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Panel: Le nuove sfide dei sistemi di welfare: l'Italia in prospettive comparata

*Explaining path departure and policy reversal in minimum income reforms.
Group, parties and political exchange dynamics in Italy and Spain.*

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The absence of a minimum income scheme (MIS) was a key feature of the Southern European Model. In the past twenty years, countries in this cluster have witnessed major changes in this policy field. In particular, in Spain regional safety nets have been introduced which cover the entire country and consolidated over time. Also in Italy regional programs were introduced, but they do not diffuse throughout the country and were often subsequently discontinued.

Two different yet intertwined puzzles emerge: i) firstly, the introduction of regional MIS constitutes a significant deviation from the original model of protection of Southern European countries, and thus calls for an explanation. ii) Secondly, despite very similar background (economical, social, institutional) (i.e. *most similar research design*), we observe a different policy evolution of regional safety nets. How can we explain path departure and divergence in the policy trajectories?

In order to solve those puzzles, we depart from previous claims of the literature about the limited scope for political competition dynamics in the minimum income protection domain— in reason of their selective nature and low weight on the overall welfare budgets, coupled with the limited political resources of (would-be) beneficiaries. Conversely, this paper emphasizes – especially in countries characterized by strong pressures to contain public expenditure and limited policy legacy - the crucial role of specific political exchange between social actors and political parties. Therefore, two variables are considered of particular interest: 1) interest groups preferences and organizational interests 2) party structure, and the presence and coalition/competition dynamics both within the left and within the right camp.

More precisely, the paper argues that, on the *demand* side, powerful interest groups (trade unions, faith-based organizations, etc.) might have strategic reason to include a safety net in their bargaining platform, despite the fact that (would be) beneficiaries very often do not belong to their traditional membership base. On the *supply* side, preferences are more complex than foreseen by most of the partisan politics literature, and powerful arguments in support (or in opposition of) minimum income benefits might come both from the right and from the left.

Going beyond the expected left parties vs. right parties divide, the article shows that the politics of MISs is characterized by articulated political dynamics, particularly within the center-right camp. In particular, the presence and coalition/competition dynamics within the right camp of different rights in Italy – the traditional Catholic right and the radical populist one – are considered key factors to explain divergent policy trajectories.