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Administrative reforms in the Italian National Recovery and Resilience Plan: A selective approach to bridge the capacity gap

Fabrizio Di Mascio, Alessandro Natalini, Stefania Profeti

Introduction

EU governance influences not just national economies but also the dynamics of public-sector reforms internal to member states (Ongaro and Kickert 2020). The Eurozone crisis worked as a forceful external factor activating a series of cutbacks and reforms in EU countries in the period 2009-2016. The influence of the EU has been most evident in countries plagued by fiscal vulnerability, such as the southern European democracies. Here, the response to the Eurozone crisis affected national administrative systems in at least two critical respects: first, by largely synchronizing the dispersed paths of policy agendas and second, by specifying and focusing administrative reforms narrowly on financial efficiency (Lampropoulou 2020).

The EU's approach to structural reforms, including those involving deliberate efforts to change the structure and processes of public-sector organizations, has been challenged in more recent times, following criticism of the damage caused by austerity (Ongaro et al. 2022). EU policy makers became aware, well before the outbreak of the COVID-19 crisis, that austerity policies had diminished public acceptance of the pre-2020 economic and fiscal surveillance framework. COVID-19 has catalyzed a shift of focus in EU governance from restraining the public spending of individual countries (whereby EU support was tied to strict conditions that required shrinking the public sector) to supporting and enabling administrative reforms at the national level by linking Next Generation EU (NGEU) disbursements to the completion of milestones and targets in the National Recovery and Resilience Plans (NRRPs). As highlighted in the introduction to the special issue (Di Mascio, Natalini and Profeti 2022), the new NGEU plan encompassed the existing mechanism of the European Semester as the NRRPs were expected to address the challenges identified in the country-specific recommendations. A much stronger role for the Commission, a longer time-span and, most of all, a higher level of enforceability are expected to make the NGEU plan more effective within the framework of an otherwise soft mode of governance such as that exemplified by the European Semester before the onset of the pandemic.

According to the European Central Bank (2022), 39% of the structural reforms envisaged by the NRRPs submitted by the Eurozone countries are related to the public sector. This category includes, for instance, policy measures aimed at enhancing the functioning of the judiciary or the health care system. Measures addressing the modernization of public services also feature

prominently. This is true particularly of Italy's NRRP, which includes an ambitious programme of administrative reforms to address one of the main structural weaknesses of the country, namely, the low quality of public services (Bulman 2021). In the context of the COVID-19 crisis, the implications of this structural weakness for the Italian economy and society acquired unusual prominence given that red tape and administrative delays affecting businesses and citizens, onerous before the pandemic, thwarted relief and early recovery (Di Mascio, Natalini and Cacciatore 2020).

This article investigates the impact of the shift in EU governance, complemented by changes in the composition of government at the domestic level, on patterns of administrative reform in Italy. We draw on research arguments that rest on historical institutionalism, meaning that we elaborate on how history has connected well-established patterns of administrative reform to the design and governance of the NRRP measures that aim to provide better public services. We find that the strongest support for the research arguments derives from the reactive approach to policy sequencing, entailing the co-existence of pre-pandemic patterns and innovative policy features.

The article is structured as follows. In the next section we present our historical institutionalist framework for the assessment of empirical patterns of administrative reform. The following, empirical, section tracks the trajectory of administrative reforms in Italy from the pre-pandemic period to the early stages of implementation of the NRRP. In the final section we extrapolate existing trends and project future developments.

Research framework

Our study draws on the literature on administrative reform in which history and time are central to explaining how – and to what extent – specific patterns of interaction between actors and the institutional context, according to the trajectory in which they are placed, produce stability and inertia or, conversely, trigger processes of policy change (see, among the others, Knill 1999; Pollitt 2008; Bezes and Parrado 2013; Pollitt and Bouckaert 2017). At the heart of these studies is the concept of *path dependence*, according to which, to explain processes of policy change (or lack thereof), one must trace the historical sequence through which some contingent events, like crises, activate chains of institutional reaction with deterministic properties that affect their outcome.

These contingent events constitute *critical junctures* that have been defined as relatively short periods of time during which there is a substantially heightened probability that agents' choices will affect future institutional arrangements (Capoccia and Kelemen 2007). In our study, the intersection between the pandemic crisis, the launch of the Next Generation EU programme and the presence of a government characterized by the authoritative leadership of Mario Draghi and his good relations with EU institutions, represents a potential critical juncture marked by the relaxation of structural

constraints like the EU-led austerity measures and the influential role in government of populist parties such as the Five-star Movement and the League in the eighteenth legislature (Di Mascio et al. 2021).

As Mahoney (2000) points out, however, within the path dependence framework two different approaches to sequencing can be identified. The first approach, which is central to historical neo-institutionalism, tends to emphasize mechanisms that produce increasing returns and unfold by sticking to preset paths – thereby making it harder and harder to deviate from the trajectory as time goes by – and by producing *self-reinforcing sequences* and lock-in effects (Pierson 2004). According to this approach, the historical trajectory of institutions is characterized by punctuated equilibrium dynamics, meaning that radical change occurs via abrupt critical junctures, which are then followed by – usually relatively long – periods of stability. With self-reinforcing sequences, critical junctures represent unpredictable, exogenous events.

The second approach, on the other hand, focuses on *reactive sequences*, postulating that each event in the historical sequence can be interpreted as a reaction to antecedent events and as the cause of subsequent events. Unlike self-reinforcing sequences, reactive sequences ‘are marked by backlash processes that transform and perhaps reverse early events’ (Mahoney 2000, 526), not necessarily reproducing a predefined pattern. According to this approach, critical junctures unleash a chain of positive and/or negative feedbacks that make it difficult to predict whether the subsequent trajectory will be unidirectional or marked by reversals (Howlett 2009). With reactive sequences, critical junctures are embedded in past sequences and are endogenous.

Based upon this framework, our study aims at answering the following research questions:

- 1) To what extent, if at all, do the measures formulated in the Italian NRRP represent a change compared to the administrative reforms promoted since the 1990s, in terms either of *policy design* (and thus policy content) or of *governance* (i.e. the arrangements through which solutions are decided and implemented, and which may to a greater or lesser extent include affected interests in the policy-making process)? The type and extent of that change, which represents our dependent variable, will be interpreted and classified on the basis of two dimensions. The first is the *sustainability over time* of the proposed measures i.e. their capacity actually to change the action of the public administration (PA) in the medium/long run. The second is their *dissemination* inside the administrative apparatus (distinguishing between a spotty change, limited to segments directly involved in management of the NRRP interventions, or an overall change extended to the whole PA).
- 2) Considering the legacy of the past (i.e. previous cycles of administrative reform), the strategies devised by the actors involved in policy-making (i.e. central government, regional authorities,

local governments, political parties as well as private stakeholders) and the NRRP's specific features (including European requirements for the disbursement of funds), what factors (or mix of factors), may have led to the observed outcomes, and through what kind of sequences (e.g. reinforcing or reactive)?

Empirically, our study adopts a qualitative approach based on an analytically grounded historical account of the formulation and early implementation of the administrative reform measures included in the Italian NRRP. The analysis focuses on two key dimensions, namely the *recruitment and training* of civil servants and *administrative simplification*: dimensions that have for years been at the centre of public debate and of the planned reforms announced by successive governments. These two dimensions differ with regard to the EU's influence over administrative reforms. While the EU has considered the civil service to be merely a source of public expenditure to be squeezed in response to the Eurozone crisis, administrative simplification has been actively promoted by European institutions as revealed by the regular inclusion of this issue in the country-specific recommendations that have been addressed to Italy over the years (Di Mascio 2020). Cross-cutting the above two dimensions, we also consider ad hoc measures aimed at *boosting the capacity of the public administration* to cope with the interventions envisaged by the NRRP, for which the Plan allocates specific investments.

Following a summary historical overview of administrative reforms in Italy from the early 1990s to the onset of the pandemic crisis, for each of the two aforementioned dimensions (recruitment and training, and administrative simplification) both the design of the interventions planned in the NRRP and the implementation arrangements envisaged have been traced, as has the underlying governance system, paying particular attention to the intergovernmental dynamics between centre and periphery. Data were collected using source triangulation so as to ensure the validity of findings. A review of official documents (e.g. the NRRP and the resulting primary and secondary legislation) and of institutional monitoring reports was complemented with a review of articles published in newspapers¹ and followed by a number of interviews with key informants that allowed aspects of the decision-making processes that could not be deduced from the documentary analysis to emerge. More specifically, between March and April 2022, nine semi-structured interviews, lasting at least one hour each, were carried out with key participants in the reform process, namely officials and managers serving in the Ministry for Public Administration and in the representative associations of regions, provinces and municipalities (the Conference of the Regions, the Union of Italian Provinces (UPI) and the National Association of Local Authorities (ANCI), respectively).

¹ *Il Sole 24 ore* and *Il Corriere della Sera*. Keywords: PNRR; Riforma amministrativa; Reclutamento; Semplificazione.

Findings

From the age of administrative reforms to the populist approach

Until the early 1990s, the Italian public administration displayed the features typical of the southern European bureaucratic model: the absence of an administrative elite; clientelistic patterns of personnel recruitment; formalism and legalism complemented by informal shadow governance structures; uneven distribution of resources; institutional fragmentation, and insufficient mechanisms for policy coordination (Sotiropoulos 2004).

Since 1992, Italy has been affected by multiple crises – political, economic, and fiscal – that have shaped its administrative reform trajectory (Ongaro 2009; Cavatorto and La Spina 2020). Since then, public bodies have been subject to four rounds of reform led by different ministers (Sabino Cassese in 1993; Franco Bassanini in 1996-2001; Renato Brunetta in 2008-10, and Marianna Madia in 2014-18). These interventions aimed radically to change the organization and functioning of the public administration as a whole. They shared the use of a strategy intent on provoking a ‘big bang’ whose effects would be felt simultaneously in all areas of the administrative system: from personnel policies to the use of technology; from performance management tools to logistics and budgeting.

Public management reforms have taken place in the context of a radical and endless transformation of the political system prompted by the displacement of much of the political class in the early 1990s when the post-war parties of government began to disintegrate under the weight of corruption investigations. In an unstable political context like that of Italy, ministers with responsibility for the public administration have not been able to sustain support over the time span necessary to implement and keep in place incisive reforms (Mele and Ongaro 2014). The Napoleonic administrative tradition has made this contextual constraint even more unfavourable since the implementation of any reform rests on the adoption of dozens of implementing decrees and items of secondary legislation. This means that many of the issues critical for implementation have been postponed to a later date, by when it is likely that government turnover will have taken place.

Because of the endemic instability of governing coalitions, policy-making elites have found across-the-board cuts to be the most appropriate responses to successive fiscal crises such as those triggered by devaluation of the lira in 1992 and by the 2008 financial crisis. A repertoire of uniform cuts (i.e. hiring and pay freezes) affecting all policy areas independently of their impact has been progressively entrenched as it has proven to be effective in containing expenditure in a context in which governments have been incapable of setting priorities (Di Mascio et al., 2013).

The first two decades of the 2000s were also characterized by the intermittent presence of populist parties in government. These parties entered government without the commitment and the

skills required to launch major programmes of administrative modernization, quite different from the situation in the 1990s (Di Mascio et al., 2021). Thus, the most noticeable element in the administrative reforms of the populist age has been a reversal: administrative reforms have again come closer to being piecemeal sets of loosely interconnected interventions, than sets of interventions informed by a relatively stable and coherent theory, as was the case especially during the 1990s in Italy. Furthermore, the rise of populist parties implied a shift from a consensual to a coercive style of reform, meaning that administrative reforms were not devised in consultation with stakeholders, such as unions and subnational authorities, in stark contrast with the consensual reforms of the 1990s. Rather, the new administrative reforms were communicated as crusades against the '*fannulloni*' (slackers) of the Italian public workforce, with strict policies on absenteeism and corruption in the public sector. To sum up, after a decade in which entrenched cutback management was complemented by the legitimacy crisis of public employment, the pandemic encountered a bureaucracy that had large gaps in its ranks, was aged and unmotivated.

Going into more detail about the two areas of public intervention on which our empirical work focuses, we observe that there are pronounced differences between the areas of simplification and the civil service. In simplification policies we see, in fact, on the one hand, interventions of a normative kind aimed at suppressing procedural steps with temporary and exceptional measures or at revising the way public bodies make decisions. On the other hand, we see interventions that have pursued defined objectives and provided for forms of accompanying change in individual administrations, and for monitoring and evaluation of the results achieved. In the domain of simplification policies, governance has since the second half of the 1990s been highly consensual, both with regard to the social partners and between levels of government (Natalini 2010).

Public employment policies, on the other hand, have displayed contrasting features: regulatory interventions have predominated, oscillating between an emphasis on regulation through laws and regulation based on contracts. At the same time, there have been symbolic interventions – such as those concerning performance evaluation, prevention of corruption or cracking down on staff absenteeism – that have been weakly implemented in the public administration. In this area, governance was strongly consensual, with the support of the public service unions, in the 1990s, and then went through a more coercive phase under centre-right governments. Under the Renzi government (2014-2016) there was an attempt to proceed along the coercive path; but a resumption of the consensual style of reform took place under the Gentiloni government in late 2017 (Di Mascio and Natalini 2016). In relations between levels of government, there is a clear separation between the central government, imposing cuts across-the-board, and the individual administrations, managing their policies with the available resources. Advanced management tools such as the analysis of needs

for new personnel and training have been envisaged since the early 1990s but in fact used only by advanced administrations. Unilateral action on the part of central government was highlighted in the process leading to approval of the public employment decrees linked to the Madia reform (l. 124/2015). This was struck down by the Constitutional Court (Judgement No. 251/2016) as it did not provide for an agreement between levels of government concerning adoption of the legislative decrees that were supposed to regulate the civil service.

The Draghi government's approach and the NRRP

While administrative reform had only a residual place in the draft prepared by the second Conte government (Guidi and Moschella 2021), in the NRRP presented by the Draghi government it gained considerable prominence and stood out as an across-the-board reform, as it is a means to the achievement of all missions. The strategy followed by the Draghi government, and proudly asserted by the Minister for the Civil Service, Renato Brunetta, was to break with the great reforms of the past, characterized by far-reaching regulatory interventions that, when implemented, encountered numerous obstacles and achieved few results. Rather, the idea behind the reform contained in the NRRP was to proceed by 'innovative breakthroughs', based on the assumption that even limited incremental interventions, if embedded in a coherent cumulative trajectory, can eventually lead to paradigm shifts. The interventions (both reforms and investments) concerning simplification and recruitment, which are a key part of the Mission, 'Digitalization, Innovation and Security in the P.A'. (M1C1), exemplify this approach.

Administrative simplification

Design and content: The issue of simplifying administrative procedures (or 'cutting red tape', to borrow the slogan coined by Minister Brunetta) was already a key part of the National Agenda for Simplification 2020-23 that had been adopted by the Conte II government following the first wave of the pandemic (DL. 76/2020, later converted into law 120/2020).

In terms of its content, the Italian NRRP closely followed the Agenda's provisions. However, it acted as something of a 'multiplier' of the original target, increasing the number of procedures to be simplified from 60 to 600.² More specifically, the NRRP envisages completing the development of a national catalogue of 600 simplified and standardized procedures by mid-2026 (M1C1, Reform 2.2), including 50 procedures of direct interest to citizens (such as the electronic ID card, access to grants and benefits, etc.). In addition, 200 of the 600 procedures are expected to be fully digital by the end of 2024, so as to achieve full interoperability of desks and platforms (in particular with regard to the Single Contact Points for Productive Activities: SUAP and SUE for construction) and ensure

² Minister Brunetta Press Release, 15 December 2021 (PNRR, Brunetta: '600 procedure da snellire. Al via consultazione di cittadini e imprese')

compliance with the *once-only* principle (Dipartimento della funzione pubblica 2022). In this framework, however, it is worth noting that the NRRP's roadmap has given absolute priority to fast-track interventions to simplify those procedures that are crucial for speeding up the implementation of NRRP projects. They include, environmental impact assessment (VIA) and tendering procedures (DL 77/2021, later converted into Law 108/2021): for example, one of the first measures introduced is a rule allowing work on NRRP projects to continue without interruption in the event of appeals to the Regional Administrative Court.

As regards the overall design of policy measures, unlike in the past, thanks to the financial resources made available by the NRRP, the simplification of administrative procedures is now backed up by a number of ad hoc instruments to support all public bodies, in particular local ones, and to strengthen their capacity (CNEL 2022). Among these, the most relevant is the provision of a task force of 1,000 experts (DL 80/2021, converted into Law 113/2021) that will be placed at the disposal of regions and local authorities in order to provide them with technical assistance to identify the main 'bottlenecks' and procedures targeted for simplification, as well as to reduce the backlog (M1C1, Investment 2.2). The NRRP provides for the task force to work under the coordination of the regional administrations, which will allocate experts to the local authorities based on territorial plans drawn up by each region after having consulted the associations of local authorities (ANCI and UPI). Each plan identifies critical issues to be addressed, objectives to be achieved, resources to be deployed (the experts needed), implementation methods (the organizational model for the use of these resources), timeframes for action, and expected results (in terms of reducing the length of proceedings).

Governance: Compared to the 2020 Simplification Agenda, the NRRP has not radically changed the framework of governance associated with identifying and implementing the catalogue of procedures to be simplified. The Technical Committee for the Simplification Agenda established in 2015 and composed of representatives of the Civil Service Department (DFP), the Conference of the Regions, ANCI and UPI, remains the forum for discussion and elaboration. Here, the 600 procedures to be included in the catalogue are mapped out; areas of action and methodologies are agreed upon; the competent ministries are consulted, and stakeholders such as associations representative of Italian businesses (Confindustria, Confartigianato, Confcommercio etc.) are heard. It is here that technical decisions are prepared and then subjected to the political scrutiny of the Unified Conference, where an agreement must be reached (Interview 4).

The creation of a Unit for the Rationalization and Improvement of Regulation, based in the Prime Minister's office, as well as the Steering Committee (Cabina di Regia) (DL 77/2021; DL 152/2021), have not altered the consensual approach to simplification that has been in place for years (Interview 1). Indeed, many of the procedures to be simplified fall within the competence of the local

authorities, or within the sphere of regional legislation, so that a prior consensus on the measures to be implemented is necessary in order to ensure their feasibility (and their approval in the Unified Conference). As reported by the interviewees, unlike what happens in other policy areas, the documents usually emerge from the Technical Committee with the unanimous agreement of all levels of government represented (Interviews 6, 7). In addition to that, a further bottom-up tool for identifying the procedures to be simplified is the online public consultation – ‘Let’s keep Italy simple’ – launched by Minister Brunetta on 18 February 2022 and open until 18 May.³ The online consultation, while open to suggestions from the various categories of stakeholders, is intended primarily for the general public, and will presumably be used as the basis for streamlining the 50 procedures of direct interest to citizens (interview 4).

Interinstitutional cooperation also marked the measures (such as the provision for 1,000 experts, not provided for by the Agenda) to support administrative capacity. However, the very tight timeframe (it was the first milestone to be reached according to the timetable sent to the European institutions) shifted concertation downstream, during the implementation phase.⁴ Although the document establishing the criteria for allocating the 1,000 experts to the local authorities was written in the offices of the DFP without any significant contribution from the sub-national levels (interview 2), in the implementation phase the regions were nevertheless given power over the process of distributing the experts among the local administrations. Each region then proceeded to consult local authorities according to patterns compatible with its territorial governance legacy, leading to more or less centralized schemes for task-force allocation (Interviews 7, 8). Local administrations (as well as regions) are in any event also represented in the Coordination Committee set up in February 2022 at the DFP, which has the function of guiding and monitoring what is happening on the ground⁵ (Interview 6).

Recruitment and training

Design and content: With respect to this domain, the interventions envisaged in the NRRP focus on four macro-dimensions. The first concerns revision of the pathways for access to the PA (M1C1, Reform 2.1), through the streamlining and review of selection procedures, differentiation of the procedures for ordinary recruitment and for the recruitment of highly specialized personnel, and the introduction of a single telematic recruitment platform to match vacancies and applications for public employment (M1C1, Investment 2.1). The second dimension concerns career progression, envisaging the ‘liberalization’ of horizontal mobility mechanisms (as had already occurred in the health sector)

³ Evidence of Minister Brunetta to the Simplification Commission, 20 April 2022.

⁴ Evidence of the Conference of Regions to the 5th Commission of the Chamber of Deputies, 9 February 2022.

⁵ ‘P.A., pianificazione semplice’, *Il Sole 24 Ore*, 11 February 2022.

and a revised classification of levels as regards vertical mobility (M1C1, Reform 2.3). Third, recruitment should be better aligned with the actual needs of staff and the skills available in the different administrations. This is to be achieved through Integrated Activity and Organization Plans (PIAOs) which incorporate and substitute a whole series of compulsory acts for public administrations (i.e. planning on performance; prevention of corruption and transparency; staffing needs; flexible working, and training) (M1C1, Reform 2.3). Finally, there is to be a strengthening of so-called ‘human capital’, through a complete reorganization of the training system, which should be tailored to civil servants’ actual needs and oriented to their upskilling and/or reskilling (M1C1, Investment 2.3).

Such a comprehensive change, however, had to reckon with the tight timetable for grounding the NRRP and the need to set achievable milestones, at least in the short to medium term.⁶ As reported by the interviewees (Interview 3), there was not enough time to base design of the administrative reform part of the NRRP on actual analyses of personnel and training needs. In this context, the only viable solution was to meet the country’s three primary needs: a) speeding up the recruitment process; b) hiring to fill the gaps caused by the across-the-board cuts made over the previous years, notably as regards the need to implement projects under the NRRP; c) training the staff already in post, as this had not been done for years.

Indeed, following the piecemeal approach announced by Minister Brunetta, the initial measures implemented focused on unblocking recruitment, simplifying already open competitions and waiving expenditure and staffing limits for public administrations in charge of the actions provided for in the NRRP (DL 44/2021, DL 80/2021, DL 152/21). In addition to the 1,000 experts mentioned above, fast-track measures were adopted for hiring 500 temporary staff in the ministries responsible for the NRRP measures, under contracts which may run for more than 36 months. Applications for these positions were to be submitted via the ‘InPA’ platform for civil service recruitment, which was launched on a pilot basis as of August 2021. Only more recently, with the so-called ‘NRRP 2’ decree (DL 36/2022, later converted into law 79/2022), has the use of the InPA platform become mandatory for recruitment in all administrations (as of 1 November for local administrations). The same decree lays the groundwork for more comprehensive reforms to be completed in the next few years. In particular, it revises the procedures for ordinary recruitment to the PA (providing for at least one written and one oral test) and delegates the government to conduct an organic review of DPR 487/1994 on public competitions by the end of 2022. At the same time, it re-proposes fast-track measures such as the possibility of re-hiring retired staff (with advisory duties

⁶ For a complete overview of the milestones and their timing, see the Government’s ‘Italia Domani’ website dedicated to the NRRP: <https://italiadomani.gov.it/it/Interventi/milestone-e-target.html>

only) for the NRRP interventions, and the possibility for regions and local authorities to make use of further temporary contracts drawing on resources not spent on recruiting the 500 experts at the central level. Finally, given the delays encountered in many administrations, it postpones the deadline for the initial adoption of the PIAOs to 30 June 2022.⁷

It is precisely the PIAOs that should underpin the identification of the various administrations' needs, not only in terms of recruitment but also training (Interview 3). Initiatives taken so far in the field of training include the strengthening of existing bodies (such as the National School of Administration and *Formez PA*) and agreements with the Italian academic system to offer university-level and post-graduate training courses for civil servants. However, in spite of the considerable volume of resources made available (around €139 million from the EU plus €50 million per year from the Government), to date the initiatives carried out look more like *à la carte* menus devised by the various training organizations than sound blueprints defined according to the actual needs of public administrations (Interviews 5, 6).

In a nutshell, at least so far, interventions that on paper should amount to an ambitious restructuring of the recruitment and training systems seem to have given precedence to fast track measures and to the achievement of more immediate targets, in order to respect the stringent spending schedule imposed by EU rules. Yet, overall, the NRRP undoubtedly marks a significant change of pace compared to the last decade, in which reducing spending on PA payrolls was a goal in itself, and when there was gradual disinvestment in the training of civil servants (CNEL 2022).

Governance: Unlike simplification, the area of recruitment lacks a sound tradition of concertation between centre and periphery, especially in recent decades marked by across-the-board cuts and freezes on recruitment in the PA. With the NRRP, the main interaction between local authorities and the State still focuses on the State Accounting Office and the General Inspectorate for Personnel Organization (IGOP) at the Italian Ministry of Finance, in the absence of technical committees like those set up in other policy areas (Interview 6). However, thanks to the unprecedented mobilization of extensive resources, the NRRP has represented an opportunity to discuss a number of critical pending issues that had not yet been resolved (first and foremost the unblocking of hirings for both provinces and municipalities) (Interview 8) and to pave the way for closer dialogue between the different levels of government (Interviews 8, 9). As in the case of the 1,000 experts, the involvement of local authorities in decisions concerning recruitment and training took place almost exclusively downstream, particularly when drawing up the implementing decrees. Some differences in method emerge, though, depending on the specific areas of intervention.

⁷ Cfr. DL 36, 30 April 2022.

With regard to the question of unblocking local governments' recruitment powers, the dialogue between centre and periphery looks more like an incremental negotiation, made up of gradual adjustments, than outright concertation. At the end of 2021, for example, both municipalities (through DL 152/21) and provinces (through the 2022 Finance Law) were able to wrest powers to make temporary appointments to meet needs related to the NRRP, and/or to strengthen recruitment on permanent contracts. This partially corrected the arrangements contained in Decree-Law 80/21, which provided for highly centralized forms of technical assistance in the hands of large state-owned companies (Interviews 7, 8).

As for definition of the PIAOs and their contents, during the drafting of the ministerial guidelines, local authorities and regions were widely consulted, albeit through informal working groups led by the Minister's advisors. The technical component of the various administrations was also involved to a considerable extent, given that – in addition to recruitment – the PIAOs must integrate in a (possibly) organic manner a series of previous acts characterized by different structures and technicalities (Interview 9). Compared to previous reforms in the areas of performance, anticorruption, recruitment and training planning, which had been marked by a lack of agreement between levels of government and even harsh disputes, the NRRP appears to have paved the way for a consensual approach, despite being concentrated in the implementation phase (Interviews 8, 9).

The NRRP clearly marks the revival of the consensual style also on the side of relations between the Government and public-sector trade unions, particularly concerning the issue of contract renewals for the 2019-21 term. Negotiations started at the same time as the launch of the NRRP, with the 'Pact for Public Employment Innovation and Social Cohesion' being signed at Palazzo Chigi on 10 March 2021 by the Government and the major trade union confederations. That document was followed by regulatory interventions (Decree-Law No. 80/2021) and further allocations in the Finance Law. These were devoted to the national contract (to support the implementation of a number of objectives defined in the pact), to the integrated contract bargaining (up to €200 million per year for state administrations)⁸ and to training for civil servants (€50 million from 2022) (CNEL 2022). On 9 May 2022, ARAN (the Agency for Negotiated Representation of Public Administrations) and the trade unions signed the text of the National Collective Bargaining Agreement for the Central Civil Service Sector, for the period 2019/21, which will lead the way for all other contractual renewals. The new contract, welcomed by all the trade unions, not only provides for the new four-area personnel classification system (one of which is for highly qualified professional staff) but also introduces regulations on flexible working after the pandemic. In addition, it expands protections for certain

⁸ Minister Brunetta Press Release, 28 October 2021 (<https://www.funzionepubblica.gov.it/articolo/ministro/29-10-2021/approvata-la-legge-di-bilancio-brunetta-18-miliardi-nel-triennio-dare>)

types of employees (providing, e.g., extended insurance coverage, and special permits for those with serious illnesses), and grants both a salary increase and the acknowledgement of retrospective payments.⁹

Finally, with respect to training, dialogue between the Government and local authorities has so far been rather limited and confined to the Formez PA association, whose members also include representatives of the regions and local authorities. The measures implemented to date, such as the agreements with universities mentioned above, have been totally managed by the centre, which was the sole hub for intense relations with public and private stakeholders. For example, the strategic plan entitled ‘Re-forming the PA. Qualified People to Qualify the Country’, presented at the beginning of 2022, saw the significant involvement of universities and private sector research centres (in relation to training in the digital field), with an increased role for the National School of Administration, called upon to build a new training network on the ground (CNEL 2022). However, as some of the interviewees pointed out, the training sector is characterized by less stringent deadlines than the others, and the regions and local authorities have not so far deemed it a priority issue (Interview 7).

Discussion and conclusions

This article has examined the impact of the Draghi government on patterns of administrative reform in Italy. Prior to the COVID-19 outbreak, Italian governments had overseen major cycles of administrative reform, which suffered from an implementation gap. The entrenchment of across-the-board cuts in the aftermath of the 2008 global financial crisis further hindered prospects for administrative capacity in the medium to long term. Our empirical analysis has highlighted that the Draghi government reacted to the capacity gap inherited from the austerity packages of its predecessors in the period 2009-16. The introduction of ad hoc measures for capacity building in the NRRP marked a reversal in the trajectory of administrative reforms that was made possible by the shift in focus of EU governance from austerity to solidarity.

Changes in EU governance also prompted the shift from comprehensive administrative reforms targeting every area of the public sector to selective administrative reforms targeting only specific areas of concern to the Government and stakeholders. On the one hand, this shift has been encouraged by the new EU governance framework that makes disbursements conditional upon the fulfilment of milestones and targets, providing incentives and accountability for selective patterns of administrative reform. On the other hand, this shift was already under way in the endogenous process at the domestic level where policy makers have made use of the past to downplay the 2008 global

⁹ ARAN press release, 9 May 2022 (<https://www.aranagenzia.it/comunicati/12776-firmato-il-contratto-collettivo-nazionale-di-lavoro-comparto-funzioni-centrali-periodo-20192021.html>).

financial crisis as an opportunity for sweeping comprehensive change. In the context of the new EU governance framework, the comprehensive approach was deemed too risky. This was because it would have required statutory underpinning (i.e. dozens of statutory changes were needed in order to meet the targets tied to the disbursement of European funds) that the fragmentation of the governing coalition supporting Draghi anything but guaranteed in the short term. Experience of the implementation gaps associated with previous comprehensive patterns of administrative reform, has led the Draghi government to act strategically in ways different from the past. Post-COVID-19 administrative reforms have not rested on the lynchpin of legislative delegation, which made it possible to spread out the most controversial decisions but at the cost of diluting reforms that had been adopted but had as yet to be implemented.

It is also worth highlighting that the new selective pattern of administrative reforms rests on consensual governance arrangements. Given its short time horizon, the Draghi government has relied on existing arrangements that privileged different decision-makers in the two domains of the civil service and simplification. Whereas in the latter the search for consensus has further entrenched the key role played by subnational authorities, in the domain of the civil service the Draghi government has contributed to the reversal of the coercive pattern typical of the 2009-16 period as the role of trade unions in collective bargaining was restated. The instability of the governing coalition led the Draghi government to rely on stakeholders like subnational authorities and trade unions, which could threaten to drop their support if the reform measures were not negotiated with them. This would have endangered the implementation of the early reform measures, which were much needed in order to sustain the momentum of the reform process.

The concern quickly to adopt measures in the early stages of the NRRP's implementation led the Draghi government to devise administrative reforms with little potential for sustainability over time or for dissemination to those public sector organizations that are not directly involved in the management of NRRP projects. The lack of concern for long-term administrative modernization might be surprising if we consider that the technocratic features of the executive leadership made it less likely to factor in the electoral repercussions of administrative reforms purporting to yield fruit only in the longer term. However, concern for long-term administrative modernization has been sidelined because of the high degree of uncertainty surrounding the multiple dimensions (politics, economy, healthcare) of the crisis, which left no time for an in-depth analysis of what measures were needed for boosting the resilience of the Italian administrative system.

We acknowledge the limitations of our study given the temporal proximity of the topic under investigation. A very worthwhile extension of our study would be to probe more deeply into the Italian NRRP across the stages of its implementation in the coming years. Another fruitful avenue of

future research would be a comparative assessment of variations in the patterns of administrative reform across the NRRPs of the EU member states.

In this concluding paragraph, we extrapolate existing trends and project future developments. We sketch three scenarios for patterns of administrative reform based on the assumption that Italy is in the early stages of what is going to be a two-level game, an iterative process in which EU and domestic actors interact at the EU and national levels. In the first scenario, the NRRP sustains administrative capacity building insofar as the latter supports implementation of the Plan. This means that NRRP projects and ordinary administrative proceedings run in parallel, with no prospect for administrative modernization in the long term. In the second scenario, NRRP-enhanced administrative capacity building turns into administrative modernization in the long term only in those bodies that are capable of turning EU funds into better public services. In this scenario, the NRRP would further exacerbate the existing differentiation at the level of individual public-sector organizations. In the third scenario, the successful implementation of the measures that were devised by the Draghi government sustains the momentum for long-term administrative modernization pursued by its successor. Yet, this scenario would require the next general election to pave the way for a stable coalition granting a prominent role to reform of the public sector.

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