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#### A FURTHER TWIST TOWARDS CENTRALISATION AND UNIFORMITY. GOVERNANCE AND PUBLIC SECTOR REFORMS IN THE ITALIAN RECOVERY AND RESILIENCE PLAN

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#### Abstract

This article examines the implementation of the EU Recovery and Resilience Plan (RRP) in Italy. By analysing and discussing the governance of the plan and the reform agenda it sets out, it aims to determine its political-constitutional background from the viewpoint of the regional and local authorities. The author purports that the logic and political inspiration of the plan is traceable to a longer trajectory of the political direction of executive power that results in the side-lining of both parliamentary and devolved powers. In particular, four factors are detected that justify this claim: the Prime Minister's hegemony within the governance of the RRP; a considerable injection of technical/bureaucratic expertise within the Cabinet Office; the attempt to rearticulate the so-called *multilevel governance* around this hegemony by resorting to uniformity and concentration in the implementation process; and the adherence to a new public management (NPM)-like ideology.

Key words: EU Recovery and Resilience Plan; governance; managerialism; reform; territorial governance; recentralisation; Italy.

# UN GIR MÉS CAP A LA CENTRALITZACIÓ I LA UNIFORMITAT. GOVERNANÇA I REFORMES DEL SECTOR PÚBLIC EN EL PLA DE RECUPERACIÓ I RESILIÈNCIA ITALIÀ

#### Resum

Aquest article examina la implementació del Pla de recuperació per a Europa (Recovery and Resilience Plan, RRP) a Itàlia. Mitjançant l'anàlisi i la discussió sobre la governança del pla i de l'agenda de reformes que estableix, es proposa determinar-ne el rerefons polític i constitucional des del punt de vista de les autoritats regionals i locals. L'autor sosté que la lògica i la inspiració política d'aquest pla responen a una trajectòria més llarga de la direcció política del poder executiu, que es tradueix en deixar al marge les competències parlamentàries i les transferides. En concret, es detecten quatre factors que justifiquen aquesta afirmació: l'hegemonia del primer ministre en la governança d'aquest pla; una injecció considerable de coneixements tècnics/burocràtics en el Consell de Ministres; l'intent de rearticular l'anomenada governança multinivell entorn d'aquesta hegemonia, tot recorrent a la uniformitat i la concentració en el procés d'implementació, i l'adhesió a una ideologia de nova gestió pública (NGP).

Paraules clau: Pla de recuperació per a Europa; governança; gerencialisme; reforma; governança territorial; recentralització; Itàlia.

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# Summary

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# 1 Introduction

This article examines the implementation of the EU Recovery and Resilience Plan (RRP) in Italy. By analysing and discussing the governance of the plan and the reform agenda it sets out, it aims to identify its politicalconstitutional background from the viewpoint of the regional and local authorities. Rather than seeking to justify the plan, this research is based on the premise that the RRP is not merely an important aid and investment programme, but rather it constitutes a crucial political event capable of rearrenging relevant aspects of Italian government. It is symptomatic that the agenda set out by the national unity government, formed in spring 2021 and led by the former head of the European Central Bank, Mario Draghi, revolves around implementing the RRP.<sup>1</sup>

The article's thrust is that the logic and political inspiration of the plan is part and parcel of a longer trajectory of the political direction of executive power, which is resulting in the side-lining of both parliamentary and devolved powers. I have identified four developments in the RRP along this trajectory, which are as follows: 1) The supremacy of the executive is really a form of prime-ministerial hegemony. 2) This hegemony is partly based on a stronger injection of technical/bureaucratic expertise within the Cabinet Office. 3) The aim to rearticulate the so-called *multilevel governance* and *power relations* across the country around this hegemony is explicitly pursued by applying principles of uniformity and concentration. 4) The cement of this institutional design is primarily constituted by a new public management (NPM)-like approach.<sup>2</sup>

To articulate such an argument, in the following section, I start by giving a thumbnail sketch of devolution as set out in the Italian Constitution. In section 3, I describe the nature and effects of the Italian Recovery and Resilience Plan (IRRP),<sup>3</sup> particularly by framing the constitutional position of the Regions vis-à-vis this instrument. In section 4, I deal with the governance that has been set out to implement the IRRP through a subsequent piece of legislation. The analysis shows that this governance departs from the usual constraints of the Italian quasi-federal institutional arrangement. In section 5, I address the crucial issue of the public administration (PA) reform agenda as a condition of compliance with the Next Generation EU framework. Improving bureaucratic efficiency and extensive deregulation are the backbones of the reforms. It is precisely here that uniformity emerges as the outstanding criterion for reshaping public administration, making short shrift of the previous (still in the letter of the law) principle of "administrative federalism". Section 6 concludes with some considerations on the further "rationalisation" of the form of government, which revolves around the hegemonic role of the Prime Minister (PM) and is upheld by the strain of European integration.

# 2 An outline of the Italian devolutionary political system

In this section, I provide a brief account of the Italian devolutionary political system.<sup>4</sup> Under the 1948 Constitution, the twenty Italian Regions enjoy political (Art. 114), legislative (Art. 117), administrative (Art. 118), and fiscal autonomy (Art. 119). A major constitutional reform in 2001 has further devolved to the Regions and local authorities a considerable number of legislative and administrative competences and enhanced their political legitimacy (Groppi & Olivetti, 2003) without, however, changing the fundamental structure of central power. Each Region has its legislature, executive, and electoral arrangements within the framework established by the Constitution. All the Regions have chosen a presidential regime, where the president and the legislative assembly (Council) are both directly elected.

The main effect of the 2001 reform was to tighten up the power remit of state institutions by adopting a somewhat rigid criterion for allocating powers (Tarchi, 2006; Bilancia, 2010). In particular, the National

<sup>1</sup> See the Speech by Mario Draghi presenting the Government's Agenda at the Senate.

<sup>2</sup> Osborne (2006: 382) defines "NPM" as a theory that "assumes competitive relationships between the independent service units inside any public policy domain, taking place within a horizontally organized market-place – and where the key governance mechanism is some combination of competition, the price mechanism and contractual relationships (...)".

<sup>3</sup> All references to and quotations from the IRRP throughout the text refer to the <u>document</u> sent to the EU Commission by the Italian Government (last visited 26 October 2021).

<sup>4</sup> See, for this notion, Aroney (2016). Devolutionary "federal systems" – such as Belgium, Spain, and the UK – stand opposite to "aggregate" federal systems – such as the United States and Germany – which may be assumed to represent the pure federalist form. In reality, the two ideal types sit on a continuum (Aroney, 2016: sec. 20). However, for clarity's sake, I will use the term

Parliament (composed of the House of Deputies and the Senate) only enjoys exclusive legislative competence over enumerated subject matters. Article 117 of the amended Constitution includes criminal and civil justice, private law, foreign policy, immigration, policing, market competition, education, customs, national borders and international disease prevention treatments, and environmental protection. A second list of subject matters is shared between the State and the Regions, such as healthcare, civil contingencies, land-use planning, transport and navigation networks, communications, energy, and social security. The peculiar characteristic of the Italian model of shared competences is that the central State must limit itself to laying down the fundamental principles and establishing the essential levels of rights and services (framework legislation). At the same time, the power to legislate is vested in the Regions. Thus, regulation in this area of shared competence results from concurrence between state and regional rules. Finally, the Regions enjoy residual legislative power in any subject matter not listed under Article 117 of the Constitution.

This arrangement tends to generate frequent friction between the two levels of government. The difficulty of agreeing on what constitutes a "fundamental principle" adds to the usual problem of allocating responsibilities based on assigning meaning to vague locutions such as environmental protection (state exclusive) and land-use planning (shared). The consequence is a remarkable amount of conflict before the Constitutional Court, which plays the primary arbitrating role in the relationships between the central government and the Regions. This issue is exacerbated by the lack of robust institutional mechanisms to coordinate and mediate between levels of government. A recurrent critique of the 2001 constitutional reform is that it has not provided for any regional representation within the National Parliament or tools to participate in the law-making process at the state level (Morrone, 2010).

In the absence of constitutional provisions, a form of multilevel governance called a "conference system" has emerged through conventional rules, case law, and legislation. It is constituted by the State-Regions Conference and the Unified Conference, where, besides the Government and the Regions, representatives of local authorities – municipalities (*comuni*) and provinces (*province*) – sit. Such conferences are the fora where policies involving regional and local matters are discussed and agreed upon when rules require regional consent. Inaugurated by a PM decree in 1983, this system has been enshrined in statutory law by Act of Parliament No. 400/1988 regarding the organisation and functioning of the government. Since then, the conference system has grown more relevant, mainly thanks to the Constitutional Court's case law (Caridà, 2018; Covino, 2018). Such conferences have become *de facto* proxies of local political representation on the national stage. Where regional policies and interests may be affected by state legislation, the Constitutional Court's doctrine of "fair cooperation" dictates that the government seek an agreement (*intesa*) at the relevant conference.<sup>5</sup>

This "conference system" is destined to play a relevant role in the political processes triggered by the IRRP.

## 3 The nature and effects of the Italian Recovery and Resilience Plan

The Italian Government passed the Italian Recovery and Resilience Plan (IRRP) in April 2021 after only giving Parliament the opportunity to debate the draft plan of January 2021 and formulate some guidance. The IRRP was then sent to the EU Commission on 30 April 2021 and approved by the European Council together with the other national plans.<sup>6</sup>

Hence, the IRRP is formally a Cabinet decision and therefore lacks the force of statutory law. From a domestic viewpoint, although it is hugely significant politically, it is less so legally. In principle, Parliament is not bound to follow its directives and prescriptions, and neither are the regional legislatures. The IRRP provides various implementing actions, including parliamentary bills, statutory decrees, ministerial regulations and orders, and

6 See Council of the EU press release, 13 July 2021 (last visited 26 October 2021).

<sup>&</sup>quot;quasi-federal" to evoke the transfer of governing powers from a formerly unitary state to a newly recognised state regional political institution.

<sup>5</sup> Decisions No. 50/2005; 44/2014, 234/2012, 187/2012, 88/2009, 50/2008, 213/2006, 133/2006, 231/2005, 219/2005 (see <u>Constitutional Court's decisions</u>).

regional and local authority decisions.<sup>7</sup> The primary cement of the plan can be assumed to be comity between the Cabinet and Parliament, on the one hand, and the central government and the devolved powers, on the other. It is, in other words, awkward to consider a statute to reform, say, the civil servant recruitment system (see section 5) as the result of a legal obligation on the Parliament to fulfil a provision of the IRRP.

However, the point is entirely different if regarded from an EU perspective. Indeed, the national recovery and resilience plans are the cornerstones of a complex procedure provided by Regulation (EU) 2021/241 of the European Parliament and the Council of 12 February 2021 establishing the Recovery and Resilience Facility (RRF Regulation).<sup>8</sup> Such a procedure involves the Commission, the Council, and the Member States, with the latter receiving substantial funding. The agreement between the Commission and each beneficiary Member State which seals the EU financial support is based on the obligation on the Member States to fulfil all the objectives and measures laid down in the plans. In a sense, the nature of such plans according to the domestic legal system is almost irrelevant. The fact stands out that they are cogs in an EU legislative mechanism (set out by the RRF Regulation, which enjoys direct effect), which makes them mandatory if a Member State wants to access (and maintain over time) the Next Generation EU funding.

From the point of view of the quasi-federal structure of the Italian constitutional arrangement, a Region could object that a given reform, policy, or measure laid down in the IRRP impinges on either its legislative or administrative competence. The array of policies the reforms must take on is of such scope that various regional competences will be affected. Let us bear in mind that the IRRP is based on three strategic axes – digitalisation and innovation, ecological transition, and social cohesion – which, in turn, are divided into six "missions", sixteen "components", and forty-eight "lines of intervention". Three transversal priorities are then identified that all such lines must pursue: gender equality, youth policy, and southern Italy levelling up. It is fitting to note that under Article 118 of the Constitution either state or regional statutes allocate regional and local administrative tasks to the different levels of government according to the interdependent criteria of subsidiarity, adequacy, and differentiation. This means that, in principle, local authorities carry out administrative tasks unless they lack administrative capacity. If the latter occurs, the law allocates the function to the next level of government, up to the national one. The Constitutional Court (Decision No. 303/2003) has interpreted this clause as conferring ample margins of appreciation to the State. In particular, the National Parliament can legitimately legislate on policies reserved to regional competence if it deems it necessary to confer administrative tasks to the central government in application of Article 118 of the Constitution. It is a case where the capacity criterion that governs the distribution of administrative tasks impinges on – and disrupts – the allocation of legislative power between the State and the Regions based on the competence criterion.

Be it as it may, a Region could seek redress from the Constitutional Court should it feel that a particular policy or measure provided in the IRRP falls within its competence. However, it is highly implausible that the Court would bulldoze over Italian state obligations towards the EU by disregarding the IRRP or implementing its own legislation. It is telling that Statutory Decree No. 77 of 31 May 2021 No.– one of the first and most crucial pieces of legislation enacted to implement the IRRP (see next section) – expressly identifies its legitimacy by referring to the exclusive state competence over the relationships between the State and the European Union under Article 117 para. 2 a) of the Constitution. The problem is that Article 117.3 of the Constitution, in turn, lists the "relationships (...) of the Regions with the European Union" among the subject matters where the power to legislate is vested in the Regions within the fundamental principles laid down by the National Parliament. It is hard to accommodate the meaning of these two provisions together. Their standard interpretation is that the EU law to be incorporated into domestic law does not alter the competences that the Constitution confers on the two different levels of government according to the subject matter (competence) criterion.<sup>9</sup> There are two caveats, however. The first is that the central State maintains the power to act

<sup>7</sup> IRRP implementation entails a vast amount of ensuing legislation: 53 acts including statutes, statutory decrees, and delegating statutes to be passed within a demanding schedule spanning from 2021 to 2026.

<sup>8</sup> See the <u>Recovery and Resilence Facilty regulation</u> (last visited 26 October 2021).

<sup>9</sup> Decision by the Italian Constitutional Court No. 126/1996.

subsidiarily should the Regions fail to implement the EU legal provisions.<sup>10</sup> The second being that the relevant piece of EU legislation unequivocally requests a unitary action by the central level of government.

One can argue that the latter is the case regarding the RRF, even though there is no explicit reference to a unitary implementation in the Regulation. It could also be maintained that only the mechanism (the "governance") for directly implementing the IRRP's missions (along with associated expenditure) is, potentially, traceable to a unitary, central form of implementation, as implied in the obligation structure of the Facility. Hence, from this line of argument it would follow that the standard implementation of EU law, with the usual division of labour between the central State and the Regions, should apply at least to the vast programme of reforms provided in the IRRP. Again, the problem with this argument is that it is hardly reconcilable with the substance of the (conditional) framework of the Regulation, as laid bare by the Commission.

Within the RRP Regulation, an RRP establishes first and foremost a reform route. Investment programmes must be accompanied by a reform strategy to enhance regulatory and systemic conditions and a country's equity, efficiency, and competitiveness. As explained in the Staff Working Document of 22 January 2021 (SWD),<sup>11</sup> the primary element on which an RRP hinges is called a "component". Member States should group reforms and investments into coherent components: "Each component should reflect related reform and investment priorities in a policy area or related policy areas, sectors, activities or themes, aiming at tackling specific challenges, forming a coherent package with mutually reinforcing and complementary measures".<sup>12</sup>

It is therefore hard to disentangle reforms and investments. According to the EU provisions, only the interplay between policy, investments, and reforms can guarantee the initiative's success. Accordingly, the implementation process must be monitored and audited by the European Commission. In fact, the strict timetable mentioned above is instrumental in achieving such objectives, legislation reforms included. In the aforementioned SWD, the Commission stresses that "to ensure an effective implementation, clear responsibilities need to be established: A lead ministry/authority should be nominated that has the overall responsibility for the recovery and resilience plans and acts as a single point of contact for the Commission ('coordinator')". This authority is expected "to ensure coordination with other relevant authorities in the country".

How this mandate has been shaped into governance is the subject of the following section.

## 4 Governance of the IRRP as a power centralisation design

As previously mentioned, Statutory Decree No. 77/2021 – transposed into statutory law by Act of Parliament No. 108 of 29 July 2021 – constitutes a milestone in the overall IRRP process,<sup>13</sup> setting up its governance and instituting the coordination authority. As we will see in the next section, it also introduces several changes in legislation aimed at streamlining administrative action in key sectors for the IRRP implementation.

The marrow of this governance is represented by a steering committee<sup>14</sup> (*cabina di regia*) for the Recovery and Resilience Plan (SCRRP) chaired by the Prime Minister.<sup>15</sup> The SCRRP has a variable composition since ministers and junior ministers join according to the topics to be discussed. The SCRRP enjoys general

<sup>10</sup> According to the Constitutional Court's doctrine, this subsidiary power can even be exercised in advance, save if the Regions decide to replace the State's provisions by legislating in turn. This abstract rule is extremely uncertain at the application stage. State level legislation never points out which provisions are meant to be replaceable, and so each Region should decide whether an implementing EU law national provision falls within the regional competence or not.

<sup>11</sup> See EU Commission (2021). Staff Working Document (part 1) of 22 January 2021 (last visited 26 October 2010).

<sup>12</sup> EU Commission (2021). Staff Working Document of 22 January 2021 (No. 4), 13.

<sup>13</sup> Clarich (2021) defines such a statutory decree as the "crutch" that supports the entire plan.

<sup>14</sup> Named "Control Room" in the Technical Annex (in English) "Implementation, Monitoring, Control and Audit of the National Recovery and Resilience Plan".

<sup>15</sup> The exact denomination of the PM according to the text of the Italian Constitution is "President of the Council of Ministers". The PM's constitutional position vis-à-vis other ministers is debated. The received view is that PM are a *primus inter pares* and as such, they perform a coordinating function only (Constitutional Court decisions No. 262/2009 and No. 24/2004). However, in the literature some, such as Catelani (2017: 293), defend the view of the PM's pre-eminence.

coordination and direction powers regarding the implementation of the measures provided for in the IRRP.<sup>16</sup> It also devises guidelines that apply to regional and local authorities. Such a Committee has been engineered to respond to the requirement set out in Article 18.4 (q) of EU Regulation 2021/241 that local and regional authorities, social actors, civil society organisations, youth organisations, and other relevant stakeholders be consulted. In fact, Member States are expected to justify how the input of the stakeholders is reflected in the plan. The model employed by the Italian Government has been to involve such authorities and stakeholders in the governance framework. In particular, the Regional President participates in the SCRRP's meetings when the decision in question directly affects a single region. The President of the Conference of the Regions<sup>17</sup> takes part in the meetings when the topic concerns more than one region or the whole regional level of government. Equally, the President of the Association of Municipalities (ANCI) and the President of the Province Union (UPI) take part in the meetings if questions of local interest arise.

As for the consultation process with the stakeholders, Article 3 of Statutory Decree No. 77/2021 establishes that the Prime Minister institutes a so-called "permanent Table for the economic, social, and territorial partnership". At this Table, besides ministers or their delegates, sit representatives of unions and industrial associations, Regions, local authorities and their associations, universities, and members of civil society. Its primary role is to raise questions for the SCRRP to discuss.

In brief, the SCRRP, in addition to directing all the authorities responsible for implementing the IRRP, enjoys a sort of facilitating role, particularly by resolving political and institutional conflict, monitoring the implementation process, and sorting out bottleneck situations. An interesting issue is how the Committee makes decisions. The law is silent about this, and the variable composition of the SCRRP makes us speculate that it will not operate by the majority rule for deliberation ordinarily followed by public law bodies, including the Council of Ministers. In other words, the Committee's meetings appear to be informal in register, which brings about a role of supremacy of the PM, who is its chairperson and the only component ever necessary. It is not unreasonable to purport that the decision-making pattern will resemble what is called in the UK "collective responsibility" about Cabinet decisions.<sup>18</sup> The Cabinet is meant to be a space for private, frank discussions of issues where ministers are not necessarily are on the same page. However, once a position has been agreed, usually based on the PM's lead, all ministers are expected to abide by it. However, we need to consider that – to counterbalance the PM's pre-eminence – when sensitive powers, such as substituting those of non-compliant regional/local authorities, are at stake – Decree No. 77/2021 bestows them on the Council of Ministers.

The prime-ministerial orientation of such governance is also discernible in the creation of a Technical Secretariat within the Cabinet Office (*Presidenza del Consiglio dei Ministri*) to support the SCRRP. The Secretariat members are appointed, on a discretionary basis, by the PM from among non-partisan outside experts and career civil servants. The Secretariat appears to be the real powerhouse of the Committee<sup>19</sup> and will last, irrespective of government changeovers, until 31 December 2026.<sup>20</sup> It has the crucial task of collecting information from the RRP Central Service<sup>21</sup> and channelling it into the SCRRP and the Stakeholders' Table as well as proposing to the PM any measure or action to achieve the IRRP's goals. Among the said measures,

<sup>16</sup> Two other "inter-ministerial" committees have been created which operate in parallel with the Steering Committee. They are the Committee for the digital transition and the Committee for ecological transition, which have the same directing functions as the Steering Committee regarding their sectoral competences.

<sup>17</sup> The Conference of the Regions is an association created in 1981 by the twenty Italian Regions plus the two "autonomous provinces" (Trento and Bolzano). Its mission is to ensure a unitary regional voice in the relationships with other levels of government within the "conference system". In turn, the Conference of the Regions has been somehow legitimised by successive laws as an interlocutor both of state organs (government, parliament) and European institutions. In particular, Act of Parliament No. 234/2012 has attributed to the Conference of the Regions a significant role in the so-called ascending stage of the European legislative process, in which Member States (and their territorial institutions) have a say in the prospective law. See De Donno (2020: 228).

<sup>18</sup> See *The Cabinet Manual* (2011), 31 (last visited 26 October 2021).

<sup>19</sup> A further bureaucratic office created by Decree No. 77/2021 (Art. 5) within the Cabinet Office is called Unity for Regulation, Rationalisation, and Improvement, tasked with advising the SCRRP on legislative reforms to implement the IRRP.

<sup>20</sup> The same applies to the Unity mentioned in the previous note. See Articles 4 and 5 of Statutory Decree No. 77/2021.

<sup>21</sup> The RRP Central Service is the office appositely created as the contact point with the EU Commission pursuant to Article 22 of EU Regulation 2021/241.

the power to substitute defaulting authorities is probably the most crucial. Article 9 of Statutory Decree No. 77/2021 establishes that public administration at each level of government is responsible for all implementing actions, such as works, purchase of goods and services, and payments, according to the ordinary allocation of competences and procedures provided for by the law. The Ministry for Public Administration was keen to stress the crucial role of local authorities – beneficiaries of a considerable quota of investments – in the implementation process.<sup>22</sup> To this end, the IRRP provides technical assistance and administrative capacity building at the local level to help local authorities speed up their procedures and adapt to digitalisation.<sup>23</sup>

However, to ensure that milestones and targets are completed, a broad power to substitute regional and local authorities which fall behind is established by Article 12 of Statutory Decree No. 77/2021. It provides that whenever they fail to make or execute decisions necessary to implement the plan or make poor decisions, the Prime Minister, at the proposal of the SCRRP or a competent minister, is entitled to give notice to the non-compliant authority to act within 30 days. After that, if the problem persists, the Council of Ministers designs a central authority or a commissar to act in lieu of the defaulting authority. The appointed authority must act as quickly as possible and can derogate from any administrative law rules, whether national or regional, save for in criminal law, provided it abides by the "general principles of the legal system" and EU law.

A special procedure is also provided for bypassing dissenting positions, by both central government bodies and regional/local authorities, that can hinder the execution of any measure or project included in the IRRP. If the dissent comes from a central authority, the Technical Secretariat, within five days, proposes to the PM that the question be submitted to the Council of Ministers for them to make the necessary determination. Where regional authorities hold dissenting positions, the Secretariat firstly proposes to the PM that the question be submitted to the State-Regions Conference to seek an agreed solution within 15 days. If no way through is found, the PM (or the Minister for regional affairs) resorts to the Council of Ministers to exert the substitutive power under Articles 117 or 120 of the Constitution. Article 117 para. 5 establishes that the Regions implement EU law regarding their legislative competences, but state law must provide ways for substitutive powers to be exercised when the Regions do not comply. In Article 120, a general substitutive power clause (introduced in the constitutional text in 2001) is laid down. It awards the government the power to substitute regional and local authorities in three circumstances: when they violate international treaties and norms or EU legislation; in case of a danger to safety and security; and when the protection of legal or economic unity – particularly for guaranteeing the basic levels of social and civil rights – requires so. This exceptional power has rarely been used since successive coalition governments have sought political solutions to crises involving regional prerogatives. Even during the COVID-19 pandemic, despite several problems caused by different regional healthcare policy approaches, the government has never resorted to triggering Article 120 (Civitarese Matteucci et al., 2021). The rationale of linking the government's substitutive power to implement the IRRP to the general clause under Article 120 of the Constitution is to unequivocally assert the national unitary nature of the IRRP.

In sum, the supranational dimension of the IRRP, and its linkage to national political interest, was key to designing an implementation framework – the so-called IRRP governance – that is somewhat detached from the usual constraints of the Italian quasi-federal institutional arrangement. This governance embodies a pyramid-like structure. If the management of actions and projects involves a plurality of authorities, any technical, legal, or political problem triggers mechanisms to scale up power to the Cabinet. The issue, though, does not only concern the quasi-federal dimension (in Italian constitutional law parlance, the "form of the state") but the structure of central government itself. The IRRP implementation model does not afford Parliament much room for manoeuvre. Decree No. 77/2021 only provides that the SCRRP send a report to the Parliament on the implementation progress every six months, but the steering of implementation, including most of the reforms, is firmly in the hands of the Prime Minister and Cabinet.

Besides the governance framework, another hint of this orientation comes from the legislative process anticipated in the plan. Reforms will be primarily operated through either various soft law instruments and

<sup>22</sup> See Il PNRR: le opportunità per i Comuni italiani (last visited 26 October 2021).

<sup>23</sup> The IRRP makes available to local authorities a task force of around one thousand professionals for three years by investing 368.4 million euros.

ministerial regulations or urgent and provisional government decrees that have the force of primary legislation. Under Article 77 of the Constitution, the Parliament exerts *ex-post* scrutiny on statutory decrees in transposing them into an Act of Parliament. If it fails to do so within 60 days, the decree expires and becomes void from the start. This outcome is barely in the realm of possibility, however. By not transposing the decree into statutory law, the majority in Parliament would risk a Cabinet crisis and the dissolution of Parliament by the President of the Republic. Governments are even used to linking a question of confidence in the Cabinet to the ratification of the decree. The standard interpretation of the constitutional provisions on the legislative process and the vote of confidence is that the Government can always "doublecheck" Parliament's support by attaching the value of reiterating the initial confidence vote by MPs to the vote on statutory decree ratification.

To understand the extent to which successive governments use "urgent decreeing", one should bear in mind that between 2008 and 2016, four different Cabinets have enacted, on average, two statutory decrees per month. During the present parliamentary mandate alone, more than seventy statutory decrees have already been enacted. This situation has been favoured by the Constitutional Court's doctrine that the requirements of necessity and urgency set out in the Constitution are a matter of political discretion so that governments can channel into them almost any policy as they deem fit (Tarli Barbieri, 2010; Concaro, 2000). That "urgent decreeing" has nearly become the ordinary way of legislating in Italy is one of the clearest signs of the dominant position acquired by the executive over the legislature. <sup>24</sup> Hence, if the IRRP reference to the recourse to "urgent decreeing" follows a well-known track, the fact that, in devising a programme of reforms over several years, it indicates that track as ordinarily possible<sup>25</sup> is a further step to side-lining Parliament.

Another emerging characteristic of such governance is the sizeable involvement of civil servants and experts, particularly within the Cabinet Office, in the preparation and implementation of the plan, which gives a flavour of professional non-partisan expertise to the government's action and blurs the distinction between politics and bureaucracy. It is fitting to postpone the discussion on how this further development reacts with the form of government until after discussing – in the next section – the approach to public administration reform, another testbed of the long-term dimension of the IRRP. The inspiration for such a reform would appear to be traceable to the same logic of power centralisation and concentration.

# 5 The "creed" of reforms

As stressed in the Commission's Staff Working Document (SWD), reforms must tackle the country's structural weaknesses in addition to boosting the post-pandemic socio-economic recovery and resilience. The concept of conditionality resurfaces here.<sup>26</sup>

The SWD explains that reform is an action or process of making changes and improvements with a significant impact and long-lasting effects on the functioning of an institution or administration's market, policy, or structures. We have already mentioned the interdependence between reforms and investments. Reforms are deemed "to be essential to ensure the efficient and effective implementation of investments by providing a supportive business and administrative environment and by preventing the misuse of EU funding".<sup>27</sup> On the other hand, such reforms should improve no more and no less than the "functioning of the economy and society

27 SWD, part 1/2, 14.

<sup>24</sup> There is overwhelming literature on the so-called abuse of statutory decrees by the government, a long-standing feature of the Italian political system: (Simoncini, 2006; Celotto, 1997; Grottanelli dè Santi, 1978; Cazzola, Predieri, & Priulla, 1975).

<sup>25</sup> See IRRP, p. 43, where it states: "The Government is committed to carrying out the Plan's reform strategy according to set schedule and objectives, even by resorting to urgent decisions if necessary to comply with the established deadlines (...)". (In Italian: "Il Governo si impegna a realizzare la strategia di riforme del Piano secondo i tempi e gli obiettivi previsti, anche ricorrendo a provvedimenti d'urgenza ove necessario a garantire il rispetto delle scadenze programmate (...)").

<sup>26</sup> We may classify it as a mild form of ex-ante or lever conditionality traceable to the first development of this notion during the enlargement phase, also called accession conditionality (Blauberger & Van Hüllen, 2021), to foster institutional convergence on EU-15 practices. It is sizeably different from macro-economic ex-post conditionality, epitomised by the Troika loan to the Greek Government on condition that it implemented draconian austerity measures and passed politically divisive structural reforms (Jacoby & Hopkin, 2020). Viță (2017) suggests, by analysing the 2014-2020 financial period, that the rise of conditionality may hint at a transition towards a conditionality-based culture within the EU's internal relationships.

and the sustainability of public finances". To achieve this goal, "modernising and improving the efficiency and quality of public administration is essential".

In its periodic country specific recommendations, the EU Commission has repeatedly asked Italy to reform public administration.<sup>28</sup> However, public administration reform has been on the agenda of all governments in Italy since the 1990s; and several waves of reform have sought to change various parts of administrative law and organisation. It is not an exclusively Italian phenomenon either (Kuhlmann & Wollmann, 2014). The emphasis on the need for public administrative reform and its global extent are a consequence of the widespread affirmation of neoliberalism (Cassese, 2001: 79), and its reliance on the market, business, and private law as values to import into the public sector (Hanlon, 2018). It is well known that the New Public Management ideology sprang from this approach (Hughes, 2018).<sup>29</sup>As in many other countries, in Italy public administration reforms have often been launched to tackle "big challenges" (Savino, 2015: 643). This is also reflected in the NextGenerationEU Facility, which, as we have seen, pushes forward administrative reforms to drive socio-economic overhaul.

An interesting key to understanding the Italian PA reform trajectory is to distinguish between "external" and "internal" reform (Savino, 2015). The first type concerns the rationalisation of central government and decentralisation. Besides substantially reducing the number of ministries, which were cut from twenty-two to thirteen, the defining "grand reform", inspired by neo-managerialism (Bezes, 2017) and enacted by Act of Parliament No. 59/1997 (the so-called "Bassanini Law") was based on three objectives: to limit Cabinet Office functions to matters of general policy and coordination; to transfer ministerial technical and managerial duties to more autonomous and agile agencies while reorganising ministerial tasks around more efficient "departments"; and to suppress most of the peripheral ministerial offices. The latter point was linked to the main inspiration of the reform - commonly known as the "administrative federalism" turn - to reallocate as many administrative tasks as possible to the regional-local system. The underlying idea was that the Regions would be the engines of such a system, directly regulating and organising local authorities' actions within their jurisdiction (Merloni, 2002). This would halt the traditional central state sway on localism. The narrative was so powerful that even the application of the general law on administrative procedure within regional territories was called into question. Under the constitutional reform of 2001, which represented the apex of the federalist trend, the lack of a subject matter traceable to "administrative procedure" among the parliamentary legislative competences listed in Article 117 of the Constitution led several commentators to claim that administrative functioning and organisation was a matter of regional legislation (Cammelli, 2001; Zanetti, 2003). However, external reforms were frustrated by a countermovement driven by the financial crisis of 2008 (Vandelli, 2018). Hence, they have largely remained on paper while new legislation and Constitutional Court case law have boosted recentralisation.<sup>30</sup> For example, despite the original purpose of severing politics and administration, politicisation soon re-emerged through other managerial reforms (Stolfi, 2011).

Internal reforms concern the functioning and regime of civil service and its accountability, and it is mainly here that the influx of managerialism is tangible. Subsequent reform packages were designed to introduce performance assessment to improve productivity, promote meritocracy, and strengthen result orientation. As claimed by one of the protagonists of this design, "the reform draws on a management model borrowed from

<sup>28</sup> COM (2020) 512 final Brussels, 20.5.2020, Council Recommendation on the 2020 National Reform Programme of Italy and delivering a <u>Council recommedation</u> on the 2020 Stability Programme of Italy. See also EU Commission (Directorate-General for Employment), <u>Public Administration Reform in Europe: Conclusions, lessons learned and recommendations for future EU policy</u> (2018) (last visited 26 October 2021).

<sup>29</sup> NPG is in turn a sort of umbrella concept, capable of covering a range of reform strategies and often with contrasting aims, such as "the reinforcement of steering and control principles in public administrations versus the devolution of powers and increased autonomy granted to the individuals and organizations implementing public policies" (Bezes, 2017: 253).

<sup>30</sup> The attempt to completely suppress Provinces – local authorities provided for in the Constitution that are intermediate between the Regions and Municipalities – is often felt in the literature as a sort of turning point vis-à-vis the federalist turn (Civitarese Matteucci, 2009). Its connection with the new reality "dictated" by the financial crisis is visually revealed by the fact that the famous letter sent on 5 August 2011 by Jean-Claude Trichet and Mario Draghi (then respectively President of the ECB and Governor of the Italian Central Bank) to the Italian Government recommended among the measures necessary to stabilise the financial situation the abolition of the provinces. The constitutional amendment that established, among other things, the suppression of Provinces was rejected by referendum on 4 December 2016; nonetheless, the Provinces were depleted of most of their competences and resources and transformed into indirectly elected bodies.

private enterprise" (Bassanini, 2000). The backbone of the reform was the so-called "privatisation" of the legal status of civil servants and the adoption of a form of managerial separation between politics (politicians setting policy goals) and administration (formally responsible for implementation) that somewhat departed from the principle of individual ministerial responsibility. It was initially accompanied by a spoils system under which all top civil servants faced confirmation by the incoming government. However, the parameter by which to assess public manager performance by politicians would be their capacity to yield the expected outputs rather than the correct application of the law or political loyalty. The so-called simplification of rules and procedures (Travi, Occhetti & Gambino, 2018) (red tape reduction) can be traced to this general neo-managerial inspiration. The rejection of the position that administrative law was to become prevalently a regional matter<sup>31</sup> pushed forward a never-ending process of amending the general rules on administrative procedure and the decision-making process<sup>32</sup> through numerous statutory decrees or (less frequently) acts of statutory law. Such reforms – pursued essentially by changing primary legislation – have not produced the expected outcomes either. An implementation gap was detected early on (Ongaro & Valotti, 2008; Cepiku & Meneguzzo, 2020). We cannot delve into the details, but the most obvious proof of this failure is that PA reform is still topping European and domestic agendas and is the first condition for Italy to benefit from the Facility instrument.

As we are about to see, the IRRP seems to partially change the reform tactic. It contemplates three types of reform: horizontal, habilitating, and sectoral. Horizontal or contextual reforms aim to introduce structural, institutional change that is transversal across every mission provided in the plan. There are two horizontal reforms, affecting the public administration and the judicial system. Habilitating reforms are functional to guarantee the IRRP implementation and eliminate bureaucratic, regulatory, and procedural hurdles that affect business and negatively impact public services. Some examples of habilitating reforms are measures to make legislation simpler and boost competition. Sectoral reforms accompany specific missions to introduce more effective and efficient rules and procedures in policy areas such as renewable energy sources, proximity healthcare assistance, and tackling the black labour market. The boundaries between the three types are blurred, and if we look at the horizontal public administration reform, we can see that it combines all the types.

By reading through the 2,500 pages of the plan, we sense that the government has learned from experience. They admit that purely regulatory intervention will produce limited effects if not accompanied by adequate complementary actions on the organisation, implementation, and monitoring of the policies. Furthermore, they claim that financial resources – rather than budgetary cuts – are what is required.

The two main axes of reform identified in the plan are digitalisation and administrative capacity. Through the first, the objective is to drive the digital transformation of PA, for which an investment of 9.78 billion euro is provided. Here the reforms concern:

- streamlining ICT procurement;

- the creation of a "Digital PA" transformation office equipped with a temporary technology-skilled resource pool to orchestrate and support the overall migration effort and the centralised negotiation of "packages" of certified external support, and

- "cloud first and interoperability", a set of incentives and obligations aimed at facilitating migration to the cloud and debottlenecking/removing procedural constraints to the broad adoption of digital services.

Enhancing the administrative capacity of Italian public administrations at central and local levels, the second axis is intertwined with digitalisation, which far from consisting of a simple shift from analogue to digital, requires re-engineering administrative processes and procedures and "a redefinition of the terms and methods

<sup>31</sup> The right of the central State to legislate on administrative law process and organisation was acknowledged by the Constitutional Court, arguing that such regulation was part of the exclusive Parliamentary competence on establishing the basic levels of social and civil rights all over the country (Italian Constitutional Court decisions No. 246/2018, No. 62/2013, No. 207 and No. 203 of 2012). This doctrine was often coupled with tracing administrative laws to the regulation of market competition (Decision No. 247/2020), another matter within the exclusive state legislative competence.

<sup>32</sup> The general law on administrative procedure, Act of Parliament No. 241/1990, has been amended since then almost every year. The provision that lets a person or company replace an authorisation with a self-certification to start a business or another activity has been changed as many as nineteen times, often twice in a year, and once four times in a year.

of interaction between people and all stakeholders".<sup>33</sup> The IRRP indicates four reform branches, all concerning "internal reforms", which somewhat overlap.

a) The first aims to change the selection process through a single national recruiting platform conceived as "a strategic planning tool to identify the human capital needs of central and local administrations, and to monitor the performance of individuals and organisations". The inspiration possibly comes from the European Personnel Selection Office (EPSO), the body organising the competitions to work for the EU.<sup>34</sup> EPSO aims to provide a list of candidates from which all the European institutions and bodies can recruit staff. Following the Kinnock report,<sup>35</sup> the inception of EPSO is part of the New Public Management turn by the EU Commission under Romano Prodi's presidency (Ban, 2010). In brief, the selection process – replacing the traditional competition mechanism – includes the development of a competency framework by an outside consultant on which to carry out competency testing both in the preselection phase (to assess "derived knowledge" and skills) and in the assessment centre phase (where the focus is behavioural).<sup>36</sup>

b) The second branch aims to tackle the bureaucracy burden through a renewed wave of simplification measures. It entails taking on the excess of regulation, streamlining specific procedures linked to the implementation of the IRRP and reviewing all existing permission regimes. Part of the latter, concerning landscape protection, environmental impact assessment, renewable energy infrastructures, public procurement, complex infrastructure projects, and aids for southern Italy, has already been delivered by Statutory Decree No. 77/2021 as a "fast-track" RRP implementing action. Part of such deregulation will be rolled out as temporary measures during the fast-track phase. After assessing their effects, the government will incorporate them in a comprehensive review of existing procedures to be carried out within the period of the IRRP. A specific programme of standardisation of administrative procedures (i.e. "deregulation") aims to cut red tape by either eliminating authorisations that are "not justified by overriding reasons of public interest" or adopting simplified decision-making processes, such as a regime of "tacit consent" (*silenzio-assenso*) after a certain time has passed since the application. Another goal of the programme is a complete digital re-engineering of the decision-making process. A screening of the regulation affecting business was already under way as part of the 2020-2023 Simplification Agenda.

By adding the RRF resources, the plan aims for an overall review of "roughly the entire universe of existing procedures" (about six hundred). The adoption of a uniform regulatory regime throughout the country is one of the major targets of the agenda. As stated in the plan – in somewhat of an understatement – this goal must be "shared with Regions" and local authorities since much of this regulation concerns matters of regional legislative competence. The IRRP therefore sets out a "multilevel" governance of the Simplification Agenda by instituting a "Technical Table" within the Department of Public Administration. The Table – which must regularly consult with business associations – comprises five representatives designated by the Conference of the Regions, three by ANCI and UPI, and four by the Department of Public Administration. The Table, although referred to as "technical", seems to have mainly a political mediation role. The driving machine of the Simplification Agenda is a central monitoring Task Force within the Department of Public Administration, consisting of 25 experts, "responsible for the overall coordination and monitoring of the activities of the technical assistance; the collection of inputs from local administrations for the systematic identification and resolution of bottlenecks; the necessary adjustments in the allocation of resources for the implementation of complex procedures and the definition of additional interventions of simplification; the setup of specific actions for non-compliant regions".

<sup>33</sup> IRRP, p. 396.

<sup>34</sup> See <u>EPSO</u> website.

<sup>35</sup> White Paper, <u>Reforming the Commission</u> (European Commission, 2000). See Ban (2013).

<sup>36</sup> It is outside the scope of this article to evaluate the merit of this change in approach. We confine ourselves to noting that while some see the "competency management approach as an essential part of contemporary HR management and as supporting broader organizational change processes, others express concern that it is the latest HR fad, pushed by management consultants and generating lists of competencies that are so general as to be simplistic platitudes" (Ban, 2010: 18). Recently, the EU Court of Auditors issued a special report called *The European Personnel Selection Office: Time to adapt the selection process to changing recruitment needs* (2020) (last visited 26 October 2021), whose central recommendation is to tackle the problem that "EPSO's selection process for specialist profiles is not suited to the current recruitment needs of the EU institutions" (p. 29).

Decree No. 77/2021 also provides for some "horizontal" changes by amending the general law on administrative procedure No. 241/1990. The scope of such amendments is not dramatic, given that – as remarked before – this law has been changed endlessly since its introduction, in the pursuit of "simplification". They concern three aspects of the decision-making process: 1) The duty on every public authority to appoint a person or office in charge of replacing non-compliant officials to speed up decision-making. 2) The strengthening of the so-called "tacit-consent" mechanism by allowing a person to self-certificate that the time by which a public authority had to finalise the decision-making process has expired. In this way, the person is entitled to benefit from the effects of the authorisation being sought. 3) The reduction of the deadline, from eighteen to twelve months, by which a public authority can quash its previous unlawful decisions permitting activities or awarding economic aid.

c) The third branch, branded "competence", aims to change the public sector job market through a reform of PA careers designed to enhance horizontal (between different authorities) and vertical (within the same authority) mobility. The aim is to improve career opportunities by replacing position upgrading and appointment to senior positions based on tenure time and specialised knowledge assessment with individual performance and assessment of competence and managerial skills. For the overhauling of career paths and lifelong learning, the plan provides the creation of a "strategic Human Resources management capability for Public Administrations". To this end, the government will add two additional digital elements to the recruitment portal: one to chart staff competences and the other to generate reliable information on staffing needs.

A further reform regards access to the Senior Civil Service (SCS), based on three principles: (1) qualify the SCS in terms of leadership model, managerial, and policy-related competences; (2) rationalise the pathways to access the SCS based on the different recruitment pools (internal vs. external); (3) support the creation of a single national market of SCS, to better allocate competences and ensure broader mobility within the single policy area or function, even across different government levels. The government will enact a regulation for the whole of the SCS, defining expected knowledge, competences, and ethics. This framework will guide public competitions to access the SCS, the competitive appointment system, and a continuous learning system. Hence, national uniformity appears to be the most crucial asset of the reform in this field too.

d) Finally, the goal to overhaul the efficiency of the PA relies on introducing a system of performance appraisal based on effective "activity-based cost management" (Cokins, 1996), which is more outcome-focused than merely output-focused. For larger authorities (ministries and national agencies, Regions, municipalities with more than 250,000 inhabitants), result-oriented performance indicators will be gradually introduced – also through the creation of a special Delivery Unit – to assess the performance of individual managers. Moreover, the organisation of medium-sized authorities (about 500 municipalities between 25,000 and 250,000 inhabitants and provinces) will be "restructured" by launching specific tenders to redesign and digitalise workspaces, foster the green transition, and retrain employees. For smaller authorities, a project coordinated by the Ministry of Economy and Finance, along with the Department for the Public Sector and the Ministry for Digital Transformation, will create a network of digital "one-stop shops".

To sum up, what emerges from the analysis above is that the driving force of the public administration reform revolves around criteria of uniformity and concentration to ensure that the IRRP is implemented properly and in a timely fashion across the country. However, there are no clear and distinct boundaries between the reforms to implement the IRRP ("habilitating") and the reforms to improve administrative capacity "structurally". In fact, the latter are inspired by the same criteria as the former. The core idea is that all public administrations are governed by the same principles, procedures, recruitment, and bureaucratic culture. This idea is in sharp contrast with the perspective (already fading over the years after the 2001 quasi-federalist constitutional reform) (Civitarese Matteucci, 2010) of a region-centred (administrative) system of local authorities.<sup>37</sup> Even more than that, considering the Italian constitutional framework regarding the relationships between levels of government, there has been a reversal of the notion that administrative law, procedure, and organisation are, in principle, a responsibility within the legislative remit of the regions.

<sup>37</sup> Article 4 of the General Unified Act on Local Authorities (No. 267/2000) still reads that regional legislation promotes an efficient system of local authorities to pursue economic, social, and civil development.

## 6 Discussion and closing considerations

This final section strings together the observations made in the previous sections and frames some final considerations on the evolving dynamics of government in Italy.

We have seen that both the governance and decision-making process laid down in the IRRP is mainly based on the pre-eminence of the Prime Minister in a direct dialogue with the EU institutions rather than any mixedgovernment arrangement (whether firm or loose) rooted in parliamentary sovereignty. This is partly due to the "material" characteristics of Draghi's Cabinet, which has been formed directly as a result of a decision by the President of the Republic.<sup>38</sup> It followed the failure by political groups in Parliament to reach an agreement to form a new government after the resignation of Giuseppe Conte's Cabinet in January 2021. All the main parties (except for the far right Fratelli d'Italia) have backed Draghi's government and had ministers appointed in his Cabinet. Nonetheless, it remains technocratic in nature. This attribute does not only refer to the public figure of Mario Draghi as a non-partisan super expert. It mainly indicates that there is no proper coalition programme and that the parties, as people's representatives in the legislature, do not have substantive power to define the general interest and decide policies (Fabbrini, 2021). Hence, by implementing a set of policies already established elsewhere, Draghi's Cabinet fills a political gap.

This may be a transitory arrangement, however, prone to be set aside as soon as party politics and parliamentary institutions are functional again. From a strictly legal point of view, the governance analysed in section 4 is contingent on the six years of the IRRP implementation. Yet, we should bear in mind that the IRRP and its resources will be the main concern of any central or regional government throughout the implementation period. Draghi's Cabinet itself has been formed with the specific aim of preparing and applying the IRRP. As regards political and administrative decentralisation in particular, the magnitude of the IRRP's objectives intimates that such a framework marks a steadier change in the political power structure in Italy.<sup>39</sup> It is telling that most of the special bodies, such as the Technical Secretariat, created around the IRRP governance, will last irrespective of government changeovers until the completion of the programme.

Along with them, the Steering Committee for the Recovery and Resilience Plan – and several other consultative entities in which different levels of territorial government and stakeholders cooperate – epitomises an idea of flexible governance that once again favours a shift towards a prime-ministerial steering turn when establishing who is the decision-maker of last instance. Another factor boosting the Prime Minister's steering and coordination capacity is the involvement of experts and top bureaucrats in political direction. The Technical Secretariat is a significant example of this in the IRRP governance, but other task forces and expert committees are disseminated across the plan. It is a well-documented and discussed feature of a neo-managerial reform style to establish ad hoc structures, such as the Performance and Innovation Unit set up by Tony Blair in 1998, which in 2001 became the Prime Minister's Strategy Unit (Bezes, 2017: 255).

The reform agenda discussed in section 5 is entirely coherent with this picture. It still draws its core principles from the arsenal of NPM tradition. The IRRP resolves administrative capacity and good administration into managerial efficiency and emphasises the goals of eliminating red tape and deregulation. Naturally, a country strategy of moving steadily towards such principles of administrative activity is at odds with devolution and even decentralisation, in stark contrast with the Italian constitutional devolutionary model. Indeed, the whole administrative reform is "internal" in nature, viz. concerning the functioning and regime of bureaucracy and its accountability, which the IRRP treats as a thorough unitary body throughout central, regional, and local government. The transcendent logic of such reforms is one of concentration and centralisation, aligning with the change in the form of government discussed in section 4. Avoiding "external" reforms is instrumental to the overall design of centralisation and uniformity. However, even within the same NPM logic, there is an issue here. This approach fails to recognise that the worst governance failures may well be political rather than

<sup>38</sup> Resorting to technocratic cabinets that tackle major challenges is a recurrent feature of Italian politics. In three previous occurrences, in 1993, 1995, and 2011, party politics stalemates were solved by the President of the Republic through the appointment of non-partisan authoritative figures to carry out institutional reforms or adopt financial measures too uncomfortable for political parties. A common denominator of such a government is that they operate in close relationship with EU institutions (De Fiores, 2021; Volpi, 2017).

<sup>39</sup> The stealthy change envisaged here couples with the open and heated discussion on formally rethinking the Italian quasi-federal model because of how the regional system has been performing during the pandemic crisis. See Gardini (2020); Tubertini (2020); Camerlengo (2020); and Bilancia (2020).

bureaucratic. Then, better governance would require identifying the underlying political causes, which often lie in the failure of political institutions to provide clear policy goals, and the fact that they rarely allocate adequate resources to deal with the scope of problems and do not allow the bureaucracy sufficient leeway in implementation (Meier *et al.*, 2019). The bureaucracies, in turn, try to rationally adapt to such political failures, "but their responses can create a set of pathologies that detrimentally affect policy. While the public and the media view these ills as bureaucratic pathologies, they are in reality bureaucratic symptoms of political failure" (Meier *et al.*, 2019: 1581). It is apparent that contemporary governance problems cannot be fixed solely through additional bureaucratic reforms (Meier *et al.*, 2019: 1597).

By using the doctrinal metaphor of the "political direction stream", constitutional law scholarship has promptly noticed the signs of the rearrangement discussed in this article, hinting at a change of paradigm affecting the form of government.<sup>40</sup> "Political direction", as elaborated by eminent Italian constitutional scholars (Crisafulli, 1939; Mortati, 1931), is a descriptive tool to make sense of policymaking as a complex process involving constitutionally legitimated players (the people, Parliament, the Executive, courts, etc.). Political direction somehow logically prioritises policymaking, even though it can only be captured ex post (Lavagna, 1942). It expresses the moment when the political unity of a constitutional order tames the centripetal force of the separation of powers. The gist of this concept resides in the broadest possible political power at the State's disposal to decide its ultimate ends. In a slightly different formulation, it can be expressed in "the convergence of certain political and social forces upon a series of basic political aims and a capacity to affirm them" (Goldoni M. Wilkinson, 2018: 590). Hence, political direction expresses not only a process but also a substance. In its pure version, this notion has long been subject to sensible revision, given the necessity, among other things, to add the EU legal order to the equation. Even within a more nuanced idea of "political direction", distinguishing the contribution of diverse institutions operating at different power levels to its formation remains problematic.<sup>41</sup> However, if we take the IRRP as a litmus test, we can discern the image of a "political direction" substantially determined by a relationship between national executives that is dominated by the President/Prime Minister and EU governance. It is a political direction that is framed in a legal structure aimed at binding national political institutions over time, irrespective of political-electoral cycles.

Is there a democratic problem regarding the matter at stake?<sup>42</sup> We could either shrug at the unfashionable nation-state obsession of some nostalgic persons or regard that question as yet further proof that there is indeed a critical problem regarding political processes in the European space.<sup>43</sup>

<sup>40</sup> See Sciortino (2021).

<sup>41</sup> From an even broader perspective, the story told in this article may just be accounted for as a mere peripheral wave of a more profound epochal change brought about by globalisation and European integration. According to a robust strand of political science scholarship, the traditional notion of the nation-state as end-free has already been destabilised. It argues that we should rethink states as part of a network whose organisation and powers depend on the set of policies they can actually decide and implement rather than on abstract concepts such as sovereignty, the form of government, separation of powers, checks and balances, and so on (Le Galès & King, 2017).

<sup>42</sup> See Sciortino (2021: 261).

<sup>43</sup> See Bilancia & Civitarese Matteucci (2021).

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