

Local autonomies and their evolution in the history of Italy: A case study

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Introduction

This paper illustrates the first results of a research study inspired by the issue of local autonomies-regionalism-federalism within the current political and institutional debate. Contradictions that can be easily found in the relation among all the constitutive elements of the Republic of Italy, from municipalities to state as well as in the increase in state-region conflict due to a normative-constitutional framework which has evolved on the basis of often ‘colliding’ principles, has attracted jurists, constitutionalists, etc. Historical research can play a pivotal role in such a debate, especially in order to shed light on the processes which the institution of regions with ordinary statute in the 1970s brought about.

Our perspective of analysis draws on the bottom-up logic of ‘case studies’: a slightly partial approach which privileges the territorial dimension of phenomena, also including those on a wider scale which were mentioned above.

Some of the issues related to the development/local autonomies relation will be tackled, by taking into consideration the administration of the Brindisi province, in Apulia, in the second half of the 20th century. These are contentious issues, interpretative hypotheses which are based upon the empirical assessment of the role played by

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the Brindisi province administration within the progress of the socio-economical scenario in such a crucial period as 1970-1990. Crucial, because during this period Brindisi, like the rest of Italy, faced the combination of numerous factors: the institution of regions bringing some novelties in the institutional function as well as in the original prerogatives of the provinces; the organic reform of the tax system having some repercussions on the fiscal system of both provinces and municipalities and considerably re-dimensioning the area of application of taxes typical of local entities; last but not least, the profound re-consideration of the state's policy of intervention in the South of Italy, until the 1986 reform which, among other things, introduced the principle of 'pluralism of initiative' (gradually substituting the obsolete principle of 'additionality of state intervention') and re-conferred some relevant financial room for intervention (thanks to the three-year development plans and to the annual ones) to territorial entities, at the expense of regions.

The *terminus ad quem* is the Local Autonomy Law (June 1990), since it represents a turning point in history and marks a new beginning in a radically-changed national and international context following the advent of the long legislative process which, characterized by profound federalist modifications to the state order, reaches the ultimate proposal for a reform of local entities and the laws relating to autonomous entities.

The birth of Apulia Region

It is necessary to bear in mind the fact that from the end of World War II to the 1970s Brindisi witnessed a significant increase in some economic parameters, i.e. levels of industrialization, employment, incomes, infrastructural

resources of the territory; educational and training strategies. All of this was made possible thanks to the synergies between the different successive administrations in Brindisi and their extraordinary intervention policies. The role of local administrators is crucial, though not decisive (nor is that of the state) with respect to the effects of chronic and interconnected problems following the failure of economic and social development, insufficient investments, low incomes, migration, agricultural unemployment and the low standards of living which represent a threat to the overall socio-economic context in which they operate. In just ten years this contexts has had to face the effects of some initiatives of pre-industrialization promoted by the well-known 'Monteshell operation' and then those following the creation of Brindisi Industrial Development Area at the beginning of the 1960s, which turned the province into one of Apulia's development poles of basic industry, in particular of the petrochemical.

Hence, from the beginning of the 1970s to the first decade of the 1970s, the successive administrations in the province of Brindisi (the first and the last being Christian-Democrat-led, the second and the third Socialist-led) were asked to manage such a complex territorial, social and economic reality, and to confront the creation of Apulia's regional institute, with the tax reform, with the 're-orientation' of the policies of development of the South, with the different phases of weak economies, with the crisis of local and national representation, with the increase of political and social conflict.

At a merely political-ideological level, for all administrators of the Brindisi province the birth of the Region represented an important step towards the process of 'progressive emancipation' of the entity "*from its close relation (or organisational interpenetration) to the state's administration*"

(Vandelli, 2004). To them such a birth also represented a sound springboard for a more incisive institutional reform of the state which eventually led to the application of the provision in the art. n. 5 of the Italian Constitution: in other terms, to a real recognition of the undeniable importance of local autonomous entities in a normative context guaranteeing a wider administrative decentralisation as well as efficient self-government.

At a practical level, however, local administrators are more concerned with the reprogramming of powers for administrative supervision which the beginning of such a process implies, and - more specifically - with the transition from the control by the prefect to that by the region. What emerges is the worry that with the creation of the Region and the absence of the aforementioned normative framework, the autonomy and validity of the provincial authority might be revised downwards, both in terms of representation and in terms of political, economic and social operability on the territory. This is the rationale that, along with the considerations concerning the framework of regional statute, encourages all Brindisi administrators to re-affirm the need for the statute to give much more importance to the fundamental role of local entities, with special reference to their contribution to the financial planning as well as to the implementation of the action plan for the territorial development of Apulia. Just like there is some concern about the future opportunities for the provincial entity to monitor and administrate quotas of the state's resource flow that will shortly be channelled and filtered by the emerging regional institute, there is also the worry related to the role of the provincial administration within the programming of the corrections to the highly sensitive issue of so-called 'white elephants'. But there is also some degree of uncertainty for the yet blurred framework of hierarchical and collaborative relations as

well as for the distribution map of administrative and decisional autonomy between region and territorial local entities.

In December 1970, the first regional assembly, elected in June, elaborated the Statute of the Apulia Region, which was then approved by Chamber of deputies and the Senate of the Republic in May after the usual series of negotiation, of doubtful constitutionality, as maintained by R. Romanelli, between region, government and parliamentary commissions – something that is customary for all regional statutes that are legally approved. Indeed, the ‘charter’ of the Apulia Region is no indicator of its relations to the local entities on its territory. Heading n.3 of Art. 64 only clarifies that the delegation of any administrative functions are to be established by regional laws, that have to clearly define guidelines and general directives for the orderly execution of the delegated functions as well as for the regulation of all financial relations among the entities.

In the meantime, the provincial administration in Brindisi is quite aware of what the priority objectives for the socio-economic rehabilitation of the province are: the competitive re-qualification of the facilities in Brindisi harbour and the revival – on a global scale - of all port services for industry, commerce and tourism; the safeguard and the promotion of artisanal activities; public works; country planning; and social security. To fulfil these aims, a development plan was worked out, which could be used as an operative tool in order to make the rational utilization of the territory and urban development more congruent, also by means of municipal and inter-municipal regulatory plans. The plan points to seven inter-municipal areas and classifies them in three main urban-territorial systems for the organic staging of all interventions in matters of viability, industry, agriculture, tourism, healthcare,

education and environment, while awaiting the binding regional territorial plan which the Apulia Region will have to, as agreed, predispose also on the basis of the proposals received in the meantime from Apulian provinces. All of this is mainly a non-starter: the plan of the provincial entity is blocked and the tangible interventions are even more unrealistic. The plan will be caught up between contentions, red tape, legislative delays, strife and conflict of particular and parochial interests which will make the relations between state, region and local entities much more complex.

Whilst the Apulia Region slowly begins to delineate the new normative framework of its functions and relations to local administrations and institutions at a higher level, some new developments are gradually emerging in relation to the policies of intervention in the South of Italy: the re-financing of the *Cassa per il Mezzogiorno* (Fund for the Mezzogiorno) (October 1971); the abolition of the Committee of Ministers for specific measures in the South of Italy and the conference of the *Comitato Interministeriale per la Programmazione Economica (CIPE)* (*Interministry Committee for Economic Planning*) of the allotment of new investments for sectors and territories and the allocation of new plants, thanks to the help of the Institute for Programmed Negotiation (Del Monte and Giannola, 1978). The regions are allowed to take part in initiatives and proposals to the decisions made by CIPE and acquire the competencies for the so-called *Aree di Sviluppo Industriale (ASI)* (Areas of Industrial Development); all central interventions are brought together under the label of 'special projects' and the Development Fund – the technical executive body - is responsible for the coordination and completion of works. There are signs of renewal and – most of all - of stabilization of the framework of competencies and inner relations as concerns the system of both central and

peripheral public institutions. In the Brindisi provincial administration uncertainties and worries seem to be replaced by the expectations towards the 'new global vision of the programme', which appears to represent a turning point in perception of the extraordinary action for the South, since it successfully re-equilibrates and combines the intervention from on high by the state and the programming function from below by the Southern regions, the latter believed to be depending on the needs of the territory which they represent.

Nonetheless, the thrust of the new developments of the policy for the South turns out to be excessive and is soon overturned by the events affecting both the local and national contexts, among which the economic crisis affecting the job supply and the safeguard of the employment rate, material well-being and social order, which have been put at serious risk especially in the weakest areas of the country (Crainz, 2003). This is something of which the Brindisi provincial administrators are already aware: hence, the first of the decisive factors concerning their intervention plan is indeed related to employment promotion, which is thought to be dealt with by extending and accelerating commitment to public works. Despite the deficit, the financial exposure to the public increases considerably, by balancing the burdens through the recourse to national contributions and the assumption of mortgages. The indebtedness of the provincial entity is to be located within the more general and complex issue of the revision of the local financial system, which perhaps constitutes the most delicate aspect of the project of redefinition of the correlations between territorial autonomies and functional reform of the state, already in force for some time.

The reform of the tax system

The issue is made even more burning by the accomplishment of the long process of organic reform of the tax system, started in 1962, which intervened between 1973 and 1974 also on the fiscal system of both provinces and municipalities, by reducing the area of application of taxes typical of provinces, by re-equilibrating it thanks to the adoption of contribution revenues by the state as replacements for formerly local taxes (Boria, 2008; Marongiu, 2001; Morcaldo, 2007). Hence, the system centralises the tax-levying function of the State, and whereas on the one hand this improves the efficacy of the tax levy (which becomes an important tool for economic policy and planning), on the other it creates a 'derived' system of local finances, with no resources of its own. Such a system is contradictory with respect to the contextual decentralisation of powers to the regions and to the accompanying empowering of local autonomies (Gallo, 1979). But, most of all, it is the choice to create a local finance system based on transfers of funds from the State which is unfortunate, given that we end up dangerously restricting the autonomy of local administrations solely to the expenditure side in which debt becomes a normal source of financing and develops considerably and anomalously, setting in motion a vicious circle of increasing deficits and congruent increasing debts (Brosio et al., 1978; Marongiu, 2001).

Going back to our case study, the above-said clearly justifies the steady increase in the provincial administration's deficit caused by its commitment to sustaining the employment rates that have been put at serious risk by the phase of a low rate economic activity: this support is the result of a expansive policy of public works, which in such a moment may be pursued without

paying too much attention to the costs incurred, relying on funds awarded by the state according to flexible criteria aimed at reducing the gap between rich and poor areas. This is because the abolition of the fiscal autonomy of the Province is actually leading to the reduction of direct responsibilities on the part of the body with respect to the tax burden on citizens, to which we should add the loosening of the previous normative constraints on deficits and borrowing. Notwithstanding this, the transition from the allocation of costs in the budget for the implementation of public works to their tangible realization is not easy at all. The *fil rouge* of the controlling system administered by the central administrative organisms ties up the entire mechanism, with disastrous consequences especially in terms of the effects that government spending can have on local businesses, given that private contractors often prefer to halt the completion of contracts that they have won. It is thus very difficult to avoid the slowing down of employment processes, promote investment, improve territorial infrastructure, and modernise and enhance public services.

We should expect that, in such a sense, some aid comes from the regional organs, so the provincial administration welcomed enthusiastically Presidential decree n. 616 in 1977 which concluded the first transfer (according to the so-called *principle of parallelism*, i.e. the administrative and legislative powers of regions over the matters listed in article 117 of the Italian Constitution), relating to functions, offices, personnel, resources etc., which delegate to regions and local authorities competencies in matters related to the local territory, agriculture, economic development, social services and cultural activities. Also such a measure, however, will have no relevance within the process of re-dimensioning the substantial 'footprint of the state' in relations between states, regions and local authorities and

the construction of tangible regional, provincial and municipal autonomy. One has tried to find a solution to the problem recently, but in the meantime the contrapositions between state and regions have become more and more evident, the latter being even more affected by the so-called 'framing laws', aimed at "*defending the space granted by avoiding delegation of competencies to local authorities, whilst the state – in its function as legislator defining the principles of provincial and municipal autonomy - acquired the 'safeguard' of local authorities with respect to regional interference*" (Felici, 2004).

Generally speaking, for such reasons the action of provincial administrations in some sectors of strategic importance for socio-economic progress still retains a merely promotional, facultative and episodic character, a long way from any form of organic intervention.

The issue concerns also the province of Brindisi. The unchanged legislation on the specific competences of provincial entities makes the administration powerless towards the numerous requests by both society and territory. Presidential decree n. 616/1977 represents a huge step forward on the path towards the democratic, participative institutional base of the country, but is not sufficient, and the decree makes this path even harder to some extent. The Presidential decree puts the municipality at the basis of the decentralization process, in that it represents the very first level of democracy-based social community (a basilar function in all sectors). however, when it comes to the issue of 'province', the legislator witnesses all the doubts, ambiguities, contradictions and uncertainties related to it. For instance, whilst on the one hand the presidential decree confers the exclusive right to fish in those waters that are considered State property, on the other it allows the Region to issue concessions, thus taking a portion of the power from the province. It is not so difficult to understand the problems which the above-

said could cause to the province of Brindisi, to whom the sea is a fundamental resource. Such a 'nebulosity' is to be found in the attribution of competences in matters of pollution, viability, aqueducts and public works – all of which being extremely important sectors in which the definition of competences and the destiny of the province itself (i.e. the risk that it becomes incorporated in the explicit willingness to centralize power by the Region, something that had been previously contested to the State). The normative uncertainties are amplified by the national debate that arose in the 1970s between 'abolitionists' and 'revisionists' of the province; however, the climate of confusion is mostly fuelled by the perennial delay with which the state's normative body is constructing solid institutional frameworks, and by the tendency of the Region to limit the erosion of its deliberative powers by avoiding the issuance of delegations to peripheral bodies. From the new Parliament elected in 1980 we would expect a law on the rearrangement of local autonomies, a process which was preannounced in the piece of legislation coordinated by the *Comitato Ristretto della Commissione Affari Costituzionali del Senato* (Senate Committee on Constitutional Affairs) which appears to have accepted the role of 'intermediate body of wide area planning' conferred to the province. Hence, it is not an additional institution, but an intermediate level of government, of general and sectoral planning, of exclusive intervention in socio-economic and territorial planning and within the 'established community' of which the province is the direct expression. Such a leading role requires much more resources than expected. Since for the Brindisi administration in line with the resolution of the Council of Europe concluding the 14th Conference of Local and Regional Powers of Europe (1981) and with the official declarations of ANCI (National Association of Italian Communes) and UPI (Union of

Italian Provinces), it is necessary to operate simultaneously for the rearrangement of local autonomies and the reformation of local finances. The two issues are strongly related, as there cannot be an increase in functions without any secure financial resources to sustain it, and only a 'sensible' autonomy of taxation conferred to the province can guarantee it.

The issue of energy

In the meantime, the qualifying points of the program launched by the provincial administration in the 1980s deal with newer issues such as the territorial counterbalance of investments and development, made imperative by the presence of the Montedison chemical plant in Brindisi (now in difficulty), the promotion of productivity for the service sector, the 'Europeanization' of the problems concerning the Brindisi province, now made possible thanks to the existence of a directly-elected European Parliament enjoying wider powers; together with old issues, such as unemployment, agriculture, tourism and education. Indeed, the actuation of the program soon met with difficulties: even during the budget planning, the administration has to contend with Decree Law n. 786/1981, which limits the autonomy of financial manoeuvrings which was revised after the novelties introduced by financial law n. 730 of 23 December 1983, and its modifications to the development of budget planning. The Province can avoid recourse to the interim budget and – most of all – can rely on a new criterion for the distribution of the equalization fund, aimed at the reconstruction of financial allocations by local entities based on the parameters of objectives and income. The measure has some positive effects, though not decisive

ones: the Brindisi province has increased the allocation funds for education and culture, agriculture, industry, commerce and crafts, for the interventions in the social sector and housing, but the results are far from the original objectives.

The provincial administration demonstrates a strong sense of protagonism and capacity for effective governance of those strategies aimed at providing the right responses to both production and the employment crisis, to the state of environmental emergency, to the delays inherent in social and cultural progress. The Region interferes with such plans and at best does not approve of them - just as it did with the 'energy issue' in the second half of the 1980s. And this is not just because of its centrality as an issue within the effortful (and unsuccessful) search for realistic plans for local economic development or because it is actualized by the nuclear option promoted by the new national strategic plan for energy; but also because in the Salento area the issue activates a more complex and contradictory process which involves public opinion both locally and nationally, central and peripheral administrative entities, trade unions, environmental associations, local companies and national industrial groups. But, most of all, because such an issue represents a battlefield between the Region, whose presidency insists on considering the Brindisi area as the main seat of big nuclear and coal power stations (probably due to the pressure by the Demo-Christians) and the Province which, following the orientation of the majority of the local population, firmly wants to obtain from the regional assembly the eventual abandonment of the projects of nuclearization and creation of coal power stations in Apulia.

At the beginning of the 1990s, the issue of energy in Brindisi was still unsolved, and so are the historical emergencies at a social, economic and institutional level, i.e.

unemployment, development of a territorial productive system, structural weakness of the province within the statutory framework of administrative decentralization and local autonomies. All these factors together would bring some difficulties to the successive administrations in Brindisi, especially to those of the first half of the new decade, which are already concerned with problems of political stability resulting from the more general process of decomposition of a power system as convergence between DC (Christian Democrats) and PSI (Socialists), the lack of consensus and interest in political parties, the incapacity of the Parliament to promote institutional reform, the tensions between judicial and executive power, and crime and bribery.

Conclusion

At least until the 1990s the action of the provincial administration in many sectors of strategic importance for socio-economic progress is promotional and episodic, far from any form of organic intervention, as previously said. The restrictions to the role played by provincial entities in the past (i.e. their exclusive and essential action of intermediation between State and municipalities) and in the study period is not so relevant as to avoid any conflicts of competences in their asymmetrical relation between State and Region. In the very specific case of the Brindisi province this has nullified several important opportunities such as the safeguard of the territory, the development of economy, and social growth. And perhaps, more generally speaking, such dynamics might have considerably contributed to the Italian economic growth after a period of great hardship which had led to the adoption of austerity

policies, to the crisis of local and national democracy, to the increase in political and social conflict, and so forth.

The first results of such a research study can thus be generalized in a more comparativist perspective, at least in such evidently-differentiated territorial realities as the centre or the south of Italy, where the homologating policies of the regions with ordinary statute are often difficult to square with the specific needs of their provinces.

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