# Italians should back the constitutional reform – there is no guarantee this opportunity will arise again

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22/11/2016

As part of our series covering Italy's constitutional referendum, scheduled for 4 December, Marco Simoni outlines a case for a Yes vote. He argues that the proposed reform would address a number of key institutional weaknesses in the country, and that by improving the functioning of Italian democracy, it would help establish proper accountability and trust in the political system.



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Why are Italians going to vote on a referendum on their Constitution? I will start from answering this question, as well as putting forward a disclaimer. Formerly an Associate Professor at the LSE, I am currently an economic advisor to the Prime Minister of Italy. I hope, however, that my writing is as transparent and objective as it can be: in the end I accepted my position because I support the current government's policy, and not vice-versa.

### The need for constitutional reform

In the last approximately three years, the Italian government has pursued a wide-ranging agenda of reforms, from new labour and banking laws, to civil rights for gay and lesbian citizens, as well as tax cuts and an increase in the number of teachers hired for state schools. While pursuing its agenda, it has also been instrumental to a significant reform of the Italian Constitution.

The latter did not come out of the blue. Since the early eighties, there have been four major attempts at modernising the Italian constitution, and several additional minor attempts. The former all resulted in nothing, despite years of discussions, reports, votes in Parliament and even one referendum. A few minor reforms were instead approved, most notably a reform passed in 2001 which granted greater powers to regional governments without also attributing larger responsibility for tax collection, so that in the last 15 years, local governments have become veto players on any decision of national importance which also had political traction at the local level – a situation which political entrepreneurs could exploit.

In other words, discussions on how best to change the section of the constitution that articulates the institutional configuration of Italy have been a key topic during the last forty years of Italian democracy. As a consequence, in Italy, constitutional debates have not been confined to specialists, but rather have been widely discussed. The current government has pledged, since its first confidence vote, to be instrumental in finally bringing this discussion to a positive conclusion.

The core reason for this centrality of the constitutional debate is the peculiar parliamentary system of Italy whereby both chambers have exactly the same powers, but are elected through slightly different mechanisms. This system was designed in the post-war era to embolden minority checks and establish strong checks and balances to prevent the re-emergence of fascism.

The effects of "perfect bicameralism", as it is called, were essentially twofold. First, it has generated extreme instability of governments: Italy has had 63 governments in the last 70 years. Second, it has promoted extreme factionalism within the chambers, emphasising rather than mitigating, Italian political factionalism. Each law has to be approved by both chambers utilising exactly the same text, with no conciliatory mechanisms available to help solve disagreements, creating the potential for an endless series of votes.

This naturally generated a strong incentive for the creation of small, or ad-hoc, interest groups, with the additional biproduct of having too much legislation and out-of-control public spending, also generated through parliamentary pork-barreling. Only sharp crises, in the early 1990s and in 2011-12, allowed a number of unpopular, and quite improvised, remedies to control or decrease the very high public debt that was accumulated during the 1980s and persisted in later decades. Indeed, even after the introduction of quasi-majoritarian electoral laws in the early 1990s, the institutional configuration prevented the sought-after governmental stability.

## Why Italians should approve the proposed reform

The current reform, which is now pending the referendum, successfully passed six votes in the Parliament, i.e. three in each of the chambers. The end product addresses the two main issues I have highlighted above: bicameralism and the distribution of competences between the regions and the state. If the reform is ratified, the Senate will be radically reduced to 100 representatives, including members of regional assemblies and mayors of the largest cities, and its power will no longer include providing a confidence vote for the government, but will only extend to limited domains (constitutional, methods for adopting European laws, and on the organisation of sub-national governments). The Senate will also be able to voice disagreement to the other chamber, and suggest (but not impose) legislative changes. In short, the Senate will only provide a check on the power of the majority as encompassed by the Chamber of Deputies, while the latter will keep all law making prerogatives. Additionally, the reform clarifies the distribution of powers between the State and the regions, mainly re-centralising competences on a number of strategic areas (e.g. energy, trade, and others).

Beside the two core changes, the reform adds some checks and balances to the majority power and it does some housekeeping by capping the (incredibly high) stipends of regional councillors, and abolishing the post-war Council for Economy and Labor (CNEL) whose function has remained unclear to most Italians for the last seventy years. Overall, the reform will make institutions leaner by cutting 215 elected senators, completing the elimination of provincial governments (while keeping regional and city governments) and abolishing the CNEL. In my view, key side effects are likely to be the reduced power of single interest groups in lawmaking, and the reduced clout of local political entrepreneurs.

Given the last paragraph I just wrote, it is not a surprise that this reform was able to gather considerable opposition, given also that the reform is advocated by a government that, in the last few years, has reformed a number of sacred cows: labour, banks, the rights of gays and lesbians, just to mention a few of the largest ones. However, I want to take seriously what I consider to be the main argument against the reform (albeit one of the least used) and provide a counterpoint to explain why it may instead be a positive development for Italy. I will then conclude by describing the two contending camps in favour of and against the reform.

It is likely that the reform, if passed, will make governments more stable and more effective. Governments may lose votes of confidence and be replaced before the end of their fixed term, as happens in most parliamentary systems, but it will be less likely to happen than now. One could say that, even though the power of ministers and of the prime minister is left unchanged, the reform indirectly makes governments stronger. Some Italians consider the latter to be undesirable. Some suggest that we need more, not less, counter-powers to governments at times in which populists tend to dominate public debate. In his argument against the reform, Valentino Larcinese in this blog explicitly laments that "we need more than ever those restrictions on executive power" such as perfect bicameralism, as a restraint to the majority power.

This argument is based on a misconception of parliamentary systems – e.g. in the UK, Germany or Spain the government is always an expression of the parliamentary majority, and the power of the party leader to fill parliament with loyal MPs is substantial everywhere, in both majoritarian and PR systems. But let's ignore technicalities and focus on the idea, which is core to this argument in Italy, that the parliament should act as a counter-power to the government, making its actions more deliberate and hence better. Instead, there is a strong argument to be made that it is precisely the weakness of governments in Italy and elsewhere – their inability to respond to the demands of the citizenry in an efficient, effective and transparent way – that has fuelled the rise of populists and "post-truth politics".

In other words, I believe that at the source of the current distrust on public institutions mounting across western democracies is the incapacity of governments to address the reasons for public malaise and offer solutions to deeply felt issues. This incapacity to respond, such as for example the EU's slowness in dealing with the economic and migrant crises, or the Italian government's inability to pursue any meaningful change in the twenty years prior to the current government, also has institutional roots. This certainly applies to Italy, where small groups can block legislation for years, but probably applies to other countries, too. One can have the most transformative and enlightened political vision, but institutional failure to deliver will end up feeding distrust in democracy. The relevance of effective democracy in order to regain accountability (and hence trust) in the political system is in my view the key argument in favour of a Yes vote.

## The two campaigns

To conclude, it is worth briefly describing the two camps currently debating in Italy. The government and its parliamentary majority are in favour of the reform. This includes the Democratic Party (PD) and its leader Matteo Renzi, and two smaller centrist parties. A number of highly regarded political figures such as Emma Bonino, a former EU commissioner and civil right activist, or Walter Veltroni, former mayor of Rome, are supporting the reform. The main industrial federation, main farmers' association, and the second largest trade union confederation are also in favour. Notable public figures, for example, academy award winner Roberto Benigni, or Fiat-Chrysler CEO Sergio Marchionne, have also publicly supported the reform.

First in line against the reform are a few of those who voted in favour as Members of Parliament, but have now changed their mind and decided to vote no in the referendum. These include former Prime Minister Silvio Berlusconi and his centre-right party, who decided to flip flop on their support of the reform because the current President of the Republic (who is elected indirectly, by the parliament), was not their first choice. Also Mario Monti, the former technocratic Prime Minister and a senator for life, decided to vote no, despite previously voting yes in the Senate, because of his sense that the latest budget law is not austere enough.

Third, a small minority of the PD, including the PD's former leader, Pierluigi Bersani, are voting no because they do not like the combination of the constitutional reform and the electoral law for fear it further empowers majorities. It is worth noting that the electoral law is not part of the reform, that it was already passed when this segment of the PD voted "yes" in the parliament, and that it is likely to be changed anyway after the referendum. The motivations I summarised do seem quite inconsequential and removed from the content of the referendum, but I wish to underline this is a summary of described motivations, not my interpretation.

Second, opposing the reform since day one, is the main populist opposition party, the Five Star Movement, who rejoiced at Trump's victory alongside the anti-EU Northern League party (which is also opposing the constitutional change). Additionally, the large left-leaning trade union confederation CGIL; the small "Italian Left" party; and all the fringe extreme left and right movements are against the reform. Some of this opposition is motivated by disapproval of the Prime Minister – either from a left-wing or right-wing perspective – other motivations are less coherent. Finally, a relative majority of the old political leadership from the 1980s, 1990s and the early 2000s, is also against the reform.

A good summary of the criticisms from this latter group of former politicians is found in a blog post previously published by EUROPP, co-authored by Emeritus Professor Gianfranco Pasquino from the University of Bologna, who was a member of the Italian parliament three times in the 1980s and 1990s. The article concludes by arguing that once this reform fails (following three years of discussions and deliberations, which followed 40 years of failed attempts at reforming the constitution), a new space will open for much better-crafted and more useful reforms.

In my opinion, Italians should not miss this opportunity for a real reform, which addresses a number of key institutional weakness in Italy, rather than relying on a leap of faith that something much better will one day magically arrive.

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Note: This article gives the views of the author, and not the position of EUROPP – European Politics and Policy, nor of the London School of Economics. Featured image: both Chambers of the Italian Parliament gathered in a plenary session, February 2015. Credits: Presidenza della Repubblica.

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