

Chiara Cordelli. *The Privatized State: Why Government Outsourcing of Public Powers Is Making Us Less Free.* Princeton, NJ: Princeton University Press, 2022. 352 pp. \$27.95 paper.

In *The Privatized State*, Chiara Cordelli introduces an interesting and complex argument for the public provision of social goods and services, such as health care, education, prisons, and national security, among others. In doing so, Cordelli makes a compelling case against the widespread occurrence of privatization. The author sees privatization through a systemic lens as an overall institutional transformation of the way government performs and of the way citizens relate to each other. In doing so, the wrong of privatization is linked to the pursuit of legitimacy and justice as the chief purpose of political institutions. “If private actors are morphing into government, can they act with the legitimacy that government claims?” (6) Cordelli’s response is a resounding “no”: institutional justice and especially legitimacy cannot be achieved by private means.

The book is structured around three interrelated theses. First, there is a socio-political contention regarding the trajectory of neoliberalism, in which the privatization of governance represents an article of faith. Cordelli states that neoliberalism contains an internal contradiction between ideology and practice. Whereas neoliberal ideology “promises a free world where individuals, all entrepreneurs of their own lives, can fully realize and express their independent selves through free and competitive markets”, in practice neoliberalism delivers the opposite (298-299). The empirical evidence shows that private services are expensive and most of the people cannot access them. As a result, we end up with a system of institutionalized dependence rather than individual independence.

Second, Cordelli defends a philosophical thesis based on both procedural and substantive considerations interacting in complex and striking ways to shape democratic legitimacy and

political participation. Cordelli claims that political legitimacy has a vital agency-centered component that gives centrality to the “kind of agents who bring those rules to bear on individual lives on a daily basis” that are necessary to configure a legitimate state (299). Political legitimacy is procedural because the decision-making process must guarantee that decisions are made in the name of all to avoid reverting to a state of nature where unilateral will is the way to subject some to the power of others. It is also substantive by requiring that individuals must have their material means satisfied, in order to be able to be independent, equally free and to participate as authors in the decision-making process.

At the center of the book we find a philosophical account of three conditions of representative agency: the “authorization condition”, stipulating that the delegation of relevant discretion be validly authorized by a democratic legislature; the “representation condition”, insisting on a clear separation between contract and office allowing officeholders to implement the law in the name of all; and “the domain condition”, which concerns the appropriate procedural integration between the bureaucratic and the democratic to ensure that laws and policies carry out the shared will of the people rather than something else. For Cordelli, private actors neither have the standing nor the capacity to meet these conditions. Privatization is wrong because it creates an institutional arrangement — the privatized state — that fails to respect equal freedom understood as “a relationship of reciprocal independence” (9) by transforming government into a nexus of contracts between citizens and private actors. It follows we have reasons, derived from political legitimacy, for constitutionally limiting a wide range of privatizations, such as the provision of health care services or the regulation of prisons.

Third, in the last three chapters Cordelli advances a number of proposals for policy change. One proposal discussed in some detail is to think of philanthropy not as a voluntary and

virtuous act of charity, but instead as a moral duty of reparation for private actors who have historically benefited from privatization. Cordelli insists that philanthropy “should be regarded as an instrument that the well-off use to repair a particular kind of absolute harm to the worst-off, for which the former can be held liable, although not necessarily blameworthy” (238). This duty is grounded in a familiar argument that the actual property distribution “is undeniably the result of past conquests, violent expropriations, stealing, fraud, force, slavery, and so on” (p. 242). Equally, under current conditions of extensive privatization, where “the wealthy benefit from cuts to public services that harm the poor, the wealthy can be reasonably said to have a duty to repair that harm, at least to the extent that their benefiting from it can be regarded as a form of contribution to that injustice” (246). Similar considerations apply to private providers of essential social goods, such as health or education. In addition to offering a novel understanding of the moral standing of charitable giving, Cordelli’s account of philanthropy also adds to her argument in favor of reforming highly privatized states such as the United States or Chile.

Questions remain on how to translate the proposed moral arguments into actual policy. For instance, Cordelli insists that individuals or corporations have no moral standing to object to, or demand compensation for, the expropriation of private property when states try to reverse privatization by renationalizing resources and goods. Many of the rules issued by the privatized state are not legitimate and therefore not worthy of obedience. This is because the government in the privatized state systematically fails to meet the procedural conditions mentioned before, becoming a “marketized bureaucracy” where the key distinction between public purposes and private loyalties disappears. Cordelli concludes that the citizenry has a duty to exit the actual system of privatization. However, in fact, current national and international law places many

legal obstacles against the full-blown expropriation by the state, making it difficult to assess how Cordelli's ideas could be feasibly implemented.

Another weakness, perhaps, is that the context in which the theory is developed and the practical examples referred to, focuses mainly on the United States, the United Kingdom and, to a lesser degree, Australia. But the Anglo-Saxon countries are not the only ones where privatization has played a major role in recent history or is currently a contentious feature of the political environment. For instance, there are important lessons to learn from this book for Latin-American countries today, as we are witnessing an increase of neoliberal governments and political reforms across the region. Ironically, Chile — historically one of the most privatized Latin-American countries — is today the exception, with a new left-wing government promising to improve and expand the public provision of social goods while simultaneously constraining privatized services. Attempts to apply Cordelli's theoretical framework to a region marred not only by extensive privatization but also institutionally embedded clientelism and corruption may require additional arguments and strategies.

The Privatized State is an original and timely contribution to a very important and current debate. Cordelli builds a robust argument against private actors acting as representative agents of government and of its people, and in doing so disarms a number of objections in the contemporary political philosophy literature. I found Chapter 3, where Cordelli develops a complex notion for procedural democracy with substantive limits, particularly compelling. There are some points I would have liked to see more fully developed. For instance, how can we legitimately determine the constitutional content considered in first place? How can we justify, in a democracy, the role of judges in controlling the constitutional content of rights? Or should we protect the material needs of vulnerable minorities, in order to guarantee them an equal right to

political participation? However, the careful defense of legitimacy applied to administrative discretion and to the delegation of political power offer solid grounds for anyone who wants to debunk the myth of the beneficial privatized state.

—Leticia Morales, Universidad Austral de Chile



Leticia Morales is associate professor in legal theory and director of the PhD program in law, Faculty of Legal and Social Sciences (UACH). She holds a PhD in law from Pompeu Fabra University in Barcelona. Her main research focus is on the topic of health rights, democracy and judicial interventions in health policy. She is the author of *Derechos sociales constitucionales y democracia* (Marcial Pons, 2015) and has published in journals such as *Bioethics*, *Res Publica*, and *Public Health Ethics*.
leticia.morales@uach.cl

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