



# Italy Report

Maurizio Cotta, Roman Maruhn,  
César Colino (Coordinator)

## Sustainable Governance Indicators 2020

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## Executive Summary

Over the past decade, Italy experienced one of its most serious economic crises, with negative effects on industrial performance, employment and government budgets. National and international confidence in the economy have been seriously damaged, and are yet to fully recover. Illegal immigration, with refugees arriving across the Mediterranean Sea, has added new challenges. Previous governments tried to strike a difficult balance between fiscal stabilization and the promotion of economic recovery. Under the political guidance of Luigi Di Maio's Five Star Movement (5SM) and Matteo Salvini's Northern League, the first Conte government, which took office after the 2018 election, adopted a much more confrontational attitude toward the European Union and its budgetary rules as a means of implementing the two parties' electoral promises.

The policies of 5SM (in particular its costly "citizen's income") are oriented especially toward southern Italian, young, unemployed and poor voters. In contrast, the tax reductions and pension reforms promoted by the Northern League are tailored more toward northern Italian voters, older workers and small entrepreneurs. Full implementation of the two programs would necessarily have involved a significant increase in public expenditure and in the public deficit.

While the government has justified this move by arguing that the increased expenditure would boost Italy's slow economic recovery and thus make Italian state debt more sustainable, most qualified observers expressed skepticism about this outcome, as the proposed policies were expected to have a weak multiplier effect on the economy.

This dramatic change from the more prudent conduct of the previous governments immediately strained relations with EU authorities and scared the international financial markets, producing a significant increase in the interest-rate spread between Italian and German state bonds. After a few months, the government was forced to soft-pedal the implementation of its most expensive policies somewhat.

During the course of a mandate that lasted little more than 12 months, the first Conte cabinet did not seriously address the problem of the country's high level

of public debt, which constrains the Italian government's policy capabilities and renders the economy vulnerable to external financial shocks. Dealing with this debt would on the one hand require a more aggressive policy of fiscal consolidation, and on the other a set of well-thought-out economic policies to promote GDP growth. The government did not focus its spending review process during the review period on the twin goals of cutting waste and enhancing the efficiency of the state bureaucracy.

The low productivity levels shown by the central and local public administrations, as well as the slow performance of the judiciary, constitute a serious hindrance to more robust economic recovery. Unfortunately little was done during this period to effect a turnaround in these fields.

Corruption continues to be a key factor undermining the quality of the public administration. It distorts public service provision and economic activity, and inhibits modernization. Some progress in addressing this problem has been made, but efforts must continue.

The relationship between the central government and local authorities has not yet found a satisfactory equilibrium. A clearer division of responsibilities is required, sufficient funds must be made available to local authorities to fulfill their functions, and mechanisms of accountability must be improved.

After a slow recovery between 2014 and 2019, the economy is again stagnating, and incomes remain below pre-crisis levels. Much stronger economic modernization and liberalization efforts are called for, but the first Conte government had little attention for this task. The second Conte government, which had reached its second month by the close of the review period, already appeared internally divided on the subject of economic strategies.

The recent economic and financial crises have exposed failings in family and social policies. Italy has an aging population and a very low birthrate, and current policies are failing to address either of these issues. Fiscal support for families with children is still too low, and the government has been reluctant to increase these levels significantly. Similarly, measures to improve gender equality in the workplace and to help citizens reconcile work and family life are weak. The so-called citizenship income makes a start at addressing the problem of poverty, but the bureaucratic implementation of this measure is still under review.

Increased public and political-elite dissatisfaction regarding the weak support given by EU policies to the solution of the economic and immigration crises

contributed significantly to the success of the euroskeptic parties supporting the first Conte government. While there is nothing wrong in advocating a more assertive leadership able to defend the country's interests in Brussels, this strategy can only be effective if the Italian government is perceived as a credible partner, and is able to enlist the support of other EU member states. The confrontational strategy adopted initially by the first Conte government isolated Italy in the European Union, a position which negatively affected any ability to promote Italy's national interest. A shift to a more cooperative attitude in the final months of the first Conte government and by the second Conte government marked a return to a more traditional European policy. The first positive results appeared in the field of immigration, where some steps in the direction of greater European solidarity and burden-sharing have been made.

## Key Challenges

Italy's weak economic recovery between 2015 and 2018, coming after a long period of severe economic crisis, gave way in 2019 to a new stagnation. This indicates that the Italian system's real strengths (strong family bonds, high household saving rates, the resilience of small- to medium-sized businesses, several dynamic manufacturing and export-oriented sectors, and the quality of some public institutions as the presidency of the republic and the central bank) are not themselves sufficient to sustain a strong economic recovery and to tackle a number of serious social problems (such as poverty, inequality and the integration of immigrants).

The key tasks any Italian government should address today include a serious overhaul of the governance and administrative apparatus, a thoroughgoing reform of the relationship between the central government and local-government authorities, the implementation of stable and focused economic and social policies, and a steadfast effort to improve the quality of education and research.

State institutions continue to need significant reform, but in view of the difficulty of constitutional reforms, other available avenues of change should be pursued. Special attention should be given to improving the organization of the Prime Minister's Office (PMO) to make it a more effective tool for steering and coordinating cabinet decision-making. This is particularly important for a coalition government made up of parties whose policy priorities are not easily made compatible. The accumulation of heterogeneous functions in this office should be discouraged, and nonstrategic functions

should be transferred from the PMO to other government bodies so that the PMO can focus on important policymaking issues.

More opportunities should be provided for independent experts and open consultation to improve the quality of policymaking. Greater emphasis should be given to strategic and innovative policymaking approaches.

The central-state administration should be reformed to make it a more effective instrument for the implementation of policies, as well as for evaluating their effectiveness. A substantial improvement of recruitment procedures, particularly for senior civil servants, should play a crucial role in this regard. Careful performance-evaluation processes for all levels of public administration, a greater level of accountability for senior civil servants, and the simplification of norms and procedures should be a priority. The judiciary should be actively encouraged to accept reforms that increase its professional quality and ability to ensure timely justice. Politicization within the judiciary should be actively discouraged.

Despite the many previous failed attempts, the relationship between the central and local governments must be brought to a more satisfactory equilibrium. The central government must respect the spheres of regional and municipal government autonomy, and ensure that local governments have sufficient predictable resources to carry out their specific functions. At the same time, a higher degree of fiscal responsibility must be required from local governments. Local-government dependency often goes hand-in-hand with irresponsible behavior.

Economic policymaking needs to promote a more dynamic and growth-oriented economy. This will require further economic liberalization, and the curtailment of monopolistic and oligopolistic power. In addition, business regulation should be simplified to enable traditional and startup businesses to coexist. Economic policy must also focus on reducing the excessive gap between the comparatively dynamic regions and sectors, which have reached high levels of productivity and employment, and the more backward ones, where a lack of innovation, high levels of unemployment and illegal job conditions prevail. This will require significant improvements in physical and financial infrastructure in some areas, as well as an extraordinary effort to enhance the quality of education facilities (with special attention to technical and professional schools). Resources devoted to encouraging young people to establish new innovative businesses should be increased. The government, business associations and trade unions should share responsibility for achieving these goals, which will require an economic culture of cooperation and pragmatism.

As immigrants form an increasingly large proportion of the workforce, the management of immigration and the effective integration and protection of immigrants' rights must receive greater attention. A high priority should be put on shrinking an illegal job market that has grown too large. A more realistic path toward citizenship should be adopted in order to facilitate integration.

Improving the education system should accorded higher priority, despite the austerity agenda. Greater flexibility and openness in the education system will be necessary in order for the system to respond to changing societal needs. After years of severe budget cuts, universities and research centers need to be given sufficient resources to enable them to recruit young people and qualified foreigners. Improving the average skill levels in the workforce, while shifting to a knowledge-based, innovative economy, would increase economic competitiveness.

Italy should participate more actively in EU and international venues. Building closer and more cooperative relationships with neighboring countries, and identifying common agendas rather than focusing on narrow national interests, would allow Italy to exploit its geopolitical potential more effectively.

## Party Polarization

Polarization of the party system has increased as a result of a greater divide between anti-establishment parties (e.g., the Five Star Movement) and mainstream parties, as well as between pro-EU and euroskeptic parties (such as Matteo Salvini's Northern League). With the first Conte cabinet, the government was for the first time in Italy supported by a coalition of parties (Five Stars and the Northern League) that reject many of the traditional positions of Italian politics, and which are also rather critical of some constitutional values. This cooperation between two parties united more by their negative attitudes than by a positive view of Italian needs soon proved difficult, and led to a collapse of the government after little more than 12 months. However, as of the time of writing, the second Conte government – based on a coalition between the Five Star Movement and the Democratic Party – is already facing serious difficulties after just two months. The experience of the two Conte governments shows the difficulties of coalition governing in under conditions of increased polarization. (Score: 4)

# Policy Performance

## I. Economic Policies

### Economy

Economic Policy  
Score: 4

During the period under review, the first Giuseppe Conte government, supported by the Five Star Movement and the Northern League, held power until August, when the leader of the Northern League pulled his support and asked for a snap election. The parliamentary crisis was solved with a second Conte-led government, supported this time by the Five Stars, the Democratic Party and several smaller parties of the left and center. During the first Conte government, economic policy was the result of a continuous process of bargaining between the two parties, each of which were ready to increase expenditures and violate EU rules, and the much more prudent position of the technocratic finance minister (Giovanni Tria), who was quietly supported by the head of state. The Conte government had initially promised substantial changes in economic and social policies. The budget targets presented in autumn 2018, with the revised “Documento di Economia e Finanza” (NADEF), proposed a significant change in budgetary policies compared to previous governments, envisioning higher deficits for the next three years deriving from increases in social expenditures and pension costs coupled with tax reductions. The government’s declared goal was to fight poverty and provide a stronger stimulus for the economy, which had started to slow down in 2018. The two main measures introduced by the government (the citizen’s income and the reform of the pension law, with the so-called quota 100 that enabled earlier retirements) were presented as instruments for boosting a stagnating economy. In the end, however, after tough negotiations with the European Commission, the government accepted a reduction in its estimated budget deficit from 3% to 2.4%, and then finally to 2%. The expenditures for those measures had to be contained, while resources for public investment were cut; as a consequence, the economic policy’s stimulus force was almost completely lost. After the fall of the first Conte cabinet in August 2019, the second Conte government opted for a much more fiscally prudent economic

policy, which was still being shaped in the final months of 2019. In both cases, however, the governments have failed to address the country's economic problems with a serious economic vision.

Citation:

[http://www.mef.gov.it/inevidenza/documenti/NADEF\\_2018.pdf](http://www.mef.gov.it/inevidenza/documenti/NADEF_2018.pdf)

### Labor Markets

Labor Market  
Policy  
Score: 5

Traditional labor market policies in Italy have been inadequate to the challenges of the recent economic crisis. The main measure to combat the effects of a crisis was the “cassa integrazione,” which temporarily subsidized the salaries of workers, either partially or fully, kept idle by private companies. The aim was to discourage companies from dismissing employees. However, this policy measure had no effect on those who were unemployed.

The difficult economic situation of the past 10 years further worsened the most problematic feature of the Italian labor market: the polarization between protected sectors and those that are largely unprotected and precarious. While older workers in the public sector and in large firms of the private sector enjoy sufficient and, in some cases, even excessive protection, young people and in general those working for small private sector firms are much less protected. Unemployment rates increased significantly after the economic crisis of 2008, but the increase was particularly dramatic among young people, making them the most vulnerable group in terms of poverty and exclusion.

The reforms of the labor market under the Renzi and Gentiloni governments showed a willingness to tackle this problem more resolutely. The reforms of the labor code (the so-called Jobs Act) on the one hand increased employers' ability to hire and fire, but also introduced measures encouraging a shift from precarious to long-term contracts. Overall, the new policies have been relatively more successful in expanding the employment rate among older rather than younger workers. Furthermore, the significant increase in the number of employed people during 2017 and 2018 has been due mainly to the increase in short-term rather than permanent contracts (ISTAT).

The first Conte government introduced two innovations in this field. The first was the “Decreto dignità,” which was intended to increase protections for short-term workers and encourage transitions to permanent contracts. The initial data indicate a mixed success in this regard; while transitions from short-term into permanent contracts have indeed taken place, the overall balance of the labor market has not been significantly altered (see Lavoce.info 2019). The second innovation was the citizen's income, a measure with two goals: to support people in poverty, and to assist unemployed people in finding



a job with the support of a new network of employment centers. In this latter case, the citizen's income is made requisite upon the acceptance of jobs proposed by the employment centers. The impact of the second aspect of the reform is much more uncertain than the first, given the slow process of implementation of the new employment centers. Both reforms are stronger with regard to the principles they are seeking to affirm than in the quality of their technical articulation. As of the time of writing, the second Conte government did not appear ready to correct their deficiencies.

Citation:

[www.istat.it/it/archivio/219893](http://www.istat.it/it/archivio/219893)

<https://www.lavoce.info/archives/60922/tanto-rumore-per-nulla-un-anno-dopo-il-decreto-dignita/>

## Taxes

Tax Policy  
Score: 4

The Italian tax system continues to be stressed by the need to sustain the combined burden of high public expenditures and of interests on the huge public debt accumulated in past decades. It is also defined by its inability to significantly reduce the very high levels of tax evasion or the size of the black economy. As a result, levels of fiscal pressure have remained very high over the years (42.1% in 2018) and the tax burden is far from equitable. Fiscal pressure is very high on those households or companies that do regularly pay taxes, and is very low for all those who can and do evade taxation (e.g., many businesses and large numbers of independent contractors and self-employed professionals). Families with children have very limited exemptions. Labor and business are also heavily taxed, which results in fewer new businesses and job opportunities. Italian tax policy provides limited incentives and no compelling reason to declare revenues. The monitoring of and fight against tax evasion within this system are insufficient and far from successful. One of the biggest problems is that the system results in significant competitive distortions that benefit non-compliant earners. As the antiquated land register has yet to be reformed despite repeated promises, inequities in the property-tax system continue to persist.

One of most significant measures introduced by recent governments has been the online system for submitting income-tax declarations, the “730 precompilato,” which has gained usage year by year. The online system replaces paper forms for the majority of income taxpayers, and makes it easier to double-check tax returns. The shift to electronic invoices within the public administration and the new VAT payment method have also increased the effectiveness of fiscal oversight.

The first Conte government promised a revolutionary flat tax rate (though this was in fact two rates of 15% and 20%). However, faced with budget

difficulties and the need to fulfil other priorities, it reduced its promises for 2019 to a more limited tax reduction (to a 15% rate) solely for self-employed workers (“partite IVA”) with earnings below €55,000. Except for limited changes with regard to family allowances and write-offs for technological investments, no major reforms have been introduced. The second Conte government has promised to step up the fight against tax evasion and reform (and increase) family benefits, but such promises are not new, and they had not been realized by the close of the review period.

Overall, the Italian tax system is able to generate a sufficient amount of resources, but is still in need of a deeper reform to increase horizontal equity, reduce obstacles to competitiveness and facilitate foreign direct investment.

Citation:

[http://www.sviluppoeconomico.gov.it/images/stories/documenti/Industria\\_40%20conferenza\\_21\\_9](http://www.sviluppoeconomico.gov.it/images/stories/documenti/Industria_40%20conferenza_21_9)

[http://www.istat.it/it/files/2017/06/CS\\_-Redistribuzione-reddito-in-Italia\\_2016.pdf](http://www.istat.it/it/files/2017/06/CS_-Redistribuzione-reddito-in-Italia_2016.pdf)

<http://www.cgiamestre.com/wp-content/uploads/2018/08/PF-TASSE-2017-18-1.pdf>

## Budgets

Budgetary Policy  
Score: 5

Italian governments have struggled over the past years to pursue budget consolidation during an era of prolonged economic stagnation. Fiscal policies have gradually reduced yearly deficits and produced a strong primary surplus. Yet because of the recession environment, attempts to reduce the huge debt stock (by selling, for example, public properties or stocks of state-owned companies) have had little success or have been postponed. The improved climate on the international markets and European Central Bank policies have yielded a sharp decline in interest rates for Italian long-term treasury bonds. This has eased the country’s budgetary pressures. After a modest recovery in 2016, economic growth accelerated through 2017, which has slowed the growth in public debt.

Fiscal policies for 2017 and 2018 benefited from the improved economic conditions. Taking advantage of the flexibility allowed by the European Union for countries introducing significant structural reforms, Italy’s government pursued a path of modest fiscal consolidation balanced by measures intended to sustain economic recovery. Tax reductions and incentives for entrepreneurial activities were only partially offset by reductions in public expenditure. In general, cuts to public expenditure, proposed in the government’s spending review, were implemented more slowly than initially proposed. This was due to resistance from interest groups and fear that such cuts would have recessionary effects. The pace of privatization of public assets was slower than anticipated.

The first Conte government initially sought to diverge significantly from this prudent path, proposing (contrary to previous agreements with the European Commission) an increase in the public deficit for 2019 to 2.4%, and a delay in efforts to reduce the public debt until 2020 or 2021. This rapidly produced tensions in the financial markets, and the spread between 10-year Italian and German government bonds rose in November 2018 to a high of 311 basis points (from about 140 under the previous government). After tense negotiations between the Italian government and the EU, and further bargaining within the government itself, the proposed deficit level was reduced to about 2%. However, the possibility that the EU might open an excessive deficit procedure emerged again in the spring of 2019, and this eventuality was avoided only through further revision of the budgetary goals. The economic stagnation of 2019 created difficult conditions for the new 2020 budget. The fall of the first Conte government, triggered by Salvini and the Northern League, left Conte's new majority (supported by the Five Star Movement and the PD) with a difficult budgetary situation. The new government decided to pursue a path of fiscal prudence, and to take a more cooperative approach toward the European Commission. This has calmed financial markets, but has left few resources available to address the country's social problems.

Citation:

[http://www.mef.gov.it/inevidenza/documenti/NADEF\\_2018.pdf](http://www.mef.gov.it/inevidenza/documenti/NADEF_2018.pdf)

[http://www.dt.mef.gov.it/modules/documenti\\_it/analisi\\_programmazione/documenti\\_programmatici/def\\_2019/NADEF\\_2019\\_\\_FINALE.pdf](http://www.dt.mef.gov.it/modules/documenti_it/analisi_programmazione/documenti_programmatici/def_2019/NADEF_2019__FINALE.pdf)

## Research, Innovation and Infrastructure

R&I Policy  
Score: 4

In recent years, Italian governments' research and innovation policies have been weak, underfunded and not strategically coordinated. The current government has not been able to make much headway in this regard given the tight budgetary context. In spite of complaints from universities, which are severely underfunded compared to other European countries, public funding for universities and R&D has not been increased. The existing policy of linking university funding to the quality of research outputs has been continued and slightly strengthened. This policy is intended to incentivize universities to generate more quality research. Fiscal policies to promote investment in technological innovation in industry, introduced in 2016, gained momentum in 2017. The "Piano Nazionale Industria 4.0" program running from 2017 to 2020 was a very successful attempt to catch up with the rate of economic innovation in other OECD countries. However, the first Conte government showed no interest in strengthening research and innovation

policies, and did not renew its predecessor's Industry 4.0 incentives. The second Conte government seems willing to change direction, but as of the time of writing, it was too early to see whether promises would be implemented.

Citation:

[http://www.sviluppoeconomico.gov.it/images/stories/documenti/Industria\\_40%20\\_conferenza\\_21\\_9](http://www.sviluppoeconomico.gov.it/images/stories/documenti/Industria_40%20_conferenza_21_9)

Stabilizing  
Global Financial  
System  
Score: 5

### Global Financial System

The government and other public financial institutions (e.g., the Bank of Italy) have been generally supportive of international and European policies oriented to improve the regulation and supervision of financial markets. Typically for Italy, the government and the Bank of Italy have preferred a collective working style within the framework of EU and G7 institutions rather than embarking on uncoordinated, but highly visible initiatives. However, the government has occasionally failed to fully understand the implications for the economy and banking sector of the introduction of new international regulations. It has therefore not been fully prepared for the consequences of the new rules. The first Conte government proved reluctant to work cooperatively with European and international organizations and often adopted a confrontational attitude. The second Conte government seemed ready to take a more cooperative attitude.

## II. Social Policies

### Education

Education Policy  
Score: 5

The Italian education system is a predominantly public system headed at the national level by the Ministry of Education, Universities and Research (MIUR). MIUR dominates education policy, including hiring and funding. Though regional and municipal school authorities have some power with respect to the curricula, physical infrastructure and resource management. Private education in Italy is limited and consists primarily of religious schools. Italy also has a handful of private universities with a prestigious reputation (e.g., Bocconi, LUISS, Cattolica). The education system is, in principle, open to everybody without discrimination. Tuition fees are excised only at the tertiary level and are comparatively low. However, given the scarce amount of resources allocated for scholarships or similar support mechanisms for financially needy students, access is socially discriminatory at the upper

secondary and tertiary levels. The share of individuals who do not complete their studies is above the OECD average.

Per student spending at all levels of education is close to the OECD average, but due to the smaller percentage of students, the global expenditure as a share of GDP is significantly lower than the OECD average. Moreover, the level of expenditure has been almost flat for the past 10 years. When education expenditure is measured as a percentage of total public expenditure, Italy shows one of the lowest rates among OECD countries. The number of university students did not drop very significantly during the economic crisis years; however, attendance levels have yet to regain their pre-2008 highs.

In terms of tertiary education spending, Italy lags behind even more significantly. The share of education expenditure allocated to the salaries of teachers, professors and technical staff compared to the share for capital expenditures and research funds, is above average. This is not because salaries are particularly high, but because capital and research funds are very limited. Selection of school personnel is still not sufficiently meritocratic. Although there are significant areas of high-quality education at both the secondary and tertiary levels, overall quality could be improved.

The allocation of public resources to universities has increasingly incorporated a mechanism linking government funding to academic research and teaching results. This has had significant effects with regard to stimulating a more competitive and quality-oriented university system.

The first Conte government gave no sign of having any significant interest in this policy field. The education minister of the second Conte government has asked for an increased endowment for schools and universities, but had obtained little as of the end of the review period

Citation:

<http://dati.ustat.miur.it/dataset/immatricolati/resource/c39e6e60-d92e-46f2-bfaa-f865d3fb1771>

## Social Inclusion

Social Inclusion  
Policy  
Score: 6

The impact of the economic crisis on the incomes of a significant percentage of households and the high levels of unemployment – particularly among young people – have had important negative effects on social inclusion. The gap between the more protected sectors of the population and the less protected ones has increased. The traditional instruments of social protection (e.g., those guaranteeing unemployment benefits for workers with permanent labor contracts) do not cover a large part of the newly impoverished population, while new policies are only slowly being implemented.

In general, allowances for families with children are rather small, and do not compensate for the costs of raising a (large) family. The problem of poverty is thus particularly serious for young families, especially where only one adult is employed. Some of the pensions of the elderly are also extremely low.

The progressive tax system and a series of deductions and benefits for low-income individuals – which should have accomplished redistributive functions – have largely ceased to work in this direction. The system's redistributive efforts have been curtailed by the rise in tax rates and the erosion of benefits and deductions. Moreover, the system's redistributive effects fail to reach that part of the population, which earns less than the minimum taxable income. An effective poverty reduction policy would require larger and more effective instruments.

The ongoing economic crisis has exposed the weaknesses of Italy's social policy. The main social policy instrument used to mitigate and reduce social exclusion is pensions. Other instruments are not very effective, and Italian national standards are not very good. On average, local social programs in the north of the country can deliver benefits three times higher than those in the south. Italian family networks still constitute the most important though informal instrument of social welfare. The high percentage of home ownership helps protect many Italians from absolute poverty. Housing problems, which would be insurmountable for many young people, are to some extent mitigated by family rather than public support.

While previous governments adopted rather timid measures to deal with these problems, the first Conte government launched a much larger program called the "reddito di cittadinanza," or citizens' income. This program eliminates a variety of previously existing measures and provides a (variable) income to every person under a given economic threshold. For people able to work, the allowance is conditional upon the acceptance of a job proposed by employment centers. As of October 2019, out of 1.5 million applications, more than 950,000 had been accepted with an average monthly benefit of €482.

The rate of inclusion of women in positions of economic and political leadership has improved somewhat due to new rules requiring a more balanced representation of women in executive positions. Italy also performs better than the OECD average with regard to gender gaps in income (OECD 2019).

Citation:

<http://www.pariopportunita.gov.it/media/2976/report-febbrai-2017.pdf>

<https://data.oecd.org/earnwage/gender-wage-gap.htm>

[https://www.inps.it/docallegatiNP/Mig/Dati\\_analisi\\_bilanci/Osservatori\\_statistici/Osservatorio\\_REI/Report\\_trimestrale\\_Rei-RdC\\_apr-sett\\_2019.pdf](https://www.inps.it/docallegatiNP/Mig/Dati_analisi_bilanci/Osservatori_statistici/Osservatorio_REI/Report_trimestrale_Rei-RdC_apr-sett_2019.pdf)

## Health

Health Policy  
Score: 7

Italy's national health system provides universal comprehensive coverage for the entire population. The healthcare system is primarily funded by central government, though healthcare services and spending are administered by regional authorities. On average, the services provided achieve medium to high standards of quality. A 2000 WHO report ranked the Italian healthcare system second in the world and a recent Bloomberg analysis also ranked the Italian system among the most efficient in the world. A 2017 study published by Lancet rated the Italian system among the best in terms of access to and quality of healthcare. However, due to differences in local infrastructures, cultural factors, and the political and managerial proficiency of local administrations, the quality of public healthcare varies significantly across regions. In spite of similar levels of per capita expenditure, services are generally better in northern and central Italy than in southern Italy. In some areas of the south, corruption, clientelism and administrative inefficiency have driven up healthcare costs. In these regions, lower quality levels and typically longer waiting lists mean that wealthier individuals will often turn to private sector medical care. Regional disparities also lead to a significant amount of health tourism heading north. The existing system of national quality standards (correlated with resources), which is meant to be implemented across regions, has not yet produced the desired effect of reducing the quality divide between the North and South.

Preventive healthcare programs are effective and well publicized in some regions (e.g., Tuscany, and other northern and central regions). However, such programs in other regions (e.g., Sicily) are much weaker and less accessible to the average healthcare user.

To contain further increases in healthcare costs, payments to access tests, treatments and drugs exist. Although these payments are tied to income levels, they nevertheless discourage a significant number of the poorest residents from accessing necessary healthcare services. Similarly, additional medical services are only partially covered by the public healthcare system, while only basic dental healthcare is covered.

The first Conte government did not focus strongly on reducing cross-regional differences in healthcare quality.

Citation:

<http://www.who.int/whr/2000/en/>

<http://www.bloomberg.com/visual-data/best-and-worst/most-efficient-health-care-2014-countries>

[http://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(17\)30818-8/fulltext](http://www.thelancet.com/journals/lancet/article/PIIS0140-6736(17)30818-8/fulltext)

Family Policy  
Score: 4

## Families

Italian society has traditionally relied very much upon its very strong family institutions. The family (often in its extended version) remains even today a major provider of welfare for its weakest components – children, young couples with precarious jobs and elders. Within the family, significant amounts of economic redistribution take place, and important services are provided, such as the care of preschool age children by grandparents. Partly because of this reliance, state support for families has generally been weak. Apart from relatively generous rules on maternity leave (paid for by social insurance) and limited tax deductions for children, the state has not offered much. Public daycare facilities for preschool children are available on a limited scale and vary significantly across regions. Private firms and public offices have only recently started offering similar services, with some support from the state.

The lack of more significant policies has contributed to the limited (albeit slowly growing) participation of women in the workforce and the low overall employment rate, while also contributing to a very low birth rate (except in the immigrant population), which continues to decline.

A number of proposals for modifying tax policy to benefit families have been advanced over time, such as the “*quoziante familiare*,” which would have divided taxable income by the number of family members. However, most have never been implemented. The crisis has left little space for such initiatives, which would strain the state’s budget. As a result, only limited subsidies for families with children in the lowest income brackets have been introduced. Because of the economic crisis, the levels of children living in poverty are above average.

New and innovative Scandinavian-style concepts (e.g., parental leave) that go beyond maternity allowance are not widely implemented. The whole childcare sector, and indeed the state of the public debate over the ability of women to combine work and children, lags behind that in wealthier and more progressive European countries. The decreasing transfers of financial resources to regions and municipalities during previous governments mean that many institutions and projects working in family support have run out of money and may have to cut back services significantly.

Beyond some rhetorical mention, the first Conte government never really prioritized family policies. However, the new citizen’s income can to some extent provide help for needy families even if it is not specially tailored for them. The second Conte government has indicated a willingness to expand benefits for families with children.



Citation:  
<https://www.redditicittadinanza.gov.it/>

## Pensions

Pension Policy  
Score: 5

With the 2011 Fornero reform of Italy's pension policy, which increased the retirement age to 67 years, reduced benefit levels for higher income groups and linked the age of retirement to rising life expectancies, the pension system achieved a satisfactory level of sustainability. Thanks to this reform, no further major reforms of the retirement system would have been needed, at least in the next few years, to ensure its sustainability – despite the demographic imbalance between the aged and the young.

The current situation, however, is less positive from the point of view of intergenerational fairness, as the younger generations will receive significantly smaller amounts upon retirement. This problem is exacerbated by the late or uncertain entry into the labor force of younger cohorts, which itself is a consequence of the economic crisis. In addition, the growing number of permanently unemployed also face receiving little to nothing in terms of a pension. The high percentage of public spending on pensions also diverts financial resources from other welfare policies (e.g., family policy). Ensuring pensions comes with high costs for the rest of society.

The problem of poverty prevention, which exists today for an already significant share of the population, will be even more relevant for today's younger cohorts when they reach retirement age.

Supplementary pension schemes have to date played only a limited role in the pension system and fiscal policies adopted to encourage them have not been sufficiently bold. Recent data suggests, however, that the importance of supplementary pension schemes is gradually increasing.

One of the promises of the first Conte government was to radically reform the Fornero pension law. Driven by Salvini's Northern League in particular, the government imposed a reform that again reduced the age of retirement ("Quota 100" enables retirement at 62 after at least 38 years of contributions). This reform began to be implemented in 2019, and will add significant costs to the pension system. To save money, the government has reduced automatic inflation adjustments for large pensions. As of the time of writing, the second Conte government had not elected to revise the Salvini reform.

## Integration

Integration Policy  
Score: 4

Large-scale immigration is a relatively new phenomenon in Italy compared to other countries in Europe. In recent years, the number of legal (mainly from new EU member countries) and illegal immigrants has increased significantly, making immigration one of the hottest political issues. Issues associated with immigration have been cast in negative or even xenophobic rhetoric by some parties (especially the Salvini's Northern League) during electoral campaigns, with immigrants portrayed as dangerous social elements.

Policies dealing with the topic have concentrated more on controlling illegal immigration and temporarily hosting refugees than on integration. Past provisions for the large-scale regularization of immigrants, especially those working for and within families, have not been repeated. As a consequence, a large number of immigrants are still involved in the underground economy, and are thus exposed to economic exploitation, dangerous working conditions and a lack of respect for their rights. In general, it is clear that in some sectors entrepreneurs and families are only able to operate due to the high number of migrants available to work. Agriculture, the building industry, private elderly care services, many childcare services and private cleaning services are dependent on legally or illegally employed immigrants. Access to citizenship for immigrants remains problematic. Discussions on the issue of the "ius soli" (i.e., granting Italian citizenship to children with a migrant background born in Italy) have been tense, and legislative proposals on the matter have ultimately failed to win parliamentary approval.

The school system has proved to be a positive factor in the process of integration, but schools have not received sufficient resources for achieving the best results in this field. Public housing policies have been weakened by the budgetary constraints. As a result, in many cities there are ghetto-like areas where immigrants live in extremely poor housing conditions. The universal healthcare system has in general been fairly effective in providing medical treatments also for immigrants. Charitable organizations, in particular organizations aligned to the Catholic Church (e.g., Caritas), have contributed significantly to assisting and integrating migrants.

To address the influx of immigrants from Africa arriving in Italy by the dangerous Mediterranean Sea routes and prevent immigrants from drowning at sea, past Italian governments had deployed naval forces in the Mediterranean Sea, joined by NGO vessels. Other EU countries have shown minimal willingness to accept a redistribution of migrants. The efforts of successive Italian governments to promote a common European policy to address the phenomenon have so far been ignored or opposed.

The first Conte government dramatically changed its policy course in this area. In particular, Interior Minister Salvini made it much more difficult for NGO ships carrying refugees and immigrants to win access to Italian ports, while additionally stepping up the government’s anti-immigration and xenophobic rhetoric, which in turn encouraged acts of violence against immigrants and foreigners. The interior minister also adopted harsh confrontational tones with other EU countries for not being willing to share the burden of immigration. The second Conte cabinet has promised to take a different approach to the problem, and to cooperate more closely with other European countries.

**Safe Living**

Internal Security  
Policy  
Score: 6

With the exception of some regions of southern Italy where mafia-type organized crime can have a serious impact on the security of certain sectors of the population (for instance entrepreneurs and shop owners) internal security is sufficiently guaranteed. Homicide rates have generally declined, and are today among the lowest in Europe. However, the rates of lower-level crimes such as theft and robbery have significantly increased, probably as a consequence of economic instability and rising unemployment. They often create a feeling of insecurity, particularly in some city peripheries. The public has a generally high level of confidence in the security forces. However, the segmentation of security forces (Carabinieri, Polizia di Stato, Guardia di Finanza, Polizia Municipale) might result in some inefficiencies and accountability issues. Italian security agencies have to date been fairly successful in preventing terrorist attacks.

The first Conte government, and especially its interior minister, exploited feelings of insecurity among some groups of the population. It additionally introduced measures to broaden the legitimacy of armed self-defense, which might negatively impact personal safety. Media reports suggest that the number of cases of xenophobic, racist and hate crimes are increasing, possibly as a consequence of the incitements to fight immigration expressed by the Northern League and Interior Minister Matteo Salvini. The second Conte cabinet has softened its tones, but as of the close of the review period had not changed the restrictive security norms adopted by the previous government.

**Global Inequalities**

Global Social  
Policy  
Score: 4

The Italian government’s engagement in promoting socioeconomic opportunities internationally has generally been rather limited. Over the years, Italy has provided less in international aid than most other developed countries.

Past governments had used the Italian navy to provide help at sea for illegal immigrants crossing the Mediterranean Sea on unsecure boats belonging to traffickers. The first Conte government significantly reduced this effort. Seeking to address the rapid increase in immigration across the Mediterranean, along with the humanitarian catastrophes produced by this increase, the Italian government has proposed an EU “immigration compact,” which would expand long-term EU help to African countries and develop bilateral agreements for the regulation of migration.

On a more qualitative and organizational level Italy has stressed the importance of fighting hunger and developing food production and distribution. Probably because of this activism it hosts three major U.N. food agencies, the Food and Agriculture Organization (FAO), the International Fund for Agricultural Development (IFAD) and the World Food Program (WFP).

The first Conte government showed little interest in international cooperation. Indeed, the frequent interference by Interior Minister Salvini in international matters made cooperation with African countries more difficult. The amount of help provided to developing countries rose in 2019 compared to 2018, but at 0.29% of GNI, remains behind the 2017 level.

Citation:

<http://www.oecd.org/newsroom/aid-to-developing-countries>

[http://www.governo.it/sites/governo.it/files/immigrazione\\_0.pdf](http://www.governo.it/sites/governo.it/files/immigrazione_0.pdf)

<https://donortracker.org/country/italy>

### III. Environmental Policies

#### Environment

Environmental  
Policy  
Score: 7

Italy was not an early mover in the field of environmental policies compared to other European and OECD countries, but in a number of aspects its environmental record has significantly improved. For instance, Italy ranks above average in its performances for CO<sub>2</sub> emissions in comparison to GDP. In the field of renewable energies, where Italy traditionally fared reasonably well thanks to its large hydroelectric (and geothermic) plants, the promotion of new sources (e.g., solar or wind energy) has been very effective in recent years thanks to generous incentives. Because of budgetary constraints (and in part also because of other conflicting environmental reasons, such as the protection

of landscapes) incentives for solar energy have been reduced in the recent years. Nonetheless, the transition toward renewable energy has gained momentum and renewable energy sources now supply between 32% and 35% of total energy demand (data from GSE). Strong fiscal incentives for sustainable house building and renovations have existed for several years. An initial discussion about the return to nuclear energy with the purpose of further reducing CO<sub>2</sub> emissions was stopped by the Fukushima disaster.

Forest areas have been growing significantly in recent years and biodiversity is above the European average.

In other dimensions, such as water efficiency, Italy fares less well. Disparities between northern or central Italy, and southern Italy remain significant. Some waste emergencies (e.g., in Rome, Naples, Palermo and other places in southern regions) have demonstrated in recent years the lower performance of some local and regional authorities in environmental matters. The absence or inadequacies of purification plants still affects parts of the coastline and rivers. As with other oceans, the Mediterranean is polluted by microplastics.

Recycling rates have increased very significantly in central and northern Italy. According to Reuters, Italy ranks very highly in Europe for recycling. Recent ISPRA data also indicates significant improvements in southern Italy where recycling rates had traditionally lagged behind.

Erosion, flood and earthquake prevention should be a high priority for the government, as the geology of the Italian peninsula means that the country is very exposed to natural disasters. After the recent 2016 earthquakes, the government is launching a long-term investment policy to promote public and private rebuilding.

Climate change has and will have a huge impact on Italy. The country has among the highest numbers of cars per capita in the world, and this combines with poor short-, medium- and long-haul public transport to make life in cities difficult. It also compromises the transport of goods and persons across Italy. Smog, particulate matter, poor air quality and traffic jams undermine the quality of life significantly, especially in large cities. Perhaps more so than any other policy area, the environment demands a stronger strategy and corresponding political action to prevent Italy from dropping back from the European level of quality of life.

The first Conte government declared that it would pursue a strong pro-environment orientation, but its activities tended to focus more on slowing the pace of new infrastructure development rather than providing incentives for

positive actions. The second Conte government has said it would introduce green-oriented tax incentives.

Citation:

<http://www.gse.it/it/Statistiche/RapportiStatistici> (provides data about renewable energies production in Italy)

<http://www.isprambiente.gov.it/it/archivio/notizie-e-novita-normative/notizie-ispra/2015/05/produzione-rifiuti-e-differenziata-i-dati-di-tutti-i-comuni-italiani-sono-online>

<http://www.asvis.it/rapporto-2017/>

<https://it.reuters.com/article/topNews/idITKBN1CE1D5-OITTP>

### Global Environmental Protection

Global  
Environmental  
Policy  
Score: 6

The contribution of the Italian government to international efforts in the field of global environmental protection has been generally positive. Italy has been supportive of coordinated international actions, including the recent COP 21 Paris conference, but in general has not played a significant leadership role. This is due also to the fact that the resources of the Ministry of Environment have been seriously curtailed. Due to the recent economic crisis, the attention of the government and the priorities of the prime minister have been diverted to internal matters, and economic recovery.

The June 2017 G7 meeting, chaired by Italy the minister of environment, reaffirmed Italy's strong support for COP21. At the 2017 Bonn COP23 summit, Italy joined the anti-coal alliance, declaring that it would phase coal out by 2030. Through the mechanism of the national consortium for the recycling of packaging (CONAI), Italy exceeded European 2020 targets in this field in 2019. This relates to a considerable proportion of plastics production, and offers an efficient model for other countries. With regard to the maritime environment, Italy in 2019 joined France and Spain's proposal to create a Mediterranean emissions control area (ECA).

Citation:

<http://www.conai.org/chi-siamo/risultati/>

# Quality of Democracy

## Electoral Processes

Candidacy  
Procedures  
Score: 9

The registration procedure is fair and no unreasonable exclusion exists. The number of signatures requested for registration of parties creates some obstacles to new and small parties, but similar small obstacles are accepted in many democracies to avoid non-serious candidacies. The validity of the process is controlled by independent judicial offices. From time to time there have been disputes over the validity of some of the signatures collected by the largest parties. The procedures for the choice of candidates vary from party to party, but there is an increasing use of primaries to make them more open and democratic.

Media Access  
Score: 8

A significant portion of television channels are owned by a single political leader, Silvio Berlusconi, and demonstrate a special favor toward him and his party. Overall, however, the media offers a reasonably fair treatment of all political candidates. The most important national newspapers and privately owned television broadcasters offer fairly equal access to all positions. State television maintains a generally neutral position.

Access to television by parties and candidates is regulated by a law (Law 28/2000) that provides for equal time for each party during electoral campaigns. An independent oversight authority (Autorità per le Garanzie nelle Comunicazioni) ensures that the rules are followed and has the power to levy penalties for violations. This power is effectively used. The public television service is controlled by a parliamentary committee, which reflects the composition of the whole parliament. Although the government in office typically attracts more airtime than the opposition, the treatment of the different parties by the public broadcaster is fairly balanced overall. In the print sector, the large variety of newspapers both with and without a clear political orientation provides sufficiently balanced coverage of all positions.

As the role of electronic (internet) and social media in political contests continues to grow, politicians and parties can rely increasingly on these new forms of media to reach citizens and voters more directly. This fact makes political players more independent from large media groups and public media.

Voting and  
Registration  
Rights  
Score: 9

The registration of citizens for electoral purposes is done automatically by municipal offices and there are no significant problems with this procedure.

All citizens are notified via mail at home of their voting rights and supplied with the relevant information. Citizens are entitled to appeal to independent judicial bodies if they are mistakenly excluded from registration. Citizens living abroad are also entitled to vote. There are no significant complaints about the process.

Polling stations are very numerous and typically very near to places of residence. National elections take place on two consecutive days, which increases the opportunities for working people to vote. Turnout has diminished significantly in recent years but is still among the highest in Europe.

Party Financing  
Score: 5

State financing was regulated until February 2014 by a 1993 law (Legge del 10 Dicembre 1993 no. 515) and was monitored by an independent judiciary organ – the Court of Accounts (Corte dei Conti) – which checked the accounts provided by parties and could levy penalties for infringements.

A new reform (Law 21 February 2014, no. 13) has significantly reduced public financing for parties. It has introduced a new regime of fiscal exemptions for private contributions and created a new oversight institution, the “Commissione di garanzia degli statuti e per la trasparenza e il controllo dei rendiconti dei partiti politici,” whose members are nominated by judicial bodies. The new system only became fully effective in 2017. The main financial source should be the “due per mille” policy, which enables citizens to nominate a political party to receive 0.2% of their income tax. So far, this system has proven highly unsuccessful. In 2015, only 1.1 million out of 41 million people who paid income tax (2.7%) exercised this option. In 2018, this number declined to 1.05 million, a sign that Italians’ sympathy for political parties has not increased. A total of €14 million was disbursed to parties from this source. The volume of private donations is also very low despite tax advantages, consisting mostly of contributions of their parliamentary salaries by members of parliament. An important source of party funding are the resources distributed by the two chambers to parliamentary groups, totaling approximately €50,000 for each member of parliament. A portion of these funds are transferred to the party organizations.

Existing rules governing the public and private financing of parties, as well as the current system of enforcement, do not produce a fully transparent system. The degree of transparency given to private contributions is largely left to the parties, and in many cases is minimal. In recent years, cases of individual or institutional abuse, or even fraud associated with the public party funding, have emerged in almost all of the political parties.



Citation:

<https://www1.finanze.gov.it/finanze3/2xmille/index.php?tree=2018AADUEXM0101>

<https://www.openpolis.it/wp-content/uploads/2018/07/Partiti-in-crisi-2018.pdf>

Popular Decision-  
Making  
Score: 7

The right to promote referendums and petitions is enshrined in the constitution at the national level of government, and is replicated in most of the regions through regional statute. Referendums may be authorized also at municipal and provincial levels. Ordinary referendums, which can only abrogate existing laws or part of them, have taken place rather frequently at national level. In order to launch a referendum, the proposal must collect at least 500,000 signatures and the referendum is only valid if there is a turnout of at least 50%. Between 1974 and 2016, 67 referendums took place. There are some limited restrictions to the issues that can be submitted to a referendum.

Referendums have had a substantial impact at national level, including ending the use of nuclear energy following the Chernobyl disaster. In some cases, however, the effects of a successful referendum have been overturned by parliamentary laws, which while paying formal respect to the referendum results, have in practice reestablished some of the old, abrogated rules in a new form.

Confirmative referendums may be promoted on constitutional reforms approved without a two-thirds parliamentary majority. A recent case was the referendum of December 2016, which rejected the broad constitutional reform promoted by the Renzi government. Consultative referendums were promoted in October 2017 by the Lombardy and Veneto regions, which proposed increasing regional autonomy. The final decision, however, will depend on the outcome of negotiations between the central state and regions.

Citizens can also promote legislative initiatives and in some regions and municipalities instruments of deliberative democracy (citizens' juries, deliberative polling) are available, but these instruments do not have legally binding effects. At local and regional levels, popular decision-making is rarely used effectively.

### Access to Information

Media Freedom  
Score: 7

Until recently, successive governments exercised political influence over the public broadcaster and largest media organization, Radiotelevisione Italiana (RAI). Governing parties interfered in its personnel policies, and controlled its organizational frameworks and resources. Some space was, however, always

guaranteed to opposition parties. RAI has enjoyed abundant funding combining a mandatory subscription from every person that owns a TV set and advertising revenue.

The Renzi government's reform of RAI increased the powers of the CEO while reducing the powers of the board, which has typically comprised representatives of the main political parties. This somewhat reduced political parties' direct influence over RAI, but can result in increased government influence. The Conte governments have not differed substantially from previous governments, continuing to exercise a significant influence over nominations.

While the privately owned Mediaset channels continue to be subject to the political influence of their owner, Berlusconi, the increasing importance of other channels has balanced things out.

As for the print media, newspapers and magazines are in general much more independent of government influence and able to ensure a broad spectrum of opinions.

The role of other digital and social media (e.g., Twitter and Facebook) is growing rapidly as a generation of younger politicians makes increasingly heavy use of them. But television still maintains its central role for a large part of the Italian public, which often is not reached by new media.

Media Pluralism  
Score: 7

The Italian media system is more balanced today than in the past. In television, the earlier duopoly between public television (RAI) and private television (controlled by Berlusconi's Mediaset) is now less exclusive. Sky TV and La7, as well as other national television and digital broadcasters, offer alternative sources for news. As for print media, the presence of three or four significant groups ensures a satisfactory degree of pluralism. Overall one can say that all political opinions of some relevance in the political spectrum receive fair media coverage. Understandably, the largest parties obtain more space than the smaller ones.

It would be difficult to say that certain positions are not published or are marginalized, especially in the case of newspapers. One of the big issues in Italy is still the predominance of television; newspapers, radio programs and electronic media can't fully counterbalance its influence. One large television company, Mediaset, continues to exercise significant influence over electoral campaigns, but with the decline of Berlusconi's political prominence, the influence of Mediaset has become less important.

Access to  
Government  
Information  
Score: 7

The first freedom of information act was introduced by Law No. 241 in 1990. Its provisions were amended and made less restrictive by Law No. 15 of 2005; further corrections were added in 2013. Disclosure can be denied only under specific circumstances (such as national security, protection of privacy), which must be explicitly identified by administrative offices. Special offices (Uffici Relazioni con il Pubblico, URP) dealing with requests for access to information have been established in all administrative offices, both national and local. Access has been made easier and more effective by the Decreto Legislativo 25 maggio 2016, n. 97, which significantly extends the range of publicly accessible documents.

Both judicial and non-judicial mechanisms of appeal exist, and are increasingly used. Among these is the Commission for Access to Public Documents (Commissione per l'Accesso ai Documenti Amministrativi) of the presidency of the Council of Ministers, which hears appeals when requests for information disclosure have been denied, and can ask public administrative bodies to reconsider their decisions. However, the commission, which comprises both parliamentarians and technical officers, has limited coercive powers; its impact is mainly through moral suasion. The commission makes an annual report to parliament. Though the publication of these reports is usually delayed by at least a year. The most recent report as of the time of writing, covering 2017, identified a continuing increase in the number of citizens' appeals and documented the body's responses. Regional administrative tribunals can judicially enforce the disclosure of documents. In spite of this regulatory and organizational progress, the propensity of public administration to provide the answers in due time is still far from being fully satisfactory either because of bureaucratic inefficiency or because of a reluctance to disclose internal matters. A recent report by an Italian NGO found that only 35% of information requests received a response within 60 days.

Citation:

[http://www.funzionepubblica.gov.it/sites/funzionepubblica.gov.it/files/Decreto\\_legislativo\\_trasparenza.pdf](http://www.funzionepubblica.gov.it/sites/funzionepubblica.gov.it/files/Decreto_legislativo_trasparenza.pdf)

<http://www.funzionepubblica.gov.it/foia-7>

<http://www.commissioneaccesso.it/media/56712/relazione-al-parlamento-2017.pdf>

### Civil Rights and Political Liberties

Civil Rights  
Score: 5

The legal system includes detailed constitutional provisions and a series of ordinary laws that provide an articulated protection of a broad set of rights. Strongly independent courts serve in principle to guarantee their implementation. In practice, however, inefficiencies in the judicial administration, the heavy backlog of many courts and the consequent length of judicial procedures can make the protection of civil rights (both personal and

property) less effective. The Gentiloni government further promoted reforms to judicial procedures and the organization of courts. These actions were slowly reducing the backlog of judicial proceedings, particularly civil proceedings. After years of discussion, and upon the request of supranational institutions, Italy finally introduced a law against torture. However, the law has been criticized by U.N. authorities for being too restrictive.

To some extent, the first Conte government reversed aspects of these past achievements. With the ostensible purpose of fighting crime, it introduced limitations to the preexisting statute-of-limitation rules (Legge 9 gennaio 2019); this will inevitably prolong proceedings unless countervailing measures are introduced to speed up the work of courts.

The legal protection of the rights of immigrants, especially if they are illegal, is far from satisfactory. Some cases of police violence are reported. Actions by the security agents of the various authorities (including the state police) sometimes seem to contradict the principles of the rule of law. Immigrants and homosexuals sometimes experience discrimination.

The first Conte government, under the influence of Northern League leader Matteo Salvini, adopted a set of more restrictive law-and-order policies (Law Decree 4/10/2018 n. 113 and Law Decree 14/06/2019 n.53) dealing with matters of immigration and public demonstrations. Critics argued that the measures could constrain civil rights and political liberties. When signing the second decree, the president wrote that he had serious reservations about the measure. As of the close of the review period, the second Conte government had not modified these new provisions.

Citation:

[http://www.camera.it/leg17/522?tema=reato\\_di\\_tortura](http://www.camera.it/leg17/522?tema=reato_di_tortura)

<https://www.gazzettaufficiale.it/eli/id/2018/10/04/18G00140/sg>

<https://www.gazzettaufficiale.it/eli/id/2019/06/14/19G00063/sg>

Political Liberties  
Score: 8

The protection of the complete array of political liberties is enshrined in the constitution and guaranteed by an independent judiciary. During the period of observation, no significant cases of infringement were attested. The right to worship is fully guaranteed to all religious groups and an increasing number of minority groups have been able to use the opportunities offered by agreements with the state to facilitate its implementation. However, some practical problems connected with the freedom of worship, like enjoying the special fiscal treatments guaranteed to religious groups or building places of worship, have not fully disappeared. These problems have been more relevant for Islamic groups, to some extent because of political fears and hostility, but also because of their more uncertain legal status.

Non-  
discrimination  
Score: 5

With its second decree law on security, the first Conte government imposed more restrictive rules and sharpened penalties for illegal behavior in demonstrations. Critics argue that this might lead to undue restrictions on political opposition.

At the legal level, anti-discrimination norms exist and are sufficiently developed. Their implementation is sometimes not equally satisfactory. This happens in particular in the field of physical and mental abilities, of gender or for some cases of ethnic minorities (the Roma, for instance). In principle, Italy has a very inclusive model for integrating physically and mentally disabled persons. However, in some regions, the system lacks financial resources.

Italy's constitution and the political reality grants considerable political autonomy and cultural rights to regions with non-Italian or non-mainland minorities and majorities, such as Val d'Aosta, Trentino and South Tyrol, Sardinia and Sicily, as well as to ethnic groups with ancient roots such as the Alberesh, which originated in Albania. Some municipalities have democratically elected assemblies to represent migrants in local decision-making processes.

The Department for Equal Opportunities, which reports to the president of the Council of Ministers, has improved efforts to monitor gender discrimination in the public administration on a regular basis. The department's 2018 report indicates that – with some exceptions – significant gains have been made in gender representation in the higher levels of state administration. The percentage of women among the top ranks of the central administration reached 46%. Levels are lower in universities and among independent authorities. Gender representation in the business sector is generally less satisfactory, but improving. Much greater progress has been achieved in political institutions such as parliament, assemblies and the cabinet. Eurostat data indicates that the gender pay gap in Italy (5%) is well below the EU average (16%).

Discrimination against immigrants is widespread, particularly with regard to illegal immigrants. Whereas immigrants generally enjoy access to the healthcare system, their rights in other areas – labor relations in particular – are not well protected. The first Conte government and especially Minister of the Interior Matteo Salvini (Northern League) officially encouraged Italians to oppose immigrants and foreigners, promoting discrimination against immigrants and other minorities.

Citation:

<http://www.pariopportunita.gov.it/wp-content/uploads/2018/10/tabella-andamento-temporale.pdf>

[https://ec.europa.eu/eurostat/statistics-](https://ec.europa.eu/eurostat/statistics-explained/index.php/Gender_pay_gap_statistics#Gender_pay_gap_levels_vary_significantly_across_EU)

[explained/index.php/Gender\\_pay\\_gap\\_statistics#Gender\\_pay\\_gap\\_levels\\_vary\\_significantly\\_across\\_EU](https://ec.europa.eu/eurostat/statistics-explained/index.php/Gender_pay_gap_statistics#Gender_pay_gap_levels_vary_significantly_across_EU)

### Rule of Law

Legal Certainty  
Score: 6

The actions of the government and administration are systematically guided by detailed legal regulations. Multiple levels of oversight – from a powerful Constitutional Court to a system of local, regional and national administrative courts – exist to enforce the rule of law. Overall the government and the administration are careful to act according to the existing legal regulations and thus their actions are fundamentally predictable. However, the fact that legal regulations are plentiful, not always consistent and change frequently reduces somewhat the degree of legal certainty. The complexity of regulations (which are sometimes contradictory) creates opportunities for corruption.

The government has backed efforts to simplify and reduce the amount of legal regulation but has yet to obtain the results expected.

The excessive burden of regulations and inefficiency of local authorities too often requires that, in order to face critical situations, exceptional powers are granted to special authorities (“commissari”) who are not properly monitored. This often results in arbitrary decisions being made.

Minister’s increasing use of social media (e.g., Twitter and Facebook) to communicate decisions before they are formally announced creates a degree of legal uncertainty. Under the first Conte government, Minister of the Interior Salvini engaged in this practice with particular frequency. Moreover, he had a strong tendency to trespass into other ministries’ turf, especially on matters of rescuing immigrants at sea. However, some of Salvini’s decisions have been overturned by the courts.

Judicial Review  
Score: 8

Courts play an important and decisive role in Italy’s political system. The judicial system is strongly autonomous from the government. Recruitment, nomination to different offices and careers of judges and prosecutors remain out of the control of the executive. The Superior Council of the Judiciary (Consiglio Superiore della Magistratura), a representative body elected by the members of the judiciary (and partially by the parliament), governs the system without significant influence by the government. Ordinary and administrative courts, which have heavy caseloads, are able to effectively review government actions, and order correctives if necessary. The main problem is the length of judicial procedures, which sometimes reduces the effectiveness of judicial control. Previous governments have made some efforts to increase the efficiency of the judicial system. Digitalization of procedures has been promoted, and the Gentiloni government introduced new measures designed to

speed civil proceedings, particularly those related to economic activities. A 2017 report issued by the minister of justice suggested that these measures have had some success. The first Conte government promised to increase judicial efficiency, but did nothing substantial in this area before its fall.

At the highest level the Constitutional Court ensures the conformity of laws with the national constitution. It has often rejected laws promoted by current and past governments. Access to the Constitutional Court is reserved for courts and regional authorities. Citizens can raise appeals on individual complaints only within the context of a judicial proceeding, and these appeals must be assessed by a judge as “not manifestly unfounded and irrelevant.” The head of state, who has the power to block laws approved by the parliament that are seen to conflict with the constitution, represents another preemptive control.

Citation:

[https://www.giustizia.it/giustizia/it/mg\\_2\\_15\\_7.page](https://www.giustizia.it/giustizia/it/mg_2_15_7.page)

Appointment of  
Justices  
Score: 8

According to the present constitution, members of the Constitutional Court are appointed from three different and reciprocally independent sources: the head of state, the parliament (with special majority requirements) and the top ranks of the judiciary (through an election). Members of this institution are typically prestigious legal scholars, experienced judges or lawyers. This appointment system has globally ensured a high degree of political independence and prestige for the Constitutional Court. The Constitutional Court has frequently rejected laws promoted by the government and approved by the parliament. The court’s most politically relevant decisions are widely publicized and discussed by the media.

Corruption  
Prevention  
Score: 6

The Italian legal system has a significant set of rules and judicial and administrative mechanisms (with ex ante and ex post controls) to prevent officeholders from abusing their position, but their effectiveness is doubtful. The Audit Court (Corte dei Conti) itself – one of the main institutions responsible for the fight against corruption – indicates in its annual reports that corruption remains one of the biggest problems of the Italian administration. The high number of cases exposed by the judiciary and the press indicates that the extent of corruption is high, and is particularly common in the areas of public works, procurement and local building permits. It suggests also that existing instruments for the fight against corruption must be significantly reconsidered to make them less legalistic and more practically efficient. With the reforms of previous governments, the Anti-Corruption Authority has been significantly strengthened and its anti-corruption activity progressively increased.

The first Conte government introduced a new bill on corruption (the so-called Spazza-Corrotti bill; Legge 9 gennaio 2019, n. 31) that increased punishments for corrupt activities. For instance, individuals or firms convicted of corruption will be prevented from participating in public contracts or procurement processes.

In general, the ongoing reform of public administration should contribute further to a reduction of administrative abuses.

Citation:

[https://www.anticorruzione.it/portal/rest/jcr/repository/collaboration/Digital%20Assets/anadocs/Attivita/Pubblicazioni/RelazioniAnnuali/2017/rel.anac.2016.doc.06.07.2017\\_.pdf](https://www.anticorruzione.it/portal/rest/jcr/repository/collaboration/Digital%20Assets/anadocs/Attivita/Pubblicazioni/RelazioniAnnuali/2017/rel.anac.2016.doc.06.07.2017_.pdf)

<https://www.gazzettaufficiale.it/eli/id/2019/01/16/18G00170/sg>



# Governance

## I. Executive Capacity

### Strategic Capacity

Strategic Planning  
Score: 4

The concept of strategic planning is not particularly developed in Italian governmental and administrative culture. This is in part due to the fact that governments have been predominantly preoccupied with coalition problems and that the administration is still very much guided by a legalistic culture. Nevertheless, some progress has been made under recent governments. Recent government programs have been more detailed, and have become significant instruments for organizing and planning government activity. Within the government office (called the Presidency of the Council of Ministers, or Presidenza del Consiglio), a special department guided by a minister without portfolio has been created to oversee the implementation of this program. This department produces regular reports on the program’s implementation status.

The first Conte cabinet was in a somewhat peculiar position, supported as it was by two parties (the Five Star Movement and the Northern League) with rather different programs that had to be welded together into a rather formal and rigid government “contract,” and with a prime minister that wielded little political clout compared to the two deputy prime ministers (and coalition-party leaders). This configuration left little space for a policy focused strategic planning. During its first two months in office, the second Conte government showed little improvement with regard to strategic planning.

The financial aspect of strategic planning has historically been somewhat more developed, as the Treasury has to implement rigorous budgetary-stability goals, and works within a triennial perspective.

Expert Advice  
Score: 3

The government does not regularly consult non-governmental academics. A small group of partisan experts selected by the prime minister and other ministers frequently offer strategic and technical advice. However, independent experts are rarely consulted in a transparent way. Important

legislative proposals do not benefit from an institutionalized, open and transparent consultation process. In the finance, culture and labor ministries the role of external experts is more established. Independent academic experts have in the past been involved in the spending review, but only on a short-term basis.

The coalition government between the Five Star Movement and Salvini's Northern League developed a strong anti-expert rhetorical style that further reduced the space for independent consultation.

### Interministerial Coordination

GO Expertise  
Score: 5

The Prime Minister's Office (PMO) as a rule evaluates all draft bills before they are submitted to the Council of Ministers for approval. This scrutiny however mainly deals with legal aspects (which largely concern compatibility with European laws) as the PMO itself does not have the size and the systematic sectoral expertise that would allow it to scrutinize policy in detail. This means that intervention by the PMO is in general more reactive than proactive. As a result, corrections to the legislative proposals of the government are often necessary prior to parliamentary approval. Important draft bills are in general scrutinized by the office with regard to the effects a bill may have on the cohesion of the majority coalition. A detailed scrutiny of the financial implications of each bill is conducted by the Treasury, which has a kind of preventive veto power.

Prime Minister Conte's political weakness has meant that the Government Office has had even less control over the legislative process than previous cabinets.

Line Ministries  
Score: 6

The Prime Minister's Office is in principle regularly kept informed of the development of policy proposals generated by line ministries. With regard to the policy proposals of particular political relevance for the government, the consultation process starts from the early stages of drafting and is more significant, involving not only formal but also substantive issues. In the fields less directly connected with the main mission of the government, exchanges are more formal and occur only when proposals have been fully drafted. Under the first Conte government, government control over line ministries was weaker than in previous governments, given the political weakness of the prime minister and the ideologically bifurcated nature of the coalition. Ministers responded more readily to their party leader than to the head of government. This pattern seems likely to continue under the second Conte government.

Cabinet  
Committees  
Score: 6

A significant number of policy proposals require de jure scrutiny by a Council of Ministers committee or even the explicit consent of a plurality of ministers. In a number of cases, this is only a formal exercise and the Council of Ministers committees are not an important mechanism. It is more significant that a number of important issues are de facto dealt through consultations among a few ministers (and their ministerial cabinets) before being brought to the Council of Ministers or are sent to this type of proceeding after preliminary discussion in the council. These consultations, which usually include the Treasury, typically avoid conflicts in the Council. Discussions of policy proposals in Council of Ministers meetings are typically very cursory. Most problems have been resolved beforehand, either in formal or informal meetings. Under the first Conte government, the strong political clout of the two coalition-party leaders (who also served as deputy prime ministers) and the weakness of the prime minister reduced the ability of Council of Ministers committees to solve conflicts. Consequently, frequent political “summits” between the prime minister and the party leaders proved necessary.

Ministerial  
Bureaucracy  
Score: 7

Before every Council of Ministers meeting there is a preparatory meeting – the pre-consiglio – where the heads of all legislative ministerial offices filter and coordinate the proposals to be submitted to the Council of Ministers meeting. The head of the Department for Juridical and Legislative Affairs of the Presidency of the Council of Ministers chairs these meetings. Proposals on which there is no agreement will rarely make it to the Council of Ministers. Further informal meetings between ministerial officials take place at earlier stages of drafting. However, the bureaucracies of individual ministries are normally protective of their prerogatives and are not keen to surrender autonomy. Under the Conte governments, the PMO bureaucracy seems to have lost some of its coordination ability, with the departmental bureaucracies and interparty bargains gaining as a result.

Informal  
Coordination  
Score: 5

Under the first Conte government, meetings between the president of the council and the two main political leaders, deputy prime ministers Di Maio and Salvini, acquired increased importance. But these were often hastily convened upon the eruption of an internal conflict. This coordination mechanism did not work smoothly, as the leaders of the two coalition parties were often busy conducting political campaigns. This often produced poorly prepared decisions that later needed to be corrected. This pattern has continued under the second Conte government.

Digitalization for  
Interministerial  
Coordination  
Score: 3

Although the government has created a digital-transformation team tasked with promoting digitalization within the public administration, there seems to be little use of digital technologies to support interministerial coordination.

Citation:

[https://teamdigitale.governo.it/assets/pdf/Relazione\\_TeamTrasformazioneDigitale\\_ITA\\_30set.pdf](https://teamdigitale.governo.it/assets/pdf/Relazione_TeamTrasformazioneDigitale_ITA_30set.pdf)

### Evidence-based Instruments

RIA Application  
Score: 7

RIAs are in principle required from all ministries and local authorities (under laws 50/1999 and 246/2005). At the national level, RIAs fall under the responsibility of the ministries. The Prime Minister's Office (PMO) is responsible for the review and quality control of the whole RIA processes as well as for the coordination of activities associated with an RIA. The Department for Juridical and Legislative Affairs of the Presidency of the Council of Ministers is responsible for the elaboration of RIA methodology. Annual reports are submitted to parliament.

Following reforms adopted by previous governments, the current RIA framework prohibits any discussion by the Council of Ministers of a proposal that lacks a RIA. It is, however, questionable whether sufficient resources are available to implement RIAs effectively. While in the past these rules were not always applied, things have gradually changed, and most normative acts are now accompanied by a RIA. The government's 2017 report to parliament (the last to be found on the webpage of the PMO as of the time of writing) documents this increase, which has also been driven by the growing pressure of EU rules. However, the quality of RIAs is still far from homogeneous, and qualified observers have found that while RIAs conducted by independent authorities are in general sound, those of ministerial departments continue to be rather formalistic (Osservatorio air 2014). A new RIA regulation that should be more comprehensive took effect on 15 December 2017.

A 2018 OECD study showed Italy lagging behind in this field, particularly with regard to ex post evaluations.

The Conte government recently started to review the impact of large ongoing infrastructure and transportation projects.

Citation:

Maria Francesca Rocchetti: Impact Assessment in Italy: State of the Art and Patterns of Regulatory Reform: <http://regulatoryreform.com/wp-content/uploads/2015/02/Rocchetti-Impact-Assessment-in-Italy-Sept-2014.pdf>  
[http://presidenza.governo.it/DAGL/uff\\_studi/Relazione\\_2017.pdf](http://presidenza.governo.it/DAGL/uff_studi/Relazione_2017.pdf)  
<http://www.osservatorioair.it/in-gazzetta-ufficiale-il-nuovo-regolamento-di-disciplina-dellair-della-vir-e-della-consultazione/>  
<http://www.oecd.org/publications/better-regulation-practices-across-the-european-union-9789264311732-en.htm>

Quality of RIA  
Process  
Score: 3

The RIA process is still in its infancy in Italy. The participation of stakeholders remains limited and is not systematically pursued. The annual reports, which are presented by the Prime Minister's Office to parliament (typically with a delay of one or two years), indicate a gradual improvement in

this field. Communication to the public needs also to be significantly improved. The impact of RIAs on the policymaking process is still insufficient.

Sustainability  
Check  
Score: 5

Sustainability checks within the framework of RIA are still underdeveloped but are gradually improving. The reports of the Prime Minister's Office to the parliament show that they are not yet systematically integrated within RIA and they are not exhaustive from the point of view of the indicators included (economic indicators play a greater role than social and environmental ones). With a decision taken in 2017, the PMO together with the Ministry of Environment will exercise tighter control over the adoption of sustainability criteria in regulation. The second Conte government has indicated its willingness to pay greater attention to sustainability criteria in its policies. It remains to be seen whether this decision will be implemented.

Citation:

[http://presidenza.governo.it/DAGL/uff\\_studi/Relazione\\_2017.pdf](http://presidenza.governo.it/DAGL/uff_studi/Relazione_2017.pdf)

<http://www.minambiente.it/pagina/la-strategia-nazionale-lo-sviluppo-sostenibile>

Quality of Ex  
Post Evaluation  
Score: 5

Italian governments and parliaments rarely conduct in-depth ex post evaluations of policies before promoting a revision of existing or the development of new policies. Any new bill is accompanied by a technical report, which typically discusses existing policies and explains the benefits of the new policy. But only rarely is this the result of an evaluation process conducted through a public and open debate. A good example was the revision of the Fornero pension reform of 2011 adopted by the first Conte government. This revision (the so-called Quota 100) resulted from an election-campaign pledge by the Northern League, but its implementation was not preceded by any serious cost-benefit analysis. The second Conte government's decisions to retain both the expensive pension revision and the citizen's income were also made without any serious ex post evaluation of these two policies.

### Societal Consultation

Public  
Consultation  
Score: 4

Consultations with economic and social actors have not been a key priority for recent governments. With their options limited by a difficult budgetary and economic situation, recent governments have been reluctant to involve themselves in long and (according to experience) often unproductive consultations. The Gentiloni government tried to change this pattern somewhat, but the first Conte coalition government (supported by the Five Star Movement and Salvini's Northern League) proved again rather reluctant to engage and consult with social actors. The coalition leaders instead preferred to present themselves as the direct representatives of the people.

## Policy Communication

Coherent  
Communication  
Score: 4

Italian governments have in general coordinated communication rather weakly. Ministers and even undersecretaries have often been able and willing to express their personal positions without coordinating their comments with the Prime Minister's Office. Under the first Conte government, communication was dominated by Di Maio and Salvini, the leaders of two coalition parties who also served as deputy prime ministers. The prime minister was systematically overshadowed. The cabinet thus demonstrated a rather incoherent communication "strategy." Only in the final days of the government did the prime minister try to regain a leading role. Under the second Conte government, the prime minister has sought with greater determination to affirm his communication primacy, but is frequently challenged by the very vocal leaders of the coalition partners.

## Implementation

Government  
Effectiveness  
Score: 5

The formation of the first Conte government, following the 2018 elections, proved rather difficult, and the policy differences between the two coalition parties made the swift implementation of their policy platforms problematic. Under this government, as demanded by the Northern League, policy implementation was most prompt with regard to blocking the influx of immigrants, even at the price of antagonizing Italy's European partners. However, in other fields (e.g., pension reform and the new citizen's income), preparatory work has proven more uncertain, and full implementation has been slow.

One key policy initiative of the first Conte government was the 2019 budget project, which triggered direct and substantial conflict with the European Union. The initial project had to be corrected repeatedly in order to avoid escalating the conflict with the EU.

Several important policies inserted in the government program were simple repetitions of electoral promises (formulated in order to capture votes, but without any specification of the details or costs involved). Extensive work was required to transform these into workable policies. Overall, the policy results of the first Conte government were meager. It remains to be seen whether the second Conte government will be more successful.

Citation:

<http://www.programmagoverno.gov.it/media/3877/report-sullo-stato-di-attuazione-all8-luglio-2018.pdf>

Ministerial  
Compliance  
Score: 6

The “contract” (i.e., the coalition agreement) between the two coalition parties of the first Conte government was the main instrument designed to ensure that ministers fulfilled the government program. However, problems emerged for a number of reasons. First, in many policy fields, the contract specifies only general principles rather than containing clearly defined solutions. Second, in other fields in which the government might be required to act because of emerging problems, the contract says very little. Third, the two coalition parties responded to different electoral constituencies, which produced open conflicts that blocked decision-making.

Finally, there is the problem of the amount of resources devoted to different policies given budgetary limitations. The ability of the prime minister to solve these problems and effectively steer ministers is severely limited by the prime minister’s lack of political weight. The more frequent use of “summits,” which bring together the prime minister and the two deputy prime ministers, was the rather unwieldy solution adopted. These summits often led to the postponement of a decision rather than to a solution.

Monitoring  
Ministries  
Score: 7

The monitoring of the implementation of the government program is delegated to one of the undersecretaries attached to the Presidency of the Council of Ministers and supported by a special office of the presidency (Ufficio per l’attuazione del programma di governo). This office monitors the main legislative activities of the ministries and more recently has started to monitor regularly also the implementation activities related to the legislation adopted. The office publishes a monthly report. However, monitoring tends to be a formal activity that simply documents what has been done rather than being a real instrument of political control. The fact that the undersecretary in charge of the office under the first Conte government was a close political ally of Northern League leader Salvini, but was less close to the president of the council and the other coalition party, possibly reduced this instrument’s role in guiding executive activity.

Citation:

[http://www.programmagoverno.gov.it/media/4056/report\\_conte\\_2019\\_09\\_04.pdf](http://www.programmagoverno.gov.it/media/4056/report_conte_2019_09_04.pdf)

Monitoring  
Agencies,  
Bureaucracies  
Score: 4

Autonomous executive agencies are not very common in Italian ministries, but they have increased with time. Although their activities are monitored, this monitoring is neither systematic nor particularly effective. There are some exceptions: for example, the monitoring of the tax agency (Agenzia delle Entrate) by the Ministry of Finance is more effective than many other oversights. The Corte dei Conti – the main Audit Office – performs a systematic monitoring of bureaucratic offices and also of executive agencies but this monitoring is mainly focused on legal and procedural aspects and is much less effective in covering other aspects such as cost efficiency.

Monitoring of regional healthcare agencies, and healthcare expenditure and procurements is still inadequate. Despite major regional differences and deviations from “standard costs,” established by recent studies, systematic oversight is not yet in place. After long discussions about the introduction of nationally defined “standard costs” in the health sector, this tool has yet to be fully implemented. The capacity of regional governments to properly manage and monitor healthcare resources can vary significantly from region to region, which has cast doubt over further decentralization and the ability of the central government to control this sector.

Task Funding  
Score: 5

In recent years, a double and to some extent contradictory trend has taken place in the relationship between central government and local administrations (regions, provinces and municipalities). On the one hand, constitutional reforms and normal legislative and administrative changes transferred broader tasks to local governments. This has particularly been the case for regions where the devolution of functions in the field of healthcare has been particularly extensive, for example. On the other hand, however, because of budgetary constraints and strong pressure from the European Union and international markets, the central government has increasingly reduced transfers to local governments in order to balance its own budget. Local governments have tried to resist this fiscal squeeze without great success and have had to increase local taxation. At the same time, the government has reduced the autonomy of municipalities to levy property taxes. As a result, functions delegated to subnational governments are now often underfunded, and local authorities have been forced to cut services.

The first Conte government did not devote much attention to this issue. Moreover, as some of its preferred national policies (e.g., the pension reform and the citizen’s income) were extremely expensive, it was not keen to increase funding for local authorities.

Constitutional  
Discretion  
Score: 7

The constitutional and legislative changes, which had substantially increased the powers and scope of regional government activity over the last 20 years, did not make the relationship between different levels of government less antagonistic. Across an increased number of policy fields, central and regional governments have concurrent legislative powers. In these areas, the central state should simply define general guidelines, leaving the articulation of specific legislative contents to regional assemblies. However, the national government and parliament have a tendency not to respect this division of authority, impinging upon the sphere of regional autonomy instead.

For their part, regions often adopt a posture of resistance to national rules. This has produced an exceeding amount of litigation before the Constitutional Court. Tensions between the two levels have also increased as a result of the strained fiscal context. The central government has sought greater oversight



over local governments (often perceived as the culprits of unrestrained spending). In order to balance the national budget, central government transfers to local authorities are repeatedly cut. These cuts are typically applied universally, rather than selectively. However, in several emergencies, the national government has given substantial financial aid to municipalities and regions. Moreover, central government has provided the necessary funds whenever local governments have been close to defaulting.

A clearer definition of the powers and responsibilities of central state and regions failed when the proposed constitutional reform was defeated in the referendum of December 2016.

Under the first Conte government, some regions advanced a request for a broader devolution of competences, as allowed by the constitution. However, as the two main governing parties were divided on this request, the issue remained unresolved.

National  
Standards  
Score: 5

Minimal standards for decentralized public services (e.g., public healthcare and utilities) are agreed upon and set at national level in a number of areas. The permanent conference for relations between the state, regions, provinces and cities (Conferenza Stato-Regioni ed Unificata) is an important forum in which national standards are discussed. However, the implementation of these standards is still far from satisfactory: as the administrative quality of different local authorities varies significantly, standards can differ substantially from one area of the country to another. In many fields the north–south divide remains significant, and seriously affects equality of opportunities and national cohesion. So far, efforts to overcome it have not proven very successful.

National standards have increasingly been adopted for utilities (e.g., water, electricity and communications), but in most cases independent authorities are responsible for the definition and implementation of standards. Implementation in this field is fairly adequate.

Effective  
Regulatory  
Enforcement  
Score: 5

The ability of the government to effectively enforce regulations against resourceful interest groups received renewed attention after the 2018 collapse of the Genova motorway bridge. It has become clear, for instance, that the Ministry of Transport and Infrastructures did not adequately monitor the implementation of the motorway concession agreements by the private companies who were the concessionaires (particularly in the field of investments and security controls). A review of other fields would likely reveal similar problems. The second Conte government is trying to introduce more independent monitoring mechanisms.

### Adaptability

Domestic  
Adaptability  
Score: 6

In the medium term, the most significant impact that international, and particularly supranational (EU-related) developments have had upon the structure and working of the government concerns the role of the minister of finance and of the treasury. Because of budgetary requirements deriving from European integration and participation in the euro zone, the minister of finance has acquired increasing weight in the governmental decision-making process, exercising an effective gatekeeping role with respect to the proposals of line ministries. Another example of this development is the strict internal stability pact, designed to meet the European Union's stability and growth pact obligations across all administrative levels. Consequently, the prime minister and finance minister gained a more central role in the implementation of the government program, guiding the most important decisions, while other ministers assumed a secondary role.

Under the first Conte government, this trend appeared to be reversing itself. The political influence of the prime minister and finance minister was reduced to accommodate the policy initiatives of the two coalition-party leaders, Di Maio and Salvini, who made little effort to respect Italy's international and European obligations. However, the second Conte government has backed somewhat away from this mode of operation.

International  
Coordination  
Score: 4

The ability of Italian governments to take a leading role in international efforts is generally limited. This is in part due to the country's relatively small size, but also because Italian politics tends to focus on internal matters. Moreover, frequent changes in political leadership have made it difficult to provide a strong and clear position in international efforts. There have been occasional exceptions when the government has been more active on a specific issue (such as the abolition of death penalty, or in the promotion of peace talks in the Middle East). With regard to the immigration crisis, Italian governments have tried to promote a sharing of responsibility among EU member states.

Under the pressure of Salvini and the Northern League, the first Conte government took a much more confrontational path with the European Union and some of the main EU member states, while at the same time trying to strengthen bonds with the United States and Russia. This change increasingly isolated Italy within the country's main sphere of activity (i.e., the European Union), and reduced the country's effectiveness in international governance efforts. On the immigration front, demands for cooperation from other EU states were largely rejected. The second Conte government has seemed willing to adopt a more cooperative approach toward the EU.

## Organizational Reform

Self-monitoring  
Score: 5

Traditionally, the attention paid to the internal organization of the government machine has been selective and sporadic. No systematic monitoring was accomplished on a regular basis. The spending review initiated under the Monti government, and continued by the Letta, Renzi and Gentiloni governments, reformed this field somewhat. Reforms have focused mainly on financial issues, but have also involved the monitoring of institutional arrangements of government (with particular attention given to the structures of local government). However, many of these review exercises' proposals for a deeper restructuring of government have not been implemented. The first Conte government discontinued the spending review. After limited past reforms that increased the ability to monitor the government program, little attention has been paid to a serious restructuring of the Prime Minister's Office. Reforms introduced under the Conte government only marginally affected the state bureaucracy's low level of productivity.

Citation:

[http://www.funzionepubblica.gov.it/sites/funzionepubblica.gov.it/files/Valutazione\\_DLgs\\_25\\_maggio\\_2017\\_n74.pdf](http://www.funzionepubblica.gov.it/sites/funzionepubblica.gov.it/files/Valutazione_DLgs_25_maggio_2017_n74.pdf)

Institutional  
Reform  
Score: 5

Despite several years of public debate, successive governments have been unable to significantly improve the effectiveness and efficiency of central government. The attempt of the Renzi government to introduce a broad constitutional reform was strongly rejected in the referendum held in December 2016. The reform had aimed to reduce the delays caused by and veto powers originating from the perfect bicameralism, and redistribute powers between regional and central governments to make the responsibilities of each level clearer. The rejection of the reform demonstrated the difficulties of introducing broad reforms.

Under the first Conte government, the Five Stars Movement strongly pushed for a reduction of the number of deputies and senators. This reform, promoted essentially for symbolic reasons (i.e., reducing the costs of politics), was approved under the second Conte government. By contrast, the Conte governments have been unable to find a solution for the request by some regions for greater autonomy.

## II. Executive Accountability

### Citizens' Participatory Competence

Political  
Knowledge  
Score: 6

Existing public opinion studies indicate that only a minority of citizens (about 35%) are significantly interested in politics and that about a similar percentage talks regularly about politics and follows TV programs featuring political debate. A large majority (85%), however, regularly follows the TV news where political news has a significant weight. While data show that the level of sophistication and knowledge about parties, personnel and composition of government is not low, data concerning levels of information about policies were not easily available. They probably vary greatly depending on the policy field.

In certain areas used by parties to define their positions (especially major economic and fiscal issues, education, healthcare, and foreign policy), levels of information are fairly high. On other policies, the amount knowledge drops significantly. As Italian politics are fast-moving, unstable and strongly personalized, it is naturally difficult for citizens to be well informed about the contents of government policymaking. Television – by far the most significant information source in Italy – does not provide in-depth information.

Citation:

Vincenzo Memoli, How Does Political Knowledge Shape Support for Democracy? Some Research Based on the Italian Case, in *Bulletin of Italian Politics*, Vol. 3, No. 1, 2011, 79-102

Open  
Government  
Score: 4

According to the Freedom of Information principle established in 1990, and further extended in 2013 (Law decree no. 33), citizens have access to all administrative acts with limited exceptions. A government commission oversees the full application of this right.

The government does not have a systematic and comprehensive policy of making information easily accessible for citizens in such a way as would enable citizens to hold the government accountable. The Presidency of the Council of Ministers and the ministries themselves maintain web pages that publish information about government activities. However, the information published on these websites provides a sequence of events (e.g., meetings of the ministers) rather than data-rich documentation.

### Legislative Actors' Resources

Parliamentary  
Resources  
Score: 8

Members of parliament can draw on significant resources of highly qualified personnel to monitor the activities of the government. The permanent staff of both chambers is quite large and is selected through highly competitive mechanisms. Most staff members possess highly qualified legal expertise. The parliamentary staff regularly produces studies on issues and reforms under discussion. A special office of the parliament (the Ufficio Parlamentare di Bilancio, Upb), created in 2015 following the Fiscal Compact Treaty and successive decisions of the European Council, is now responsible for providing parliamentarians with a detailed evaluation of the government's fiscal proposals. The two chambers have quite extensive libraries. Members of parliament also have at their disposal resources for hiring personal parliamentary assistants. The selection of these assistants is much less merit-based and their quality highly variable. Whether in general members of parliament are really interested in using systematically the available resources for monitoring the government is another matter. Probably only a minority fully utilizes these resources.

Citation:

<http://www.upbilancio.it/>

<http://en.upbilancio.it/publication-of-the-report-on-recent-economic-developments-for-october-2018/>

Obtaining  
Documents  
Score: 8

Parliamentary committees are comparatively powerful. They can significantly amend legislation and they have extensive oversight powers. Committees also have the right to ask for documents from the government. Delivery of the documents may not always be prompt, but there is no significant evidence that the government fails to comply.

Summoning  
Ministers  
Score: 8

Article 143 of the Chamber of Deputies' rules of procedure enables parliamentary committees to summon ministers for hearings. Similar rules apply for the Senate. Summoning ministers is a regular practice, and ministers normally comply with such requests. During the first Conte government, Interior Minister Salvini was asked by parliament to explain a case in which one of his close collaborators was involved in obscure Russia-related financial dealings for the purpose of obtaining financial help for the Northern League. Salvini refused to clarify this issue in front of parliament.

Summoning  
Experts  
Score: 9

Parliamentary regulations provide for the right of committees to invite any person able to provide important information (art. 143, 144 Regolamento Camera dei deputati). They can also ask the government to command special studies from the National Statistical Office (ISTAT) (art. 145). The rights of committees are not limited, and committees frequently use this opportunity to summon experts. This also reflects the fact that the Italian committee system plays a more prominent role in the legislative process than do committees in

Task Area  
Congruence  
Score: 8

other European parliamentary regimes. Special parliamentary commissions may be established to investigate particular topics. These parliamentary commissions can also summon experts to give evidence. Recently, a joint parliamentary commission of inquiry on the banking system was established and senior officials from the Banca d'Italia were summoned.

The tasks of committees and ministries mostly coincide. However, there are a few cases where more than one ministry is overseen by a single committee (for instance, this happens with the Presidency of the Council and the Ministry of the Interior, for the Ministries of Cultural Affairs and Education, and for the Ministries of the Environment and Public Works). Parliamentary committees have instruments at their disposal enabling the effective monitoring of ministry activity.

Committees meet frequently and their members are assisted by highly qualified technical personnel. However, parliamentarians are not always interested in fully exploiting these possibilities. Often, they prefer to concentrate on issues with high media visibility or of local relevance rather than on the more important administrative processes taking place far from the spotlight.

## Media

Media Reporting  
Score: 7

The space allocated to political themes in Italian media is quite significant in the 10 most important mass media brands (the three main national newspapers, *Corriere della Sera*, *la Repubblica* and *Il Sole 24 Ore*, which have print and online versions; the three state television channels, RAI1, RAI2 and RAI3; the two Mediaset channels, Canale 5 and Rete 4; and two other private TV channels, Skynews and La7). Television time (both public and private) allocated to political themes is substantial. For instance, the La7 channel alone averages approximately 10 hours per week of political content. A large part of this time is devoted to debates and talk shows involving politicians, journalists and experts, and to covering the most important aspects of current political controversies.

However, detailed, in-depth analysis of government decisions is much rarer, and debates tend to focus on the personality-driven dimensions of power politics. National newspapers provide more in-depth coverage of government decisions, often providing detailed dossiers on their content. Some radio and internet programming gives high-quality information in advance. The broader public has no access or does not seek access to these media.

## Parties and Interest Associations

Intra-party  
Decision-Making  
Score: 5

With regard to intra-party democracy, Italy's major parties differ significantly. At one end of the spectrum lies the Forza Italia party (previously called the People of Freedom Party's or Popolo della Libertà), where decision-making and leadership selection are both fundamentally dominated by its leader, Silvio Berlusconi. Requests to adopt primaries to designate candidates for leading positions at national and subnational levels were recurrently aired but have always been stopped by Berlusconi. With the decline of Berlusconi, the party is largely in disarray. The situation is rather different in the main center-left party, the Democratic Party, where leadership has in past years been selected through primaries open not only to party members but to anyone willing to subscribe a declaration of support for the center-left coalition. A similar procedure was adopted for the selection of parliamentary candidates.

The Five Star Movement has introduced new mechanisms of online direct consultations for decisions and for candidate selection. At the same time, behind the scenes (and sometimes openly), movement founder Beppe Grillo has maintained a very strong steering and veto role. Internal opponents have found it very difficult to win a platform to voice their positions, and dissidents have frequently been expelled from the party.

Northern League party activists and members selected their current leader, Matteo Salvini, through primaries in 2017. The party is now totally dominated by its leader.

Overall intra-party democracy in Italy's political system is not well established and shows a large degree of variation across parties. In particular, it seems difficult to balance an increasing personalization of leadership and the preservation of internal debate. Discussions about regulating the internal dynamics of political parties are recurrent, but have not been implemented.

Association  
Competence  
(Employers &  
Unions)  
Score: 7

The big-interest associations (employers' associations and trade unions) have developed research units which regularly use experts and rely upon scholarly knowledge. Their proposals are often detailed and based upon substantive policy know-how. However, it must be noted that trade unions generally have a rather conservative outlook, and are reluctant to adopt innovative policies in the areas of labor relations or pensions.

Employers' associations (the most important of which being Confindustria) in general adopt a more innovative perspective, and are less defensive of the status quo. However, their policies are much more prudent on issues associated with increasing economic competitiveness or reducing government

Association  
Competence  
(Others)  
Score: 5

subsidies. In recent years, two of the largest trade unions (CISL and UIL) have shown a somewhat greater willingness to negotiate with the government and employers' associations over measures designed to increase the flexibility of labor relations.

The landscape of non-economic interest organizations is increasingly rich and diversified. But only few of them are able to formulate articulated policy proposals and most operate in a reactive mode instead. Among the most professional associations, some religious (such as Caritas, which deals among other things with immigration policies, Comunità di S. Egidio), humanitarian (such as Emergency) and environmental groups (such as Legambiente, FAI and WWF) deserve special mention, and are able to provide well-articulated, expert analysis. An increasing number of single-issue movements are gaining ground in Italy, and are contributing to policymaking in their respective areas.

There are also a series of foundations and think tanks in the field of international affairs (IAI, ISPI), social and economic problems (Censis) producing critical studies and conducting oversight activities. But their infrastructures, resources and personnel are in general limited.

### Independent Supervisory Bodies

Audit Office  
Score: 7

General auditing functions are conducted in Italy by the Court of Accounts (Corte dei Conti), which oversees all administrative activities. The court regularly reports its findings to the parliament, but cannot be said to be accountable to the parliament as it is an independent judicial body. The court can review ex ante the legitimacy of executive acts (although its decisions can be overruled by the government) and is responsible for the ex post review of the management of the state budget. The court oversees the financial management of publicly funded bodies. It is protected from political influence; its judges remain in office until they are 70 years old and cannot be removed without cause. Judges are nominated through national competitive exams, and members of the court nominate the court president. The court has a highly skilled professional staff. Citizens may access court decisions via the internet, at no cost, shortly after decisions are rendered.

In April 2014, the parliament created the Parliament Budgetary Office (Ufficio parlamentare di bilancio), which is tasked with assessing the government's macroeconomic and fiscal forecasts and monitoring compliance with national and European fiscal rules. This new body plays a particularly important role during the budgetary session and enables the parliament to have its own independent source of information in evaluating government proposals. In 2016 and again in 2018, this office demonstrated its increased independence by openly contesting some of the government's economic forecasts.



Ombuds Office  
Score: 3

Italy does not have a national ombuds office. Some functions are performed by regional ombudsman offices (difensore civico). Through questions and other oversight instruments, members of parliament perform with significant vigor an analogous advocate's function with regard to issues and complaints raised by citizens.

Citation:

Russo, F. & M. Wiberg (2010). Parliamentary Questioning in 17 European parliaments: Some steps toward comparison. *The Journal of Legislative Studies*, vol. 16(2), pp. 215-232

Data Protection  
Authority  
Score: 8

The Italian data protection authority (Garante per la protezione dei dati personali) is an independent administrative authority set up under the Privacy Law (Law No. 675 of 31 December 1996). It has powers of inquiry and authorization, and can redress grievances. It can moreover inflict pecuniary sanctions.

Its four members are elected by the parliament for non-renewable seven-year terms. They cannot be re-elected. The authority has extensive powers and enjoys a high degree of independence.

Citation:

<https://www.garanteprivacy.it/documents/10160/0/Data+Protection+Code.pdf>

<https://www.garanteprivacy.it/web/guest/home/attivita-e-documenti/documenti/relazioni-annuali>

<https://www.garanteprivacy.it/documents/10160/0/Annual+report+2017+-+Highlights>

### **Address | Contact**

#### **Bertelsmann Stiftung**

Carl-Bertelsmann-Straße 256  
33311 Gütersloh  
Germany  
Phone +49 5241 81-0

#### **Dr. Christof Schiller**

Phone +49 5241 81-81470  
christof.schiller@bertelsmann-stiftung.de

#### **Dr. Thorsten Hellmann**

Phone +49 5241 81-81236  
thorsten.hellmann@bertelsmann-stiftung.de

#### **Pia Paulini**

Phone +49 5241 81-81468  
pia.paulini@bertelsmann-stiftung.de

[www.bertelsmann-stiftung.de](http://www.bertelsmann-stiftung.de)  
[www.sgi-network.org](http://www.sgi-network.org)