor-centered institutionalist framework to interpret the output of some features of the 1997 and 2003 reforms starting from the ‘real’ political resources and strategies available to actors.

Nevertheless, the general point can be made that most of these works have tended to explain actors’ (be them employers, unions, or parties) behavior on the expected effects produced by political institutions and policy legacies on them. Instead they have generally devoted little effort to analyze the micro-foundations of actors’ collective preferences, their internal strategies to compose heterogeneous sets of group interests, and their outward strategies to push through alternative policy options other than those that were finally implemented. Due to the theoretical disregard of actors’ own explanatory properties, process tracing methodologies have mainly resorted to more or less thick descriptions of the sequence of policy events while inferring actors’ interests, preferences, and negotiating behavior from the benefits that each can gain from supporting or opposing given policy options, and from the difference between their stated positions and actual policy outputs. Little detailed empirical material has been instead collected on actors’ positions and political behavior during single policy-making events, and their possible variation over time.³

An ACI approach suggests that we can get to know more on the politics of Italy’s labor market and welfare policy if we place a closer focus on actors.

First, we lack a systematic investigation on the sources of actors’ preferences. For, instance, why have Italian employers thoroughly opposed the elimination of the Wage Supplementation Fund (Cassa Integrazione Guadagni) despite its high contributory

³ Exceptions can be found in Gualmini (1997, chapter 4), Jessoula (2009) and Pritoni (2010).
costs and its corroboration effect to a strict employment protection regime? And what explains Confindustria’s strategic turn from traditional self-restraint to the outright assault to dismissal protection legislation in 2003 under the Berlusconi government? By the same token, if we exclude ideological factors, what explains the divarication of positions and negotiating behavior between the three trade union confederations on labor market policy and industrial relations structure during the last decade? In the light of the above discussion, ACI suggests that actor-related factors (e.g. a change in Confindustria’s presidency, or different configurations of union confederations’ membership) may integrate institutionalist analyses with additional variables that provide more proximate explanatory causes to policy outputs.

Second, the existing literature tends to analyze actors at the macro level of unions confederations, peak employers associations, and parties. This leads scholars both to underestimate the saliency of intra-group interest heterogeneity, and to consider only a limited share of an otherwise larger constellation of actors involved more or less directly in policy-making processes. To name one outstanding example, scholars’ reluctance to consider the multiple cleavages and organizational divides between small- and large-firm employers, and manufacturing- and services-producers has not only induced to disregard crafts and services associations as relevant actors to the Italian welfare politics. It has also downplayed the saliency of intra-business divides in actually shaping political negotiations and policy outputs, e.g. with respect to the development of the Cassa Integrazione Guadagni (Pancaldi 2011). By the same token, we know very little about possible divides between unions’ manufacturing, public- and private services sector federations on labor market policy, as well as about the role of factions within larger political parties in driving their action when in government. Finally, how do territorially-entrenched interests (e.g. between Northern and Southern Italian business and labor organization or party structures) affect collective actors’ positions
on national redistributive policies?

A finer analytical disaggregation of collective actors may thirdly allow us to identify the political coalitions that sustained institutional development in Italy, and to compare them with those traced in other European countries (Palier and Thelen 2010, Thelen 2012). This perspective seems particularly interesting to study the impact of socio-economic structural changes under post-industrialism on collective actors’ preferences and strategic behavior over time, similarly as Hausermann (2010). Little is known about Italy on this aspect, this also explaining the long disappearance of the country from the radar of the comparative political economy literature (Berton et al. 2012: 1).

In sum, actor-centered institutionalism has great potential to launch a new research agenda on the politics of labor market and welfare in Italy, thus filling noticeable gaps in the literature with respect to actors’ preferences, constellations of actors involved, and the structure of political coalitions. The labor market reform approved by the Monti government in June 2012 may represent an ideal testboard to bring actors back in the academic debate.

4 CONCLUSIONS

Actor-centered institutionalism has gained currency in the recent literature as a valuable analytical approach to counteract the risk of determinism in neo-institutionalism with a stronger consideration of actor-related variables as explanatory factors for policy-making or institutional development processes. This paper has emphasized that ACI has fostered a deeper problematization of the aspects related to agency, such as the theoretical and analytical separation of actors’ preferences and strategic behavior definition from the feedbacks generated by institutions, the definition of the components of collective actors, and the mechanisms by which institutions influence actors.
Yet, the paper has pointed out that recent achievements in the literature – with particular references to the political economy and European integration domains push ACI towards more systematic problematization of two issues in actor-centered research: the disaggregation of composite actors into lower-level units of analysis, and the process of preference formation within internally heterogeneous composite actors. The paper has reviewed some analytical strategies to tackle these issues, yet more research is needed in order to come up with a systematic blueprint for scholars.

With a final look at possible applications of ACI to the study of labor market and social policy in Italy, the paper underlines that the existing literature may greatly benefit from a closer attention to actor-centered factors (such as internal divides within employers and unions, and party factions) to explain institutional development processes in this country. The collection of more articulated empirical material on actors’ policy positions and strategic behavior throughout policy processes would preserve the Italian welfare scholarship from the risky derivation of actors’ preferences from institutional feedbacks.

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