

The Recent Decline in Italian Social Services System, Amid Financial Crises and Socio-Political Constraints

Marco Burgalassi
Eleonora Melchiorre, PhD
University of Roma Tre, Italy

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Abstract

In Italy the social services have always been a marginal part of social protection system and only since the late twentieth century had a development. This development, however, at some time has stopped. The process of “liability reduction” of the national government towards the local welfare system and recent cuts in social funding, in fact, have led to a new decline of social services.

This essay presents a longitudinal view of the issues that concerned the social services sector over the course of the last two decades. The objective of the analyses is to demonstrate that the recent decline in the social services system is tied to the economic recession of 2008, but was above all caused by the reaffirmation of the traditionally marginal position of social services on the agenda of the national government.

The theoretical framework used considers the development of social services of the years of the late twentieth century as a passage of the extension and consolidation process of the Italian system of social protection built since the '60s. However, in this process the social services was placed at the edge of the main path and this determined the weakness of their position. Thus, the external event represented by the international financial crisis has had a negative impact almost exclusively on social services, while the historical features and the path of structuring of the Italian system of social protection has prevented the same happen for the other sectors (pensions, health).

Keywords: Social policy, social services, Italy

Introduction

One of the peculiar features of the Italian welfare system is the marginal role traditionally played by the social services sector. In fact, the presence of a welfare model centered on the transfer of money and based on the family as the cornerstone of care for vulnerable citizens (Ferrera, 1996;

Naldini 2003) resulted in the government concentrating primarily on pensions and healthcare during the expansion of social policies in the latter half of the twentieth century, with only marginal attention dedicated to initiatives designed to address social malaise and exclusion (Ferrera, 1984; Morlicchio et al., 2001; Ferrera, Jessoula & Fargion, 2012; Ascoli & Pavolini, 2015). This meant that over the course of time, the pensions system and healthcare systems were significantly developed through continuous regulatory changes and financing frameworks, while the social services system remained in the background, and basically underdeveloped. A clear demonstration of this phenomenon is represented by data over several years placing Italy at the top of the rankings in Europe for pensions expenditures, at an intermediate position for healthcare expenditures, and at the bottom of the list for resources dedicated to social services (OECD, 2014).

Starting from the last decade of the twentieth century, the situation changed slightly, and social services began a significant developmental process. Approval of a series of important provisions related to initiatives dedicated to children (Law 285/1997), disabled citizens (Law 162/1998) and immigrants (Law 40/1998), and then the adoption of a general law governing the sector (Law 328/2000) accompanied by a large transfer of public funds spurred growth in the social services sector. In particular, these circumstances led to:

- On the one hand, the definition of a new framework for the social services system, characterized by a) an important local government responsibility in the planning and implementation of social service related interventions, b) new and more productive collaboration methods between the public and private sectors to build an integrated service provider network, and c) participatory practices designed to involve civil society in the planning of social service programs.

- On the other hand, significant quantitative and qualitative growth in the intervention network to address social malaise and exclusion, which was progressively expanded throughout the entire country.

During more recent years, the developmental process that was initiated was interrupted, and the social services system has undergone a period of regression. The regulatory framework has been weakened, and financing for interventions has dropped along with the available services for citizens. After significant growth in the period from the late twentieth century to the early years of the twenty-first century, the current scenario demonstrates steady decline in the system, which could also compromise the results obtained only recently.

This essay presents a longitudinal view of the issues that influenced the social services sector over the course of the last two decades, focusing

on the elements that characterized first the stage of development, and then the system's decline. The objective of the analyses is to demonstrate that the recent decline in the social services system most certainly stemmed from the economic recession triggered in 2008, but more importantly, was above all caused by the rapid reaffirmation of the traditionally marginal position of social services on the agenda of the national government, something which in the end of twentieth century appeared to have been finally overcome. This return to a position of marginality was further facilitated by the transfer of power in favor of autonomous territorial entities set forth in the Constitutional Law 3/2001 (federalism reform), which even though it was formulated to enhance local communities, also legitimated the central government's denial of responsibility for the social services system. This denial of responsibility, in fact, resulted in a few years the renunciation to the potential effects of Law 328/2000 and to the consolidation of a non-strategic orientation in the actions of the government for the social services sector. If it is in fact true that the various governments coming to power over the last fifteen years have shown a different approach to the social services issues, it is just as true that the absence of a strategic direction for interventions and instability in the financial framework have been constants in recent political history, revealing that the development of social services never actually came to the forefront as a real priority of political agenda.

The theoretical framework adopted in this essay is historical institutionalism (Hall and Taylor, 1996; Pierson, 2004; Mahoney and Thelen, 2009), which interprets the welfare policies as dependents by their own path of development (path-dependency). From this standpoint, the history of the institutional configurations of social policy - intended as rules and procedures, formal and informal - constitute a material conditioning and symbolic that constrains the framework of their changes, orienting ideas and decision making. For this reason, the evolution of welfare systems is accomplished with long periods of continuity in which, however, there may also be critical junctures determined by specific exogenous conditions that modify the evolution of events. These interruptions in their continuous path self-empowerment can also lead to a change in the system of social protection but do not modify their primary evolutionary track (Pierson, 1996). Thus the consequences of the critical passages involve the elements of lesser impact material and symbolic.

This essay, which uses secondary data coming from national and international statistical sources, is structured as follows: the next section describes how Italian society has changed over the last decades, and how approaches to social policies have changed; the following section describes the characteristics of the Italian social services system and its development starting from the late twentieth century; afterwards are presented the

situations that manifested the decline of the social services system, in particular after 2008; the final section resumes issues presented in the previous sections and describes what may happen in the near future.

Framework of social policies in Italy

Over the course of the last decade, Italian society has been subjected to a series of transformations that significantly modified its profile. In particular: the aging population, low birth rate and increase in numbers of immigrants have changed the demographic and social characteristics of the country; the growing diffusion of single person households has produced a change in the structure and functions of family ties; the labor market has become precarious, making living conditions vulnerable, especially for the younger generations; poverty has extended and taken root, to become an emergency that impacts a significant portion of the population. These transformations have also led to change in the range of needs and risks that the social services system must be capable of addressing. In fact, the social need has expanded and fragmented, and it is added to the request to have more customized interventions for new types of situations (Taylor-Gooby, 2004; Bonoli, 2005).

At the close of the twentieth century, transformations in Italian society were accompanied by two important changes in the political-institutional framework. The first, endogenous in nature, was the end of the traditional Italian political party system, which resulted in the emergence of an alternation in government and the development of new practices in governmental decision-making processes (Ferrera, 2006). The second, of an exogenous nature, was the founding of the European Union and the undersigning of international agreements that had the power to restrict the policies of single nations.

These changes combined to result in a reconfiguration of the public model in the social services sector. This reconfiguration took place through a progressive “subsidiarisation” of social policies (Kazepov, 2006; Kazepov, 2008) centered on a new role of public entities in the construction of the social services system and the presence of the private sector in the planning and management of interventions. This subsidiarisation was constituted basically of: a) reallocation of competencies among the various levels of government and b) overcoming the monopoly held by public institutions in producing wellbeing for citizens.

The redefinition of the role and competencies of diverse public institutions in the social services sector was implemented through a decentralization process that began in the 1970s (DPR 616/1977) and concluded in the 1990s (DLgs 112/1997). This decentralization resulted in extensive transfer of administrative functions to local authorities, with

Regions taking over social services programming and Municipalities being responsible for their organization. Nevertheless, for an extended period the fulfillment of these functions was impacted by inadequate financing to local entities from the national government and the requirements of complex specific principles and programs without an organic framework. It was only with the approval of Law 328 in 2000 that the process of reconfiguration of social services was concluded, with the following elements: i) assignment of programming, regulations, organization and control of the social services framework to Municipalities; ii) introduction of a model for the construction of a local social services system based on a logic of onsite governance; iii) implementation of the principle of integration (among different public policies, different players and professional profiles) as the focal point for the new social services system.

In addition to the assignment of new roles to Municipalities, the reconfiguration of the system was also implemented through the involvement of nonprofit institutions for the programming and management of social services (Bifulco, 2011). This involvement, which was based on the approval of the Law governing volunteer organizations (Law 266/1991) and the Law governing social cooperation (Law 381/1991), pursuant to which the private sector was formally constituted, resulted in passing from a model based on direct management of services by public institutions to a mixed model based on collaboration among public and nonprofit institutions. The involvement of nonprofit institutions in the programming and management of public social services significantly boosted the system. Starting from the latter half of the 1990s, in fact, the presence of the third sector in the social services network was accompanied by significant quantitative extension of traditional interventions and the onset of new and better services for the changing context of users and their needs (Ranci et al., 2009; Fazzi, 2009).

The inherent potential in the new social policy framework resulted in growth and extension in the social services system starting in the late twentieth century. Nevertheless, this process was not continuous and linear, but progressed irregularly and experienced different trends. Over the last two decades, it is possible to identify at least 5 different stages of Italian social policy linked to the same number of political seasons:

- Between 1996 and 2001, when Italy was governed by the center-left (Prodi, D'Alema, Amato), there was a strong impulse to develop the social services system, which was also enhanced by expansion and innovation in the regulatory framework (approval of specific sector laws for children and adolescents, immigrants, disabled citizens, to address social exclusion and help poor families living in rental housing), as well as by reorganization and significant increase of available financial resources. The

apex of this developmental phase is represented by approval of Law 328/2000, the Piano Nazionale dei Servizi Sociali 2001-2003 [National Social Services Plan] and the Reddito Minimo di Inserimento [Minimum Insertion Income]. Only in the period from 1998-2001 the resources for social services went from 381 to 1.466 million euros a year.

- From 2001 to 2006, when Italy was governed by the center-right (Berlusconi), the impulse for development in the social services sector is brusquely slowed down. Some of the interventions that were previously initiated were weakened or abandoned, in particular those addressing poverty. The limitations on public competences set forth in Constitutional Law 3/2001 allowed a lower public commitment in the sector, which was intended to open up a market space . Overall, the available public funds for social services decreased, first only marginally and then more significantly.

- From 2006 to 2008, with the return of a center-left government (Prodi), financing for social services once again began to increase, above all through the activation of sector funds including those earmarked for socio-education services and for old people. Nevertheless, due to the brief duration of this legislature no significant results were obtained to recommence development in the system framework, which remained stagnated, relying solely on what was left of legislative interventions prior to 2001. In fact, in its two years this government was not able to initiate a strategy for recover some important measures launched in the past (like in the case of the National Social Services Plan or the Minimum Insertion Income). Therefore, several essential elements to ensure a modern welfare system continued to be lacking in the Italian context: a universal approach to fighting poverty, the definition of essential levels of services, regulation of care professionals.

- From 2008 to 2011, when returned to center-right government (Berlusconi) and the international economic crisis took hold, financing for social services fell drastically, and strategy that tended to further weaken public intervention recommenced. The objective was to start a comprehensive reconfiguration of the system, placing the family and the private sector at its center and reserving for the public institutions only the task of handling extreme situations. It was during these years that reform of the fiscal system and welfare system based on a re-dimensioning of the public role in the social services system was planned.

- Between 2012 and 2013, during an era influenced by intense political and economic crises in Italy, requiring the institution of a “technical government” (Monti) and a broad coalition government (Letta), there was no significant development in the outlook for the social services system. In fact, the prolonged absence of a strategic plan of action and inconsistency in any concrete programs of intervention was evident. The

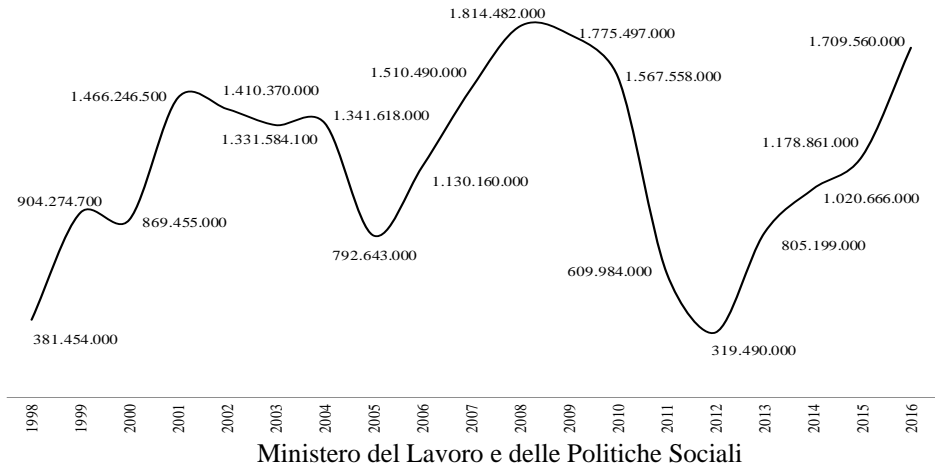
public financing in 2012 recorded its lowest level, even though it subsequently began to show signs of recovery. The only change in respect to the recent past was the proposal to introduce support for low incomes, so to address a well-noted shortcoming in the Italian welfare system, but which in the end has not found any legislative footing.

- from 2014 to 2016, when returned to center-left government (Renzi) but with a precarious parliamentary majority, there was a recovery in the financing of social services. This however occurred primarily through the implementation of policies against poverty. So even if it is an important measure, is necessary to consider that it is limited to strengthening only one area of the system of social services and that for now the funding is not assured in the medium and long term. In substance it is confirmed a low propensity to strategic planning and therefore to the overall relaunch of the system.

Tab. 1 Social programs implemented by governments between 1996 and 2016

May 1996 - April 2001: center-left government (Prodi, D'Alema, Amato)	
<i>L. 285/1997</i>	
<i>L. 449/1997</i>	<i>poverty</i>
<i>L. 40/1998</i>	<i>immigrants</i>
<i>L. 162/1998</i>	<i>disability</i>
<i>L. 431/1998</i>	<i>poverty</i>
<i>L. 448/1998</i>	<i>families</i>
<i>L. 68/1999</i>	<i>disability</i>
<i>L. 328/2000 Legge quadro sul sistema dei servizi sociali</i>	
<i>Piano Nazionale dei Servizi Sociali (2001)</i>	
May 2001 - April 2006: center right government (Berlusconi)	
<i>L. 448/2001</i>	<i>children</i>
<i>Proposte per una società dinamica e solidale (2003)</i>	
<i>L. 350/2003</i>	<i>poverty</i>
May 2006 - April 2008: center left government (Prodi)	
<i>L. 248/2006</i>	<i>families</i>
<i>L. 296/2006</i>	<i>LTC, children,</i> <i>immigrants</i>
May 2008 - November 2011: center right government (Berlusconi)	
<i>La vita buona nella società attiva (maggio 2009)</i>	
<i>L. 133/2008</i>	<i>poverty</i>
<i>DDL 29 luglio 2011 n.4566 per la riforma fiscale e assistenziale</i>	
November 2011 - April 2013: "technical government" (Monti)	
<i>L. 35/2012</i>	<i>poverty</i>
April 2013 - February 2014: broad coalition government (Letta)	
<i>Proposta del SIA Sostegno all'Inclusione Attiva</i>	
February 2014 - December 2016: center left government (Renzi)	
<i>L. 24/2014</i>	<i>immigrants</i>
<i>L. 134/2015</i>	<i>disability</i>
<i>L. 112/2016</i>	<i>disability</i>
<i>Piano nazionale per la lotta alla povertà e all'esclusione sociale</i>	
	<i>poverty</i>

Fig. 1 National government funds for social services system 1998-2016 (in euros)



Features of the Italian system of social services and its changes over time

The Italian welfare system has many features in common with the European model, but also has several peculiar characteristics. One of these is the limited importance assigned to the social services sector (Ferrera, 1996; Morlicchio et al., 2001; Saraceno 2002; Ferrera, Jessoula & Fargion 2012). In fact, when comparing the Italian welfare system with those of other European Union countries, the difference in the amount of resources destined for social services is significant (Baldini et al., 2002; Jensen, 2008) (table 2).

Tab. 2 Composition of European social protection expenditure in 2013 (% of Total Social Protection Benefits)

	Sickness Health care	Disability	Family and Children	Old and survivors	age Housing and Social exclusion	and
Belgium	28,68	8,17	7,44	40,34	3,71	
Denmark	20,15	13,06	11,53	43,10	6,33	
Germany	34,39	8,04	11,20	39,47	2,75	
Ireland	33,23	5,93	13,38	29,70	3,01	
Spain	25,47	7,36	5,29	47,58	1,33	
France	28,69	6,55	7,78	45,77	5,13	
Italy	23,66	5,46	4,14	60,00	0,76	
Netherlands	34,90	7,85	3,27	41,82	6,54	
Austria	25,74	7,13	9,35	50,68	1,65	
Portugal	23,77	7,68	4,59	56,18	0,93	
Romania	26,92	7,79	8,10	54,84	1,26	
Finland	24,61	11,22	10,71	41,35	4,64	
Sweden	25,48	12,20	10,49	43,63	3,97	
UK	30,46	6,27	10,67	42,66	7,90	

Iceland	35,41	15,88	11,53	27,10	6,01
Norway	30,24	16,42	12,36	35,30	3,30

Eurostat 2013

The marginal nature of the social services sector is a structural element of the Italian welfare system, which however over the course of time has undergone change. In fact, at least up until the last decade of the twentieth century, the capacity of Italian social services to respond to the social needs of the population was a far cry from modern social security standards, resulting completely inadequate (Anttonen & Sipilä, 1996; Gough et al., 1997). This failure was due to the fact that: a) the range of services available to citizens was severely lacking in sectors that traditionally relied on the family realm, including childcare, care for the disabled and the elderly; b) the system framework was lacking in initiatives to prevent poverty and social exclusion; c) the absence of a systematic plan and coordination among social services provided by public institutions and private entities caused fragmentation in the framework and inadequate use of available resources; d) the provision of basic services accessible to citizens floated significantly from region to region, with some areas being reasonably equipped (in particular the regions in the central north) and others where social services were basically nonexistent (often in the southern regions).

Starting from the late twentieth century, instead, social services began to develop and be reinforced so that at least a fraction of this fragmentation and inadequacy was addressed (Kazepov 2006; Agostini 2011). Even though progress was often sporadic and trends tended to reverse, over the final years of the twentieth century, and then also during the first decade of this century, the social services system grew significantly and expanded its offering of services available to citizens. The conditions that made this development possible were regulatory and financial. In fact, on the one hand, the regulatory framework governing social services adapted after 1996, culminating in the approval of Law 328/2000 defining a legislative framework capable of promoting modernization of the system; on the other hand, this modernization process took place thanks to a prolonged period of growth in the available financial resources for social services, made possible above all through the allocation of regional and municipal funding compensating for the fluctuating progress of the national funds.

Therefore in the early years of this century, the situation in the Italian social services system was significantly improved in respect to the past. Despite spending for social services that is far less than that of the other primary countries of the European Union (table 3), the renewed regulatory framework and growing availability of funds resulted in substantial development in the system. This situation is evident in the data

presented in table 4, from which it is also possible to deduce that in less than a decade:

- the coverage of services provided at home for disabled citizens increased significantly (row a “Coverage Rate of Assistance Needs by 100 resident disabled people under 65 years old”);

- the diffusion of home services in favor of minors (row b “Coverage Rate of Assistance Needs by 100 resident families with minors”) and the elderly (row c “Coverage Rate of Assistance Needs by 100 resident people over 65 years old”) recorded overall improvement;

- the difference between northern and southern regions in spending for local social services decreased by approximately 10% (row d).

- the production of in-kind services increased and the diffusion of cash benefits attenuated (row e)

In short, along the lines of the provisions set forth in Law 328/2000, the social services sector began a modernization and developmental process based on the principle of selective universalism.

Tab. 3 Evolution of public social expenditure European countries (% of GDP)

		CASH BENEFITS		SERVICES		
		Pension	Income support to the working age population	Health	All social services except health	TOTAL
2001	Italy	13,8	3,3	6,3	0,6	24,4
	German	11,2	4,5	8,0	2,6	27,4
	France	11,9	6,0	7,2	2,0	28,5
	UK	8,3	5,9	6,1	1,2	21,8
	Spain	8,7	4,1	5,4	0,6	19,6
2003	Italy	13,8	2,7	6,2	0,8	24,2
	German	11,5	4,8	8,0	1,9	27,3
	France	12,0	5,4	7,6	2,7	28,7
	UK	5,6	4,2	6,7	3,2	20,1
	Spain	8,2	4,9	5,2	1,3	20,3
2007	Italy	14,1	2,8	6,6	0,9	24,9
	German	10,7	4,0	7,8	1,9	25,2
	France	12,5	4,6	7,5	2,9	28,4
	UK	5,4	4,5	6,8	3,5	20,5
	Spain	8,0	5,1	6,1	1,7	21,6
2009	Italy	15,4	3,4	7,4	1,1	27,8
	German	11,3	4,4	8,6	2,5	27,8
	France	13,7	5,2	9,0	3,2	32,1
	UK	6,2	5,6	8,1	3,9	24,1
	Spain	9,3	6,8	7,0	2,0	26,0
2012	Italy	15,8	3,3	7,0	1,0	27,5
	German	10,6	3,8	8,0	2,4	25,5
	France	13,8	4,7	8,6	3,0	31,0
	UK	5,6	5,1	7,7	3,9	22,7
	Spain	10,5	6,5	6,8	2,2	26,8

OECD 2003-2012

Tab. 4 Evolution in some aspects of social services system between 2003 and 2010

	a	b	c	d	e
	Coverage rate of needs for home assistance to the disabled	Coverage rate of needs for home assistance to children	Coverage rate of needs for home assistance to the elderly	Ratio of north and south regions for expenditures of social services	Spending quota for in- kind services in % of the total
2003	n.a.	n.a.	0.4	3.05	36.7
2004	n.a.	0.08	0.4	3.12	38.2
2005	5.6	0.07	1.6	2.98	39.4
2006	6.2	0.07	1.8	2.89	39.5
2007	6.2	0.1	1.7	2.73	39.8
2008	6.6	0.2	1.6	2.79	38.7
2009	6.7	0.1	1.5	2.78	38.8
2010	7.4	0.1	1.4	2.69	39.1

Istat 2007-2013

Nevertheless, recently development in the social services system has come to a halt, and some of the previously obtained results have lost ground. This inversion is essentially linked to a series of decisions made by the central government. Even though the subsidiarization process in social policies transferred planning and organization of social services to regions and municipalities, the government in fact still has the task of guaranteeing uniformity of social assistance services, and in particular their financing, throughout the national territory according to the institution of Livelli Essenziali delle Prestazioni [Essential Service Levels]. The problem is that after 2008 the government eluded this responsibility, not intervened in the regulation of standards governing services and drastically decreased the funds earmarked for the social services system. This means that financing for the system was almost entirely transferred to regions and municipalities, which at the same time were suffering from reduced spending capacities caused by the economic crises and by decreased tax revenues for more stringent restrictions enforced by the European Stability and Growth Pact. Then in 2011, for the first time in many years, the overall spending for social services (the sum of all public and local funds) dropped in respect to the previous year, a phenomenon that repeated two fold in the following three year period (figure 2). As a consequence, performance in the system also has recorded decline (table 5) primarily manifested in:

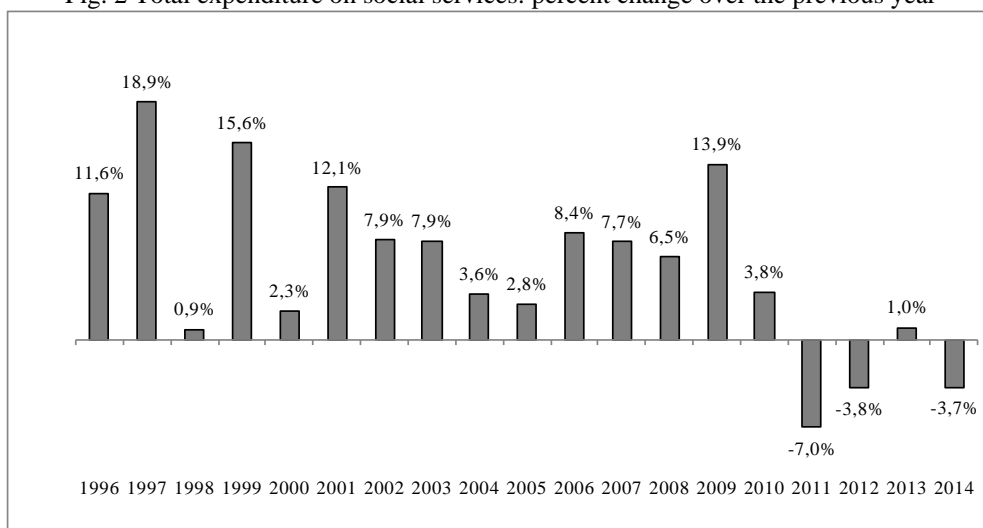
- a drop in provision of services in the home assistance sector for disabled citizens (row a “Coverage Rate of Assistance Needs by 100 resident disabled people under 65 years old” decreased from 7.4 to 6.9 from

2010 to 2012) and for the elderly (row c “Coverage Rate of Assistance Needs by 100 resident people over 65 years old” dropped from 1.6 to 1.3 from 2008 to 2012);

- the absence of an increase in spending for in-kind services (row d), for which growth during the previous decade was a sign of profound changes in the system in respect to the past;

- a reverse in the territorial coverage trend, where basic social services were guaranteed (rows e, f, g “Percentage of Municipalities with home assistance”).

Fig. 2 Total expenditure on social services: percent change over the previous year



Istat 2015

Tab. 5 Decline in some aspects of social services system between 2008 and 2012

		2008	2009	2010	2011	2012
a	Coverage rate of needs for home assistance to the disabled	6,6	6,7	7,4	7,0	6,9
b	Coverage rate of needs for home assistance to children	0,2	0,1	0,1	0,1	0,1
c	Coverage rate of needs for home assistance to the elderly	1,6	1,5	1,4	1,4	1,3
d	Spending quota for in-kind services in % of the total	38,7	38,8	39,1	38,9	38,9
e	Percentage of municipalities with home assistance for disabled	66,3	69,4	71,1	73,8	69,0
f	Percentage of municipalities with home assistance for children	50,2	53,8	54,7	52,8	51,6
g	Percentage of municipalities with home assistance for elderly	85,4	86,3	87,8	87,1	85,7

Istat 2011-2015

Recent decline of the social service system in Italy

After a brief developmental phase in the early twentieth century, over the last several years social services have been impacted by a decline that has once again brought them back to the state of marginality that for such a long time was a feature of these services in the scope of the overall welfare system. This certainly occurred also due to external conditions that influenced the government's actions: the international financial crisis of

2008 ushered in a recession that severely impacted the Italian economy, while the regulations set forth by the European Stability and Growth Pact have reduced the spending capacities of the public and local administrations significantly (Hong 2014; Oosterlynck et al. 2015). Nevertheless, an analysis of the events that accompanied recent changes in the social services system demonstrates that in reality its regression was the fruit of two specific conditions, one of which is political and the other cultural: on the one hand, the absence of real interest in the public debate on the Italian welfare system for social services and scarce attention for social policies in the programs presented by the political parties and labor unions (this indifference resided in the fact that the portion of the population affected by the provision of social services is numerically limited and under-represented in the public debate); on the other hand, the traditional idea that care for vulnerable members of society is a task primarily handled by families (and within the family, women in particular), a specific trait of the Italian socio-cultural fabric, which constitutes a strongpoint from certain perspectives and from others a significant drawback.

The reemergence of this state of marginality in the social services system is a fact that cannot be easily denied. In particular, there are three indicators that prove its existence:

1) The fluctuating progress that national financing for social services has demonstrated over the past 15 years and which recorded a negative spike right at the moment that the economic crisis actually required increased efforts. In fact, despite is a minimum percentage of overall spending for welfare, after 2008 these funds were drastically reduced, all in the absence of any significant signs of popular protest.

2) The lack of a social policy strategy focused on the full implementation of Law 328/2000, which constantly characterized the government's actions. Even though this law represented the highest point of the modernization process for the social services system, and proposed extensive innovation in the system, its potential was never fully realized, and it remained for the most part ineffective.

3) The progressive negation of responsibility that characterized the actions of the central government in respect to the local social services system. This process, despite the fact that it presented in various forms over the changing governments, did not in fact ever invert its direction; this was possible because the regional responsibilities set forth in Constitutional Law 3/2001 legitimized a growing political disinterest, while the emphasis on the concept of subsidiarity never focused attention on a crucial issue like the determination of essential service levels.

Even though substantial disinterest towards the social services system was a continuous common trait characterizing political actions of the

diverse governments since the start of the century, it is indisputable that a decisive role in the regression of the system is attributable above all to the Berlusconi government that came into power in 2008. During the second season of the center-right government, in fact, it occurred with greater decision the “liability reduction” of the public and in the first place of the state; a process which then reinforces in the action of the following “technical government”.

This shirking of responsibility for social services was manifested above all in the progressive reduction of public funding, which over two years decreased by 65%. Nevertheless, this evident disinterest assumed a programmatic aspect in the contents of two proposals drafted by the Berlusconi government between 2009 and 2011: the White Paper entitled *La buona vita nella società attiva* [The Good Life in an Active Society] and the law proposed *Riforma Fiscale e Assistenziale AC 4566* [Tax and Welfare Reform]. The objective of the White Paper in fact was to envisage overcoming the universal welfare system focusing the attention on the Private Sector and placing responsibility on individuals and their families. The law proposal AC 4566 then took on the primary objective of limiting spending relative to the provision of social services, rendering these services available only to «authentically needy subjects» and promoting the development of private forms of assistance provided by profit and nonprofit entities. As a blatant signal of this orientation, was introduced an instrument to help fight poverty called *Carta Acquisti* [Social Card], a totally residual initiative (with a very modest economic amounts reserved only for specific categories of citizens) that was not even financed by any public funds.

The “technical government” presided over by Monti, which came into power in late 2011, continued the regressive trend initiated by Berlusconi. This continuity can be observed in further reduction in financial resources transferred to Municipalities (*Fondo per la Non Autosufficienza* [Fund for LTC], *Fondo per il Sostegno alle Locazioni* [Housing Assistance Fund], *Fondo per Interventi Socioeducativi* [Fund for Socio-educational Initiatives]), which in some sectors were completely eliminated. Also the introduction of a revised version of the *Carta Acquisti* [New Social Card] did not constitute an inversion of the trend in respect to the actions of the previous government: in fact, if the New Social Card seem to be reinforced and improved, in reality the concept of negating responsibility was fully confirmed because a) continued to be a residual intervention, b) remained financed for the most part occasionally and through non public funds and c) attributed the social support onus to Municipalities, which were not capable of providing them. One specific feature of the central government’s lacking commitment to social services over this period, in fact, is the presence of a strong impulse towards passing on responsibility to and reliance on local

communities on the one hand; and cuts in the transfer of funds to Municipalities and a block on the possibility to levy local taxes on the other. Municipalities became the center of the social services system without being granted the autonomy and financial resources to adequately take on this role.

The actions of the government presided over by Letta, which lasted approximately 10 months from 2013 to 2014 supported by a broad coalition uniting the center-left and center-right political factions, also did not implemented any changes in respect to the past. In fact, during this period several sector funds were assigned new financing and there was a comprehensive increase in financial resources for local welfare, but in reality the government never unveiled a strategic project for strengthening social services. Generally speaking, the activities of this government were strongly influenced by the political balance in the so-called broad coalition; and in the end resulting ineffective as far as the interventions that could have been incisive in the functioning of the system (as in the case of the proposal for a structural action to prevent poverty different by Carta Acquisti and called Sostegno all'Inclusione Attiva [Support to Active Inclusion], which remained stalled in the feasibility study stage). Even though no official data are yet available relative to indicators that would allow a precise assessment of results, it appears obvious that the Letta government also did nothing to improve the overall situation.

The government of Matteo Renzi, instead, decided to raise the public funding to the local welfare system, which compared to 2014 increased by 15.5% in 2015 and 67.5% in 2016; and national program of support to reduced poverty (Sostegno all'Inclusione Attiva) has also been initiated. The government also presented the proposed legislation C 3594 (now under discussion in the Parliament), which could define a path of reorganization of social services and monetary assistance through which the central government would resume a role active in the development of the system. The conclusion of this political phase in December 2016, however, not possible to verify whether the Renzi government would really able to associate the increase in financial investment with a strategic orientation in its action on the social service system.

Conclusion

After a long period of lack to consideration, starting in the final years of the twentieth century social services in Italy underwent significant development. The approval of Law 328/2000 provided an impulse to sustain quantitative growth in the provision of social services and their extended diffusion throughout all of the national territory, permitting the social services system to aspire to european standards and close the gap that traditionally existed in Italy among the northern and southern regions, albeit

partially (Fargion, 1996; Fargion, 2004). Successive financial and programmatic disinterest by state governments nevertheless soon interrupted this growth phase, resulting in the rapid involution of the system, also putting into question the results obtained thus far.

The dynamics of these events can be properly interpreted by the theoretical framework of the historical institutionalism. In this theoretical framework, the development of social services of the years of the late twentieth century represents a passage of the extension and consolidation process of the Italian system of social protection built since the '60s. However, in this process the social services are placed at the edge of the main path and this determined the weakness of their position. Thus, the external event represented by the international financial crisis of 2008 had an impact on social services that the historical path of the Italian social protection system made it impossible for other sectors (Pierson, 1996; Ferrera, Jessoula & Fargion, 2012).

In fact, if it is obvious that the 2008 crisis had serious repercussions on Italian public finance and played a role in determining the decline of the social services system (Bontout & Lokajickova, 2013), the impact of the financial crisis has become decisive due to some specific aspects of the political and social history of the country. These aspects, which are closely linked to one another, relate to: 1. the scarce attention that has always characterized social services in the political debate; 2. a welfare model centered on family-based solidarity and only residual importance of public interventions; 3. the absence of proposals for the growth and modernization of the social services system in the programs presented by Italian political parties. In fact, the common trait that has accompanied the Italian governments from 2001 onward, even though these governments were from different political realms (center-left governments, center-right governments, “technical government”, broad coalition government), was the substantial constant lack of a strategy to relaunch social services and the persistence of their significant marginality in the welfare system.

In particular, the noncommittal position and shirking of responsibility of the governments in power from 2008, a position never really abandoned afterwards, had significant impact on the overall framework and functioning of the social services system. The decrease in transferred financial resources and the restrictions of the internal Stability and Growth Pact resulted in a rapid fall in the quantity and quality of services destined for citizens, and put into place highly selective procedures for accessing the system, which further weakened the principle of a universal right to social assistance. In this regard, data on services and interventions by Municipalities annually collected by ISTAT provide unequivocal proof; and also in regard to more recent times, for which this

information is not yet available, the impression is that this decline is far from being reversed.

Moreover, the local welfare crisis also negatively impacted the civil social services sector, in particular nonprofit organizations. In fact, for nearly three decades the collaboration between the public and private sectors has been a fundamental feature of the Italian social services system (Boccacin, 2005; Ranci, 2009; Fazzi et al., 2009); and even though this produced a reciprocal dependence mechanism, the co-decision procedure introduced by Law 328/2000 played a decisive role in animating local communities and developing social services. The partnership model that allows civil society to participate, contributing to rendering the decision-making process more effective and legitimate, entered a state of crisis when public financial investments were reduced, because the concept of co-decision was replaced by negotiation, and nonprofit organizations were forced to change their strategies, putting the social dimension up for discussion.

The difficulty that the social services system still confronts today does not seem to be headed for a rapid solution. Considering the lack of commitment that central governments have manifested for a long period and the restrictions that make it so difficult for local authorities to act, the perspectives for the future for the social services system continue to be bleak, at least in the near future. In particular, the mechanism used for transferring approved funding (assigned to the regions by the central government, which then disburse funds to the Municipalities) and the time necessary for completing the approval process for the proposed legislation C 3594 (which then requires applicative rules) gives the impression that the next several months are likely to be characterized by stagnation of the system. But the situation could change in the medium term, especially if future political actions will confirm the financial and legislative preconditions for a new strategic orientation in the social services sector fielded by the Renzi government.

Nevertheless, a key step forward in this sense would require not only a renewed direct commitment (regulatory and financial) from the central government, but also its ability to create the conditions necessary for Regions and Municipalities to fully fulfill their potential capacities (and responsibilities) linked to subsidiarization, which would permit promotion of: a) real integration of state and local policies governing employment, healthcare, housing, education and social services; b) reinforcement of economic and social resources in local communities. The outlook for new development in the social services system therefore depends on a virtuous cycle of legitimation and responsibility based on cohesion between the actions of the central government and local governments.

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