

The sub-state politics of welfare in Italy:

Assessing the effect of territorial mobilization on the development of region-specific social governance

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Abstract. This paper demonstrates that the political mobilization of regional identities through the creation of regionalist parties has positively impacted on the development of region-specific models of welfare governance in Italy. This means that, in a decentralized country, the 'centre-periphery' cleavage may significantly influence the sub-state politics of welfare.

Keywords: Decentralization, Territorial Mobilization, Welfare, Italy

Introduction

The welfare state played a very important role in the process of state- and nation- building. Indeed it emerged in a period of structuring and closure of national boundaries, which framed the struggles between cross-local, 'functional' alliances. Most of the literature on the welfare state has focused on the impact that class politics had on the structuring of welfare regimes (Esping Andersen, 1990) without paying too much attention to territorial issues. This is not surprising, since the creation of centralized and homogeneous welfare states did not seem compatible with sub-state regional differentiation. According to Rokkan, the last task of central political elites in the construction of nation-states was 'the creation of territorial economic solidarity through measures to equalize benefits and opportunities both across regions and across strata of the population' (quoted in Flora, 1999: 58). Generally, the external boundaries of social protection tended to coincide from the very beginning with the borders of the nation state even in 'conservative' welfare regimes where important differences among occupational categories persisted.

However, since the mid-1970s welfare states across Europe have undergone a process of restructuring. This last phase is not only characterized by functional fragmentation and 'privatization' of national social protection but also by its increasing 'territorialization'. Indeed, in some countries regional governments have become important, sometimes central, actors in the elaboration and implementation of social policies (Ferrera, 2005; McEwen and Moreno, 2005; Kazepov 2010). Thus in many post-industrial societies the 'new politics of welfare' is more and more shaped by territorial, region-specific factors rather than 'state-wide' political struggles.

Given this general picture, it would be interesting to see whether and why, in decentralized countries, some regions are more successful than others in (re-)constructing *subnational* models of welfare that may complement and even aspire to replace the national one. I call them *strong* models of regional welfare. Thus, contrary to the idea of 'race to the bottom' (Cameron, 1978; Mishra 1999) that has also inspired neoliberal supporters of decentralization, I expect to see substantial variation in the level of welfare development across the regions of a decentralized country. Indeed, whereas some regions may become real promoters of welfare (re)building (Moreno, 2011), others may be totally unable to play this role.

In order to better understand which *political factors* may produce such divergence, I focus on Italy, where, since the 1980s, regions have been significantly empowered and national

institutions have ceased to play an almost exclusive role as providers of social protection. Many large and medium-sized European countries (e.g. UK, Spain [Keating, 2009] and Belgium [Béland and Lecours, 2008]) have undergone similar processes and the framework that I use in this paper may therefore be applied to other cases.

By considering regional party politics over the last three decades, the main hypothesis of this paper is that the mobilization of regional identities and solidarities through regionalist parties has become the main driving force in the construction of region-specific welfare systems. So far, only Béland and Lecours (2008) have systematically focused on the link between 'sub-state nationalism' and welfare development. However, their study mainly refers to secessionist mobilization in multi-ethnic countries and does not include Italy, where regionalist mobilization has not been exclusively based on historical or ethnic nationalism but has also emerged as a result of persisting socio-economic inequalities and increasing instability of the national party system. The Italian case can therefore broaden the scope of research on the interaction between regionalist mobilization, decentralization and social policy.

In the next section I present a brief historical overview of the evolution of social policies in Italy. Then I provide a definition and operationalization of regional welfare development and I show that there is considerable territorial variation in Italy. After quantitatively testing the 'regionalist mobilization' hypothesis, I provide a more in-depth analysis of two regional cases: Bolzano/South Tyrol and Lombardy. The time frame of this article is the period from 1980 to 2010. Therefore, the effect of recent political developments (e.g. the emergence of new parties like the Five Stars Movement) has not been assessed, since data on the post-2010 period are still quite fragmented.

The Italian case

Although initially classified as a 'conservative' welfare system (Esping-Andersen, 1990), Italy has often been included in the group of 'southern European' or 'Mediterranean' welfare states characterized by high fragmentation, clientelism and underdeveloped social services (Ferrera 1996). Only in the 1970s elements of universalism were added to the Italian model. Indeed in 1978 the insurance-based and highly fragmented healthcare system was replaced by a national healthcare system (*Sistema Sanitario Nazionale, SSN*), which was universal and taxation-based (like the British and Scandinavian systems).

However, the creation of the SSN was accompanied by the strengthening of regional authorities and this eventually led to increasing territorial fragmentation of the welfare state. Regional assemblies and governments were created in 1970 (although 4 special regions and two autonomous provinces had been created much earlier) but only in 1977 they were granted some

(very limited) powers in the area of social assistance (Fargion, 1997: 97 – 107). In 1992-1993 the crisis of the Italian welfare system became evident (Ferrera and Gualmini, 2004) and the process of regionalization accelerated. Regions became important actors in the administration of healthcare, taking some power away from both central government and municipalities (Ferrera, 2006: 206–211). Finally, with the constitutional reform ratified in 2001, regional levels of government were entrusted with primary responsibility in three social policy fields: healthcare, social assistance and active labour market policies (Fargion, 2005). Social insurance, including pension schemes and unemployment benefits, is still controlled by central authorities (although, as I will show, there are some regional exceptions).

In this context, it is important to answer the questions of whether and why some regions have been more able or willing to exploit the opportunities offered by increasing decentralization and establish what I define as ‘strong’ model of welfare.

Beyond social spending: defining and measuring welfare development at the regional level

Political economists often use aggregate spending figures as indicators of welfare effort (Swank, 2002). One could therefore argue that the more a regional government spends on healthcare, employment policies, social assistance, education etc., the stronger is the role it plays as provider of social protection. Of course, *spending* represents an important aspect of the government’s degree of activism in a specific policy sector. Indeed, as underlined by Costa-Font and Greer (2013: 17) ‘no money equates to no policy’. However, it is not sufficient to know how much a government spends if we want to explain the development of policies, such as healthcare and important sectors of social assistance, which are increasingly *service-oriented* (Hemerjick, 2013). Indeed, it would be equally important to know to what extent regional governments try to *plan* services in an integrated way and promote their innovation through *extensive legislation*.

Both spending and planning/legislation can be seen as the ‘input’ side of the welfare system. In order to have a full picture, however, one should also consider the ‘output’ side, that is, the level of *effective implementation* and *coverage* of social schemes once they have been established (Pavolini, 2008). For example, in their assessment of the role played by territorial levels in the governance of social policies, Barberis et al. (2010: 373) consider three areas of responsibility: planning/programming, financing and **administering/managing/delivering**. Again, this latter factor is clearly more important in the case of social services than in the case of cash benefits. Since regions provide social protection mainly in the form of service-oriented programmes (Fargion, 1997; Ferrera, 2005; Kazepov, 2010), it is crucial to include this dimension, which also includes coverage rates, in our definition.

To sum up, we have a ‘strong’ model of welfare at the regional level when sub-national institutions play a central role in 1) financing and 2) planning social programmes (input) and when 3) these social programmes are effectively (and extensively) implemented and administered (output). All these three aspects should coexist in order to consider regions as *real* centres of welfare development. High spending alone does not make a regional welfare ‘strong’ unless it is combined with extensive local planning and effective implementation of social services. At the same time, focusing on the well-functioning and high coverage of social services to detect the existence region-specific models of welfare governance does not make a lot of sense if the financial and legislative input of sub-national political actors is null or very weak. Finally, extensive social legislation can be considered as an indicator of regional welfare development only when it is supported by concrete actions of regional governments (i.e. spending) and results in social services that are effectively implemented and support a large share of potential beneficiaries. Therefore rather than adding the three factors, it would be more correct to multiply them since all three are considered essential for detecting a strong model of welfare. This procedure is suggested by Goerz (2006: 95–127), who underlines the importance of ‘concept-measure consistency’. The resulting formula would be:

$$\text{Strength of regional welfare} = (\text{spending} * \text{planning} / \text{legislation} * \text{effective implementation})$$

Spending can be measured in terms of aggregate per-capita spending in two policy areas: social assistance and healthcare. The data are provided by the Ministry of Economic Development and cover the 1996–2011 period. As shown in table 1, total social spending is highest in Valle D’Aosta and lowest in Campania. We can assign the score 1 to the leading region, thus rescaling all the other regions to a 0–1 range. This is a useful empirical exercise aimed at avoiding ‘scale effects’ when multiplying spending with planning/innovation and efficiency that, as shown in the next sections, will also be rescaled to a 0-1 range.

[Table 1 about here]

In order to assess the role that regional governments play in planning social programmes I use the data provided by Pavolini (2008), who in turn relies on reports by Mapelli (2007) and Maretta (2008). He provides scores that, on the basis of regional legislation, assess the planning and innovation capacity of regional governments in the period that goes from the early 1990s to the late 2000s. Pavolini's study considers social assistance and healthcare policies. The score of planning for social assistance ranges from 0 (inexistent) to 3 (very strong), whereas the one for healthcare ranges from 0 (inexistent) to 4 (very strong). I rescaled each of these scores to a 0 to 1 range (1 being the maximum and 0 the minimum) and then calculated the sum. Finally I assigned the score 1 to the region with the highest sum and adjusted the other scores proportionally. Results are summarised in table 2. It can be noted that Tuscany is the region with the highest capacity to plan and innovate, followed Lombardy and Aosta Valley, whereas Campania is at the bottom of the ranking.

[Table 2 about here]

Finally, I turn to the third dimension, that is, effective implementation of social services. In this case I rely on data collected by Mapelli (2007) and the Italian Statistical Office (ISTAT). Most of these data have also been summarized by Pavolini (2008). Mapelli has provided a healthcare score that is measured through a bi-dimensional scale ranging from 0 to 100 and considers both the implementation process and the final performance of healthcare services. I have also used Eurostat data that indicate the average number of hospital beds and long-term care places per 100,000 inhabitants over the last two decades. Finally I have also taken into account the percentage of children and old people that have access to specific social services (ISTAT data that are also reported in Pavolini [2008]).

Also in this case, all measures have been rescaled to a 0-1 scale, where 1 is the best score and the other scores are proportionally adjusted, and their sum has been calculated. The region with the highest sum is in turn assigned a score of 1 and, again, the other results are adjusted. Results are presented in table 3. Trento, Aosta Valley and Emilia Romagna are the regions where welfare services are generally most efficient. Calabria, Apulia, Campania and Basilicata are the worst performing regions.

[Table 3 about here]

Table 4 shows the results of the multiplicative index of welfare development, which may range from a maximum of 1 to a minimum of 0. In reality, no region scores 1 in all the three dimensions, thus

obtaining the maximum possible final score. Yet regions such as Aosta Valley, South Tyrol and Lombardy score consistently well and therefore have the highest multiplicative scores. On the contrary, Sicily, Apulia, Calabria and Campania have consistently low scores and, consequently, they are at the bottom of the ranking. Generally, it can be noted that there is significant variation in the development of health and social assistance policies across Italian regions. Next section refers to the main hypothesis of this study and provides an explanation of territorial variation in welfare development by focusing on different levels of territorial mobilization in Italian regions. The general question that will be answered is whether the centre-periphery cleavage has affected the process of welfare building at the sub-national level.

[Table 4 about here]

Territorial mobilization in Italian regions

The literature on multi-level party politics has paid increasingly attention to the *regionalization* of party systems and to the emergence of regionalist political parties (De Winter and Tüstan, 1998; Hough and Jeffery, 2006; Swenden and Maddens, 2009; Alonso, 2012). Such parties are often the expression of ‘sub-state nationalism’ highlighting the ethnic or civic (but also socio-economic) diversity of a ‘peripheral’ region (Keating, 2001). This type of political mobilization is linked to the ‘centre-periphery’ cleavage, which has been defined by Lipset and Rokkan as

local oppositions to encroachments of the aspiring or the dominant national elites and their bureaucracies: the typical reactions of peripheral regions, linguistic minorities, and culturally threatened populations to the pressures of the centralizing, standardizing, and ‘rationalizing’ machinery of the nation-state. (Lipset and Rokkan 1967: 14)

By focusing on the centre-periphery cleavage, regionalist parties are likely to challenge welfare centralism and promote a system of social protection that is more distinctive and linked to the needs of local communities. As underlined by Béland and Lecours (2008), regional social policy may be used to foster sub-national solidarities and identities that in turn reinforce the centre-periphery cleavage. This means that the political mobilization of regional identities may have a positive impact on the development of region-specific social policies in decentralized systems. On the contrary, in those regions dominated by state-wide parties the construction of regional networks of solidarity is not a salient issue, since such networks may undermine the territorial integrity of the nation-state.

Yet it should also be underlined that the emergence of politically organized territorial movements may also have an influence on the preferences and actions of the regional branches of

'state-wide' parties that were not primarily created on the basis of the centre-periphery cleavage. This is even more evident in a context in which state-wide political parties are increasingly characterized by 'stratarchical' organizational structures (Carty, 2004; Katz and Mair, 2009). In such context, regional party branches of state-wide parties may adopt stronger territorial party identities and rhetoric and may call for greater organizational and programmatic differentiation from the centre (Hepburn, 2010).

Since 1980, the strength of regionalist parties in Italian regions has increased substantially, as shown in table 5. In the 1980s regionalist mobilization was already strong only in South Tyrol-Bolzano, Aosta Valley, Trento and Sardinia, whereas it has emerged more recently in other regions, such as Lombardy, Friuli Venetia Giulia and Veneto.

[Table 5 about here]

Testing the hypothesis

In this section I quantitatively test the hypothesis that the strength of regionalist parties¹ has been positively associated to the development of regional systems of social governance. A preliminary analysis based on a bivariate correlation suggests that there is a positive and strong association between these two variables ($r = 0.81$).

Yet some control variables should be included in the model in order to fully test the validity of the 'territorial mobilization' hypothesis. Indeed, other socio-economic, political, institutional and demographic factors may explain cross-regional variation in the provision of healthcare and social assistance and should therefore be taken into account.

First of all, I include a variable that considers average economic development and social capital² (Putnam, 1993) of the regions in the 1980-2010 period. Since these two factors are highly correlated ($r = 0.92$) their standardized values have been added to form an index of 'socio-economic development'. It is well known that central-northern Italian regions are much more socio-economically developed than southern regions and this may explain great part of cross-regional differences in welfare development. Indeed, under-developed regions have fewer economic and human resources that can be used to build autonomous systems of social protection and may still heavily rely on the support of the central government.

'Power-resource' literature has linked the development of welfare systems to the strength of left wing (especially social-democratic) parties (Hicks and Swank, 1984; Korpi and Palme, 2003). Regionalist literature has also underlined the fact that social democratic and progressive parties may try to set out a new level of welfare provision at the regional level that complements national welfare systems (Keating, 2007; Greer, 2010). One may expect that regions in which centre-left parties are politically stronger will have a more developed system of welfare governance. Therefore, in the model I include a control variable accounting for the strength of the Left, which is measured by the percentage of council seats controlled by centre-left parties in the 1980-2010 period in each region.

I then consider the existence of institutional asymmetries. I use the Regional Authority Index (RAI) developed by Hooghe et al. (2010), measuring the levels of autonomy and power of regional institutions on a scale from 0 to 24, and calculate the average score over the period considered (1980—2010). In this way I account for the fact that some Italian regions have more formal powers and fiscal autonomy than others and may therefore be in a more privileged position when elaborating and implementing social policies.

'Demographic vulnerability' may be another factor explaining variation in the attention devoted by sub-national administrations to social policies. Indeed, as underlined by Fésüs et al (2008: 3), ageing will lead to significant increases in public expenditure and will require more planning in the fields of health and long-term care. In order to measure demographic vulnerability, I consider the average share of regional population aged 65 and above in the 1980-2010 period.

Finally, I control for the population size of the regions. Since the sample includes very small regions such as Aosta Valley and Molise having 100,000 and 300,000 inhabitants and very large ones like Lombardy having almost 10 million inhabitants, this variable may explain some variation.

The results of the multiple regression model are indicated in table 6. Since the independent variables are measured differently, I used *standardized* coefficients so that their magnitude can be more easily compared. It can be noted that the standardized coefficient of territorial mobilization is the by far the strongest one (0.9). This means that even if we hold constant all the main social, political, institutional and demographic characteristics of regions, the variable measuring the strength of regionalist parties remains the most relevant one in explaining cross-regional variation in the development of social governance.

[Table 6 about here]

To complement the quantitative analysis presented in this section, I now turn to the analysis of two cases of highly developed sub-national welfare regimes in Italy: Bolzano/South Tyrol,

Lombardy. The first region, representing the larger group of 'alpine regions' including Aosta Valley and Trento, shows that a strong regional identity and its political mobilization have played a very important role in the construction of a highly developed and distinctive welfare system. The second one provides a more dynamic picture. Indeed, in Lombardy regionalist mobilization has emerged only in the 1990s and, unlike South Tyrolean regionalism, does not have any historical or cultural root. However, the growing salience of the centre-periphery cleavage, mainly based on socio-economic factors, has had an important impact on the recent development of Lombard social policies, which have become increasingly peculiar and innovative.

Additionally, I show that despite being both at the top of the ranking of welfare development, these two regions show substantial *qualitative* differences in the administration and structuring of social programmes. These discrepancies mainly depend on the different visions of welfare that inspire regionalist movements.

South Tyrol

Using a *rokkanian* expression, South Tyrol can be defined as an 'inter-face' region. Despite being part of the Italian state, the majority of its population is linguistically and culturally closer to Austria. More generally, South Tyrol belongs to what Caramani and Mény (2004) have defined as 'alpine' macro-region, also including Aosta Valley, Switzerland, Austria and Bavaria. This macro-region has experienced a relatively recent and very rapid process of economic expansion and is characterized by high levels of political consensualism, moderatism (although mixed with elements of populism) and attachment to the alpine traditions.

It is therefore not surprising that South Tyrol has been for many decades dominated by a strong regionalist party, the Südtiroler Volkspartei (SVP), which very well represents the 'alpine culture'. The SVP is positioned at the centre of the political spectrum and, although it has not been the only regionalist party active in South Tyrol, it has been by far the largest one, controlling the absolute majority of seats and the regional government until 2013.

In the development of regional social policies the SVP seems to have followed the alpine/conservative idea that the social cohesion of the local community and traditional social structures should be preserved through social programmes that are much more generous than the national ones. Additionally, although social initiatives promoted by private actors are welcomed, the SVP has generally been suspicious of processes of privatization and market-based competition³. This may be seen as the defensive response of the traditionalist alpine culture against processes of extreme liberalization that might undermine social harmony (Caramani and Mény, 2005; Pallaver, 2005).

As argued by Sagner (2011), the traditional family is conceived as the centre of the South Tyrolean welfare system which mixes very generous monetary transfers with well-developed in-kind services of social assistance. According to the latest data provided by ISSIRFA⁴, per capita cash benefits (particularly maternity benefits) directly transferred by regional institutions to families are above 500 euros in South Tyrol, whereas the average of the 21 Italian regions is just 26 euros. It is also significant that, unlike in many other Italian regions, in South Tyrol (but also in Aosta Valley) the regional 'ministry' of social assistance is explicitly called department of 'family and social policies'. This strong support for the family should not be confused with 'familialism' that can be generally found in southern European welfare systems and, particularly, in the Italy-wide welfare system. Indeed, whereas the 'family-oriented' welfare system of South Tyrol actively supports the family through extensive public policies, generous money transfers and efficient services, the 'familialistic' welfare system does not provide such active and extensive support but, due to its inertia, *burdens* families with additional responsibilities in the provision of social care. As pointed out by Flaquer (2000), 'in Southern Europe it is taken for granted that it is up to households to provide for the welfare of their members and therefore no emphasis is placed on *family policy*' (italics added).

Another interesting point is that South Tyrol has developed a system of social protection that tends to 'crystallize' the socio-economic status of the beneficiaries, as happens in 'conservative' welfare regimes (Esping-Andersen, 1990), also through a system of integrative pension schemes set by the region between the early 1990s and early 2000s (Sagner, 2011: 174; Ferrera, 2005: 201). At the same time, a rather advanced and extended system of income support for vulnerable social groups has been established. In particular, South Tyrol is one of the few Italian regions that have introduced a 'basic guaranteed income' and a 'housing benefit' mainly targeted at unemployed but also at students, pensioners and other economically vulnerable groups. In 2010 the two programmes benefited between 2.1 and 2.8 per cent of the population (Sagner, 2011: 160), a rather high figure in a region where unemployment is below 3 per cent (ISTAT).

Of course, the financial generosity of the South Tyrolean welfare system is also explained by the fact that this region enjoys some fiscal autonomy (it is a 'Special Statute Region'). However, as shown in the quantitative analysis, formal institutional asymmetries are weakly correlated to welfare development in Italian regions and, in any case, do not help explain how economic resources are allocated and administered. Indeed, welfare governance in South Tyrol is mainly the outcome of a political process which sees the regionalist party SVP as the undisputed protagonist.

Lombardy

Until the early 1990s Lombardy was the basis of electoral support for the Christian Democratic Party (DC), the dominant party in central government, and the Socialist Party (PSI), its junior coalition partner. This perhaps explains the scarce attention that pre-1990 regional governments paid to the development of region-specific social policies (Ciarini, 2012). However, in the early 1990s Lombardy became the centre of an electoral earthquake that would completely change the Italian party system and make the centre-periphery cleavage very salient in the political debate (Fargion, 2005). Indeed the Lombard League, a regionalist party which then merged with other regionalist parties and became the Northern League, mobilized a very large share of the Lombard electorate on the basis of a platform that called for increasing regional autonomy and fiscal federalism. Since 1990 the League has been a very important political actor in Lombardy, winning between 15 and 50 per cent of the Lombard seats allocated in general or regional elections.

Unlike the SVP, the Northern League could not appeal to ethnic or cultural regionalism but, rather, stressed the fact that Lombardy was the wealthiest Italian region and its dynamic economy was 'exploited' by the central government. As underlined by Golden (2004), the Northern League attracted the support of those entrepreneurs and productive groups that saw central political elites as an obstacle to their economic competitiveness in the global markets.

Of course, soon the Northern League started promoting an 'invented ethnicity' and tried to set some historical and cultural foundations to its claims of self-determination. However it always combined these cultural aspects with 'individualism, hard work and free market values' (Ginsborg, 1996: 30). It is thus no surprise that soon the party positioned itself on the right of the political spectrum and established an alliance with Berlusconi's pro-market, conservative party (*Forza Italia*, later called *PdL*) created in 1994. This contributed to the creation of a hegemonic political block in Northern Italy, and particularly in Lombardy, based on a mix of market values, populism and localism.

This new dominant coalition has been very active in the promotion of a Lombard model of welfare. Unlike the SVP, the Northern League has not monopolized the process of welfare building since it acted as a junior, although very influential, coalition partner of a state-wide political party. Moreover, the Lombard healthcare reform was approved at the end of the 1990s, before the formal involvement of the League in the centre-right regional government. As underlined by Maino (2001) and Gori (2005), the Lombard branch of *Forza Italia-PdL* and its leaders played a very important role

in the transformation of the Lombard welfare system with the support of important interest and business groups.

However, even if indirectly, regionalist mobilization set the conditions favouring the process of sub-national welfare building. First of all, it put an end to the supremacy of political forces such as the Christian Democrats and its allies that considered Lombardy as an electoral fiefdom consolidating their control on the central government. With the rise of the Northern League, Lombardy ceased to be a safe power basis on which central elites could rely and in fact became a challenger of the national government. Moreover, the increasing saliency of the centre-periphery cleavage in Lombard politics could not be ignored by the local leaders of the new state-wide party founded by Berlusconi, who saw the League as an important ally but also as a competitor on the centre-right. Finally, as already mentioned, the Northern League strengthened and stabilized the front of supporters of a market-based model of welfare, which, if efficiently implemented, would become an additional element of distinctiveness of the region.

As shown in the quantitative part of this paper, today the Lombard welfare system is one of the best working ones in Italy and provides an extensive set of services to Lombard citizens. However, the provision of such services is not fully controlled by the public sector. As underlined by Gori (2005), the long-term plan of the Lombard regional government is to privatize the provision of social services, while assigning the role of financier and regulator to the public sector. Indeed, competition among private service providers is thought to make the allocation of public funds more efficient. In the healthcare sector, the main principle that has driven healthcare reforms in Lombardy is that 'money follows the patients' and this should reward those providers that are able to attract a larger number of 'citizens-costumers' (Neri, 2008: 107). Table 7 shows that the percentage of in-patients treated in private hospitals has increased considerably in Lombardy from 1995 to 2010 whereas it has remained stable, at relatively low levels, in Tuscany and South Tyrol.

[Table 7 about here]

Also in the sector of social assistance, Lombardy emerges as the most market-oriented region. Indeed, with the establishment of a system of vouchers (Gori, 2005; Giunco, 2011; Pesenti, 2005), Lombard citizens are free to choose their service providers, which therefore have to compete in order to attract the largest share of customers and obtain public funds. The highly distinctive welfare system of Lombardy is therefore based on the figure of the 'individual-costumer', who is given full freedom of choice in a competing system of service providers (Pavolini, 2004: 192). In summation, regionalist mobilization has created the conditions for the construction of a peculiar

model of welfare that tries to promote Lombard citizens' well being by fostering private participation in social assistance.

Despite this generally positive picture, in more recent years the Lombard system has undergone a period of crisis due to some corruption scandals that have unveiled the collusion between the regional political elite and the private associations that have promoted the *marketization* of the Lombard welfare system. Yet these scandals have not resulted in a change of orientation of the regional government and have actually increased the strength of the Northern League in the regional government. Indeed, Roberto Formigoni, president of the regions since 1995 and member of *Forza Italia-PdL*, has been replaced by Roberto Maroni, new leader of the Northern League, who won the regional election in 2013 with the support of a 'renewed' centre-right coalition. Thus, despite its electoral defeat in the 2013 general election, today the Northern League has become the leading party of the Lombard government. So far, this 'change of the guard' within the dominant centre-right coalition has not produced any substantial change in the type of welfare model promoted in Lombardy, thus supporting once again the fact that the League has also been an important promoter of the 'market-based' model of welfare established in Lombardy. In his election programme, Maroni underlines the importance of further developing the 'open' healthcare system of the region based on the 'freedom of choice between public and private sectors'. The same programme also underlines the fundamental role of the 1997 reform of the healthcare system that started the process of 'new' welfare building in Lombardy (Northern League-Maroni, Election Programme 'La Nostra Lombardia', 2013: 18).

The League has not been strong only in Lombardy. Here it is worth mentioning another region in which the League has been successful, Veneto, which seems the most puzzling case in this study. Indeed, in the quantitative analysis presented above, Veneto has an intermediate score of welfare development, well below that of other regions in which regionalist mobilization has been strong. One possible explanation of this 'Venetian exception' can be found in the context in which Venetian territorial mobilization emerged. Indeed, Veneto is often considered as the best example of Italian region in which a deep and socially diffuse *political sub-culture*¹ influenced by Catholicism has developed and remained very strong over most of the 20th century (Baccetti and Messina, 2009). It is therefore not surprising that such sub-culture has also influenced the Venetian branch of the Northern League, once it replaced the Christian Democratic party as the dominant political force in part of the region (Bull and Gilbert, 2001: 102). Subsidiarity has been one of the main principles supported by social Catholicism and this has resulted in more emphasis on the social role of municipalities and local organizations rather than on the role of the regional government. Given this

¹ In other Italian regions Catholicism has also been strong but it has not been the basis for the development of a highly developed and integrated civil society.

historical legacy, the Venetian welfare system has developed as a 'polycentric' system and the strengthening of regional autonomy and identity seems to have contributed to the consolidation and development of a local-based, rather than region-centric, social system (Ciarini, 2012: 145–148). Since the data used for the quantitative part mainly refer to the level of development of policies directly promoted and planned by the regional government, they may have not captured the high development of social policies promoted at the sub-regional level.

Additionally, other qualitative data, which could not be included in the quantitative analysis, seem to suggest that Veneto has also been an arena of development of innovative social policies. For instance, a regional solidarity fund was established in the 1990s to promote individual retirement savings (Ferrera, 2005: 201). The stress on complementary pension schemes for some specific sectors of the labour force makes Veneto partly similar to alpine regions such as South Tyrol, Aosta Valley and Trento, although in the Venetian case social partners (catholic trade unions and employers' organizations) seem to play a more active role.

The fact that the region-wide welfare model of Veneto is not as well defined as the Lombard one may be also due to political dynamics within the Northern League. This party can be defined as 'macro-regionalist', since it is a federation of different regionalist movements that merged in the early 1990s. The Lombard League, originally led by Umberto Bossi, who then became the leader of the whole confederation, has always been the centre of the confederated organization. The regional branches of the Northern League have had little influence in the highly centralized policy formulation process of the League dominated by the Lombard leadership of Umberto Bossi and his closest allies (Tambini, 2001: 92). Lombardy has therefore been more relevant in the political strategies of the macro-regionalist party and in the formation of its social and political alliances. Of course, things have significantly changed in the late 2000s with the increase in electoral support for the Venetian League. This has been combined with the crisis of the Lombard leadership of the League (the downfall of Umberto Bossi in 2012). The quantitative data used in this study only marginally refer to the late 2000s and, therefore, they may have not detected the effects of these recent changes in political equilibriums.

At the same time, as pointed out by Hopkin (2008), within the internal organization of the state-wide party *Forza Italia-PdL*, the Lombard branch has *de facto* acted as an autonomous territorial party, following an independent political line and forming social and political alliances with a broad range of regional interest groups. This has not occurred in the Venetian branch of the party. Therefore, territorial mobilization and region-specific issues may become important also within state-wide political parties that are characterized by a *stratarchical* political organization. These intra-party dynamics were not detected by the quantitative analysis and this points to the

importance of combining quantitative and qualitative analyses (the ‘nested’ analysis proposed by Lieberman [2005]) in order to maximize the validity of social and political research.

Conclusion

This paper has shown that in a decentralized country like Italy the regions that more actively promote the construction of sub-national systems of welfare governance are those ones in which the saliency of the centre-periphery cleavage is stronger. This result seems valid even if left-right politics, socio-economic development, institutional asymmetries and demographic vulnerability are accounted for. Regionalist parties may use region-specific social policies in order to strengthen regional distinctiveness and, by politicizing it, increase or stabilize their electoral strength. Of course, as shown by the South Tyrolean and Lombard examples, regionalist parties (and regional branches of state-wide parties) may end up building qualitatively different models of welfare depending on the role that they play in the regional party system and on their ideas of social justice.

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Tables

Table 1. Average regional spending in Healthcare and Social Assistance (1996—2011)

	Healthcare	Social Assistance	Total Spending	0 – 1 score
Aosta Valley	2013	464	2477	1
Bolzano- South Tyrol	1754	569	2323	0.94
Trento	1586	673	2259	0.91
Lombardy	1523	174	1697	0.69
Emilia Romagna	1550	144	1694	0.68
Umbria	1590	87	1677	0.68
Sardinia	1408	190	1598	0.65
Tuscany	1419	106	1525	0.62
Veneto	1410	107	1517	0.61
Friuli Venetia Giulia	1283	221	1504	0.61
Latium	1372	114	1486	0.6
Piedmont	1347	109	1456	0.59
Marche	1339	111	1450	0.59
Calabria	1357	47	1404	0.57
Abruzzi	1298	76	1374	0.55
Liguria	1261	110	1371	0.55
Sicily	1233	117	1350	0.55
Basilicata	1224	73	1297	0.52
Apulia	1238	54	1292	0.52
Molise	1214	61	1275	0.51
Campania	1197	59	1256	0.51

Source: Ministry of economic development <http://www.dps.tesoro.it/cpt/cpt.asp>

Table 2. Social legislation of Italian regional governments

	Original Score Health	Original Score Social Assistance	0-1 Score Health	0-1 Score Social Assistance	Sum rescaled scores	Final 0-1 Score
Tuscany	4	2.5	1	0.833	1.833	1
Lombardy	3	3	0.75	1	1.75	0.95
Aosta Valley	3	3	0.75	1	1.75	0.95
Bolzano- South Tyrol	3	2.5	0.75	0.833	1.583	0.86
Sardinia	4	1.5	1	0.5	1.5	0.82
Friuli Venetia Giulia	3	2	0.75	0.667	1.417	0.77
Emilia Romagna	3	2	0.75	0.667	1.417	0.77
Marche	4	1	1	0.333	1.333	0.73
Umbria	3	1.5	0.75	0.5	1.25	0.68
Liguria	3	1.5	0.75	0.5	1.25	0.68
Abruzzi	3	1.5	0.75	0.5	1.25	0.68
Molise	3	1.5	0.75	0.5	1.25	0.68
Basilicata	3	1.5	0.75	0.5	1.25	0.68
Piedmont	2	2	0.5	0.667	1.167	0.64
Trento	1	2.5	0.25	0.833	1.083	0.59
Veneto	1	2	0.25	0.667	0.917	0.5
Sicily	2	1	0.5	0.333	0.833	0.45
Apulia	3	0	0.75	0	0.75	0.41
Latium	1	1.5	0.25	0.5	0.75	0.41
Calabria	3	0	0.75	0	0.75	0.41
Campania	2	0	0.5	0	0.5	0.27

Source: Pavolini (2008)

Table 3. Effective implementation of social services in Italian regions

Regions	Mapelli's Score Healthcare		Hospital beds per 100,000 inhabitants		Long-term care places per 100,000 inhabitants		Access to childcare (% of children below 3)		Access to elderly care (% of people above 65)		Sum of rescaled measures	Final 0—1 score
	Original score	0—1 score	Number	0—1 score	Number	0—1 score	Number	0—1 score	Number	0—1 score		
Trento	61	0.77	424	0.82	885	1	15.5	0.38	5.4	0.5	3.47	1
Aosta Valley	55	0.7	342	0.66	65	0.07	40.3	1	10.9	1	3.43	0.99
Emilia Rom.	67	0.85	446	0.86	472	0.53	28.3	0.7	5.5	0.5	3.45	0.99
Bolzano/ S. T.	57	0.72	466	0.9	554	0.63	9.6	0.24	8.4	0.77	3.26	0.94
Veneto	61	0.77	397	0.77	631	0.71	10.7	0.27	7.5	0.69	3.21	0.93
Lombardy	68	0.86	419	0.81	630	0.71	13.7	0.34	5	0.46	3.18	0.92
Tuscany	71	0.9	381	0.74	314	0.35	20	0.5	3.2	0.29	2.78	0.8
Friuli V.G.	79	1	391	0.76	550	0.62	10.9	0.27	5.3	0.49	3.13	0.9
Piedmont	64	0.81	413	0.8	411	0.46	13.5	0.33	3.2	0.29	2.7	0.78
Liguria	63	0.8	409	0.79	191	0.22	16.8	0.42	2.3	0.21	2.43	0.7
Sardinia	34	0.43	428	0.83	85	0.1	4	0.1	9.1	0.83	2.29	0.66
Marche	59	0.75	394	0.76	122	0.14	17.2	0.43	2	0.18	2.26	0.65
Latium	56	0.71	517	1	99	0.11	10.3	0.26	1.9	0.17	2.25	0.65
Umbria	67	0.85	322	0.62	224	0.25	13.7	0.34	1.6	0.15	2.21	0.64
Molise	48	0.61	499	0.97	22	0.02	3.9	0.1	5.3	0.49	2.18	0.63
Abruzzi	53	0.67	410	0.79	157	0.18	7.2	0.18	3.2	0.29	2.12	0.61
Sicily	39	0.49	347	0.67	46	0.05	4.88	0.12	6.4	0.59	1.93	0.56
Basilicata	39	0.49	333	0.64	71	0.08	5.6	0.14	1.8	0.17	1.52	0.44
Apulia	37	0.47	378	0.73	71	0.08	5.3	0.13	1.3	0.12	1.53	0.44
Campania	45	0.6	320	0.62	31	0.03	2.1	0.05	2.5	0.23	1.51	0.44
Calabria	30	0.38	404	0.78	79	0.09	2.3	0.06	1.3	0.12	1.43	0.41

Sources: Pavolini (2008); Mapelli (2007); Eurostat; ISTAT.

Table 4. Measuring the level of development of regional welfare systems through the multiplicative index

Region	Spending	Legislation	Implementation	Multiplicative score
Aosta Valley	1	0.96	0.99	0.95
South Tyrol/Bolzano	0.94	0.86	0.94	0.76
Lombardy	0.69	0.96	0.92	0.61
Trento	0.91	0.59	1	0.54
Emilia Rom.	0.68	0.78	0.99	0.53
Tuscany	0.62	1	0.81	0.5
FVG	0.61	0.78	0.9	0.43
Sardinia	0.65	0.82	0.66	0.35
Veneto	0.61	0.5	0.94	0.29
Umbria	0.68	0.68	0.64	0.29
Piedmont	0.59	0.64	0.78	0.29
Marche	0.59	0.73	0.66	0.28
Liguria	0.55	0.68	0.7	0.26
Abruzzi	0.55	0.68	0.61	0.23
Molise	0.51	0.68	0.63	0.22
Latium	0.6	0.41	0.65	0.16
Basilicata	0.52	0.68	0.44	0.16
Sicily	0.55	0.45	0.56	0.14
Apulia	0.52	0.41	0.45	0.1
Calabria	0.57	0.41	0.42	0.1
Campania	0.51	0.27	0.44	0.06

Table 5. The political strength of regionalist parties from 1980 to 2010 (% of council seats controlled by regionalist parties). Averages by region.

	1980S	1990S	2000S	Average 1980—2010
South Tyrol/ Bolzano	63.7	70.6	75	70
Aosta Valley	46.4	53.4	72.2	57.6
Trento	12.8	33.8	53.3	34
FVG	3	21.5	13.5	12.7
Lombardy	0	16.7	17.8	11.7
Veneto	0	10.3	18.2	9.8
Sardinia	10.2	7.9	7.7	8.6
Piedmont	0	6.7	7.7	4.9
Liguria	0	4.7	4.1	3
Sicily	0	0	7.1	2.5
Emilia Romagna	0	2	4.4	2.2
Apulia	0	0	3.7	1.3
Molise	0	0	1.5	0.5
Tuscany	0	0	0.5	0.2
Marche	0	0	0.4	0.2
Umbria	0	0	0.3	0.1
Abruzzi, Basilicata, Calabria, Campania, Latium	0	0	0	0

Source: Ministero dell'Interno (www.interno.it)

Table 6. The determinants of welfare development (healthcare and social assistance) in the Italian regions (1980-2010). Multiple OLS regression.

	Standardized coefficient (β)
Territorial mobilization	.90
Left-wing mobilization	.28
Institutional asymmetries (RAI)	.10
Index of socio economic development	.18
Demographic vulnerability	.21
Population Size	.17
N	21
R-squared	.88

Table 7. Percentage of in-patients treated in private hospitals (1995–2010)

	1995	2010
Lombardy	11%	26.9%
Tuscany	5.9%	7.3%
South Tyrol	8.5%	5.1%

Source: Italian health ministry www.salute.gov.it . Author's own calculation.

¹ Measured in terms of share of regional council seats won by regionalist parties between 1980 and 2010.

² I considered turnout in referendums, newspaper readership and participation in voluntary associations as indicators of social capital. If not otherwise indicated, the data presented in this section are from the ISTAT and EUROSTAT websites (www.istat.it and http://epp.eurostat.ec.europa.eu/portal/page/portal/region_cities/introduction).

³ In 2009 the healthcare minister of the province of Bolzano, Richard Theiner, stated that 'a privatization of the healthcare system, which implies increasing competition between private and public sectors, is not a sensitive measure'.
http://www.provinz.bz.it/sanita/attualita/news.asp?&aktuelles_action=4&aktuelles_article_id=314380 (date of access 3/03/2013).

⁴ ISSIRFA is the Institute for the Study of Regionalism, Federalism and Self-Government, which provides data on spending based on regional budgets <http://www.issirfa.cnr.it/1219,1018.html>