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***THE LOCAL DIMENSION OF SOCIAL
ASSISTANCE IN ITALY: THE CASE OF
MILAN***

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Experiences from Turkey and EU Countries**

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OUTLINE

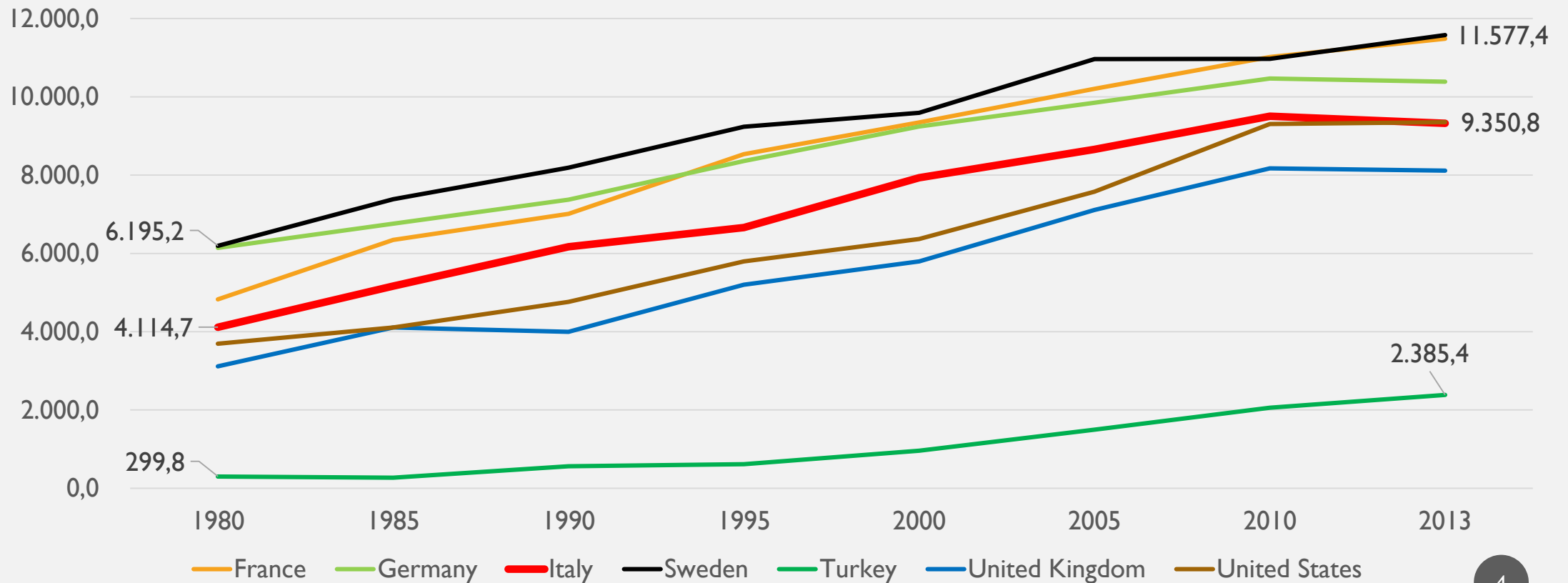
1. Foundation of social assistance in Italy
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4. Social assistance in Milan: the origins
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7. Social assistance of Milan: the return of the left (2011- on)

FOUNDATIONS OF SOCIAL ASSISTANCE IN ITALY

- Historical **weakness** of social assistance in Italy, and scarce political attention: the first national law on social assistance was approved in 1890, and only in 2000 was abrogated
- Social protection centered on 1) **family support** and 2) **social insurance** (workers), weak development of public social assistance benefits
- Lack of a comprehensive idea of social assistance; great importance of Catholic organizations
- No clear definition of what social assistance includes, weak obligations on local governments
- In the 1970s social assistance was attributed to Regions (intermediate between State and municipalities)
- Since then, increasing differentiation of regional models, with very different approaches

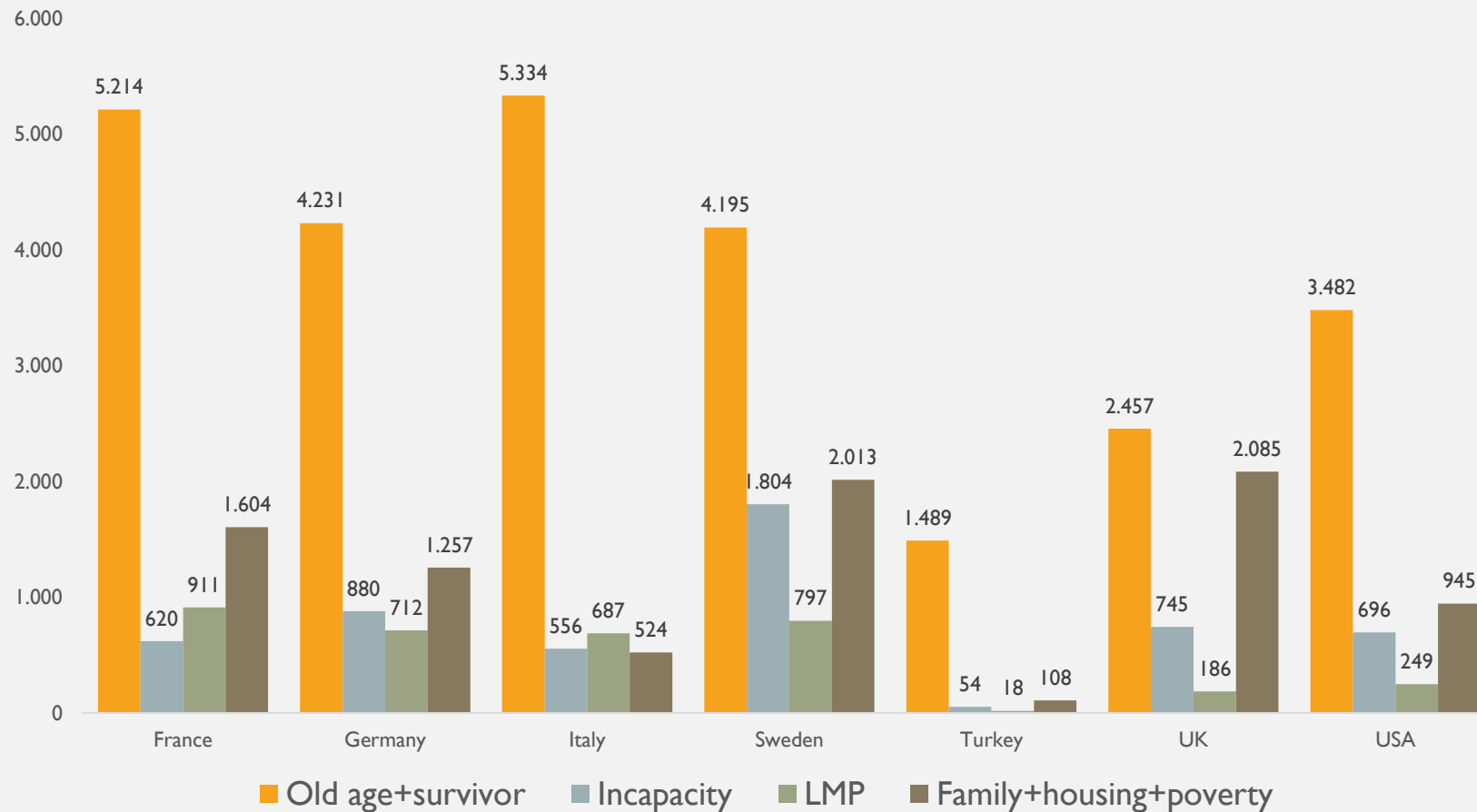
FOUNDATIONS OF SOCIAL ASSISTANCE IN ITALY

Per capita social expenditure in US \$ (constant 2010 US \$, constant 2010 PPS)



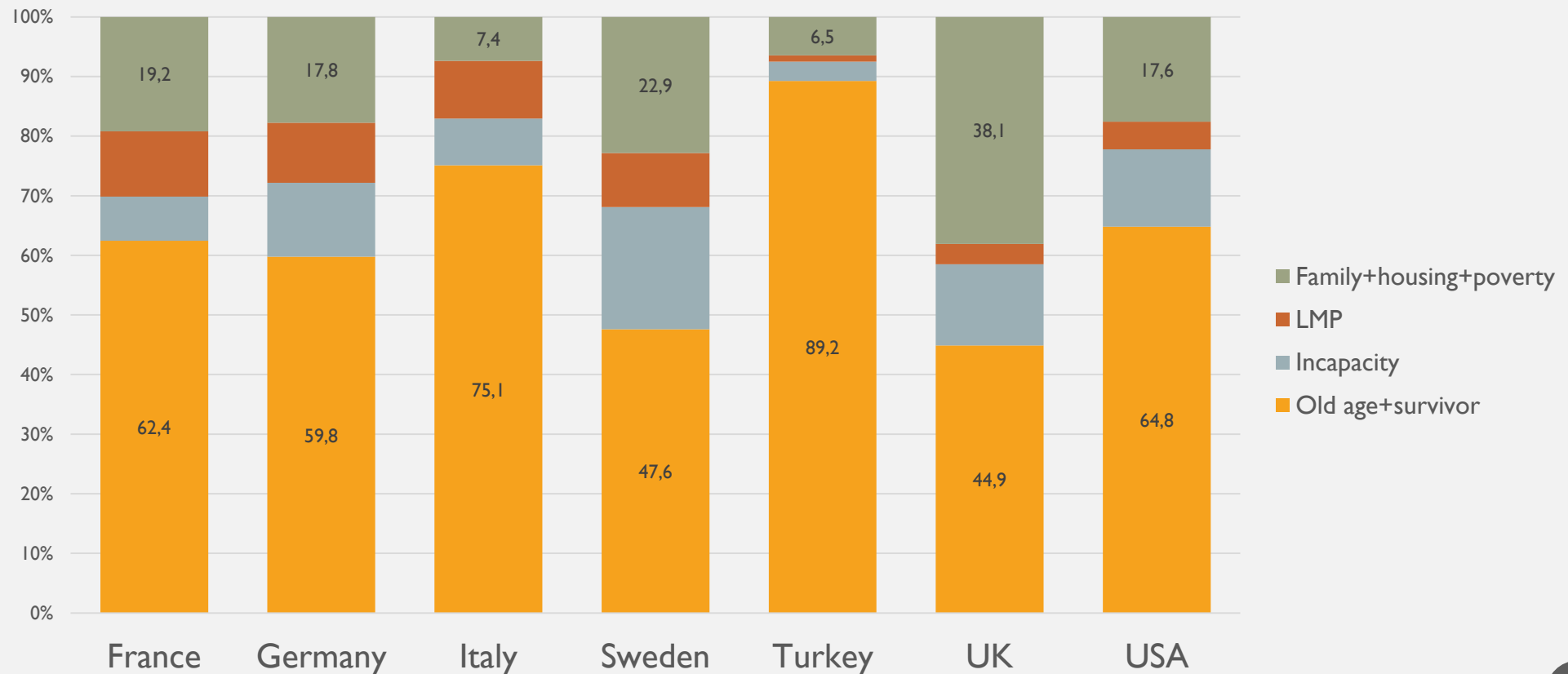
FOUNDATIONS OF SOCIAL ASSISTANCE IN ITALY

Per capita social expenditure in US \$ (constant 2010 US \$, constant 2010 PPS) by macro functions



FOUNDATIONS OF SOCIAL ASSISTANCE IN ITALY

Composition of public social protection expenditure by macro functions (excluding health) (2013)



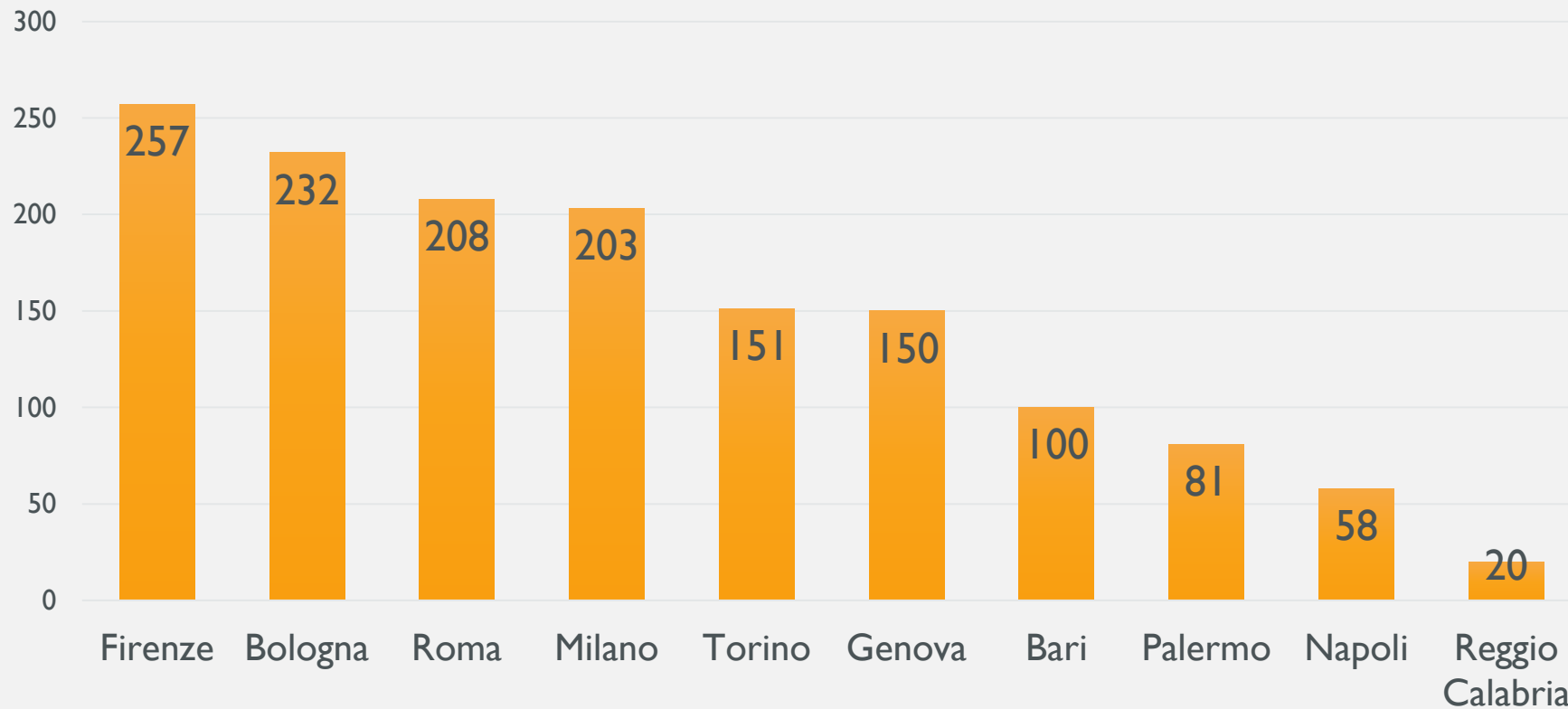
FOUNDATIONS OF SOCIAL ASSISTANCE IN ITALY

In 2001 a constitutional reform gave **exclusive competence** on social assistance to Regions: with the exception of few basic principles*, Regions are completely autonomous (in Italian: “*materia a legislazione esclusiva*”).

* Basically protection of minors, dependent elderly and disabled people.

FOUNDATIONS OF SOCIAL ASSISTANCE IN ITALY

Per capita social assistance expenditure in the 10 Italian largest municipalities (€, 2014)



Source: ISTAT (National Italian Institute for Statistics)

GOVERNANCE OF SOCIAL ASSISTANCE

Based on **three levels** of governance (+1):

- 1) **National**: control and enforcement of basic rights, (co-)funding
- 2) **Regional** (19+2): general planning of social assistance, integration (+/-) with health system (regional as well), (co-)funding, distribution of resources to municipalities
- 3) **Local (municipalities, ~8,000)**: organization of offices on the territory (including personnel), definition of the set of benefits and of the rules for eligibility, selection of beneficiaries and delivery of benefits, (co-)funding
- 4) **Local (NGO)**: [besides their own activities] they cooperate with municipalities and regions in planning social assistance (great variability), deliver benefits on public mandate (great variability)

GOVERNANCE OF SOCIAL ASSISTANCE

In order to maintain a common national minimum standard, the national Parliament was supposed to define the “**basic level of provisions**”, a set of benefits and services to be offered in every Region.

Up to now, after almost 20 years, the set has not yet been established, for two very reasons:

1. The **shortage of resources** assigned to social assistance and the sharp differences between southern and northern Regions
2. The fact that it would imply the **acknowledgement of personal rights** to social assistance, that are still absent in the Italian legal system (with relevant exceptions)

GOVERNANCE OF SOCIAL ASSISTANCE

Exceptions:

- 1) Elderly + disabled
- 2) Children
- 3) The new (2018) basic income called REI (Reddito di Inclusione)

The **REI** is a universal benefit for people in poverty. The monetary benefit ranges between 187€ (singles) and 540€ (6+ families). It is supplemented by services to overcome disadvantage (vocational training, job support, parental support, health care, ...).

The REI is financed by the national State and administered by the municipalities.

GOVERNANCE OF SOCIAL ASSISTANCE

How does the system is financed?

Two main ways (+1):

1. The **national fund for social policies** (FNPS), defined every year by the national government and transferred to Regions considering the number of inhabitants and the extent of social problems (principle of solidarity)
2. **Regional and local taxes** on personal income, regulated by local bodies
- (3. Co-payments by recipients)

THE CITY OF MILAN

Milan is the second largest city in Italy with **1,4 millions** of inhabitants.

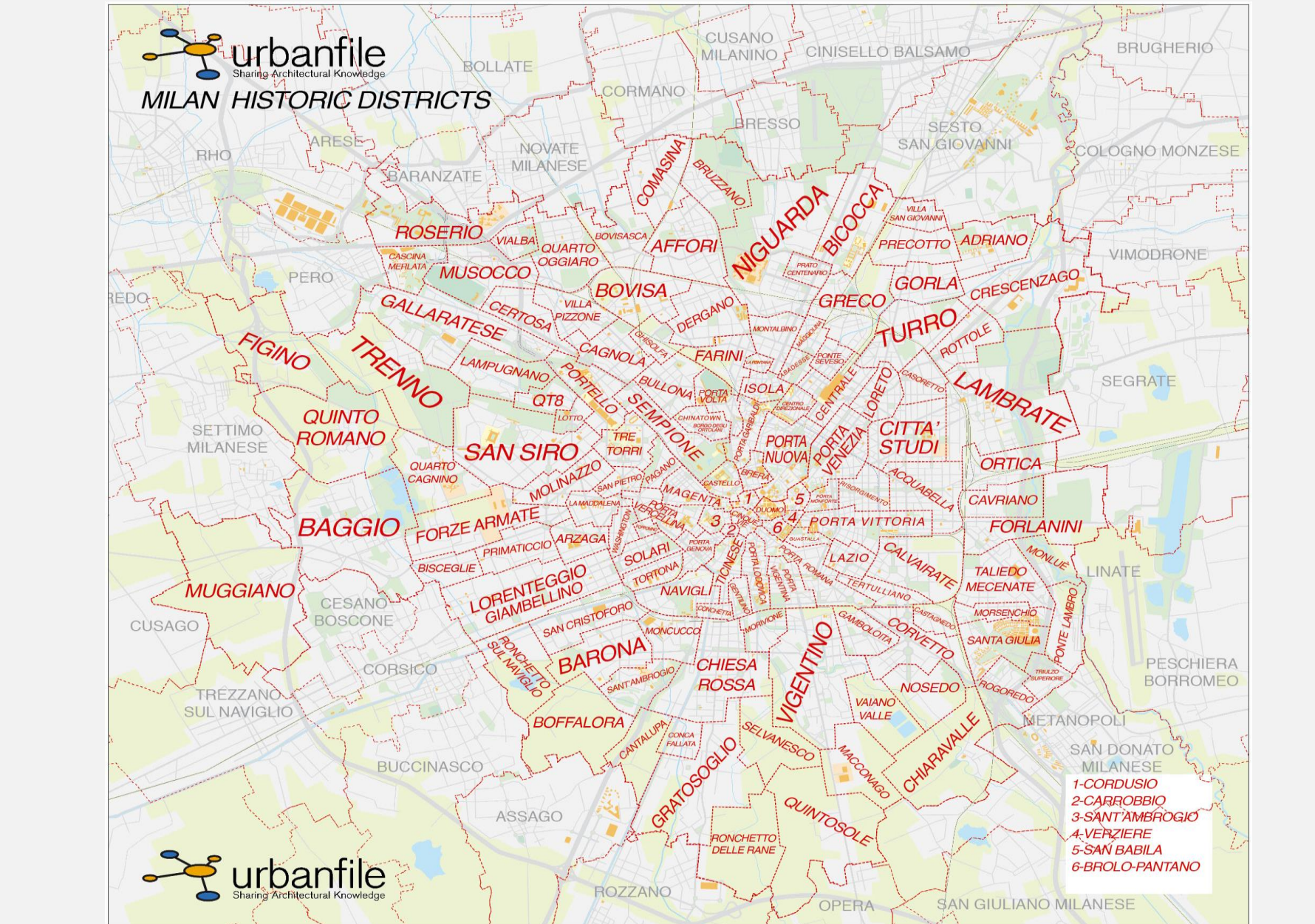
The metropolitan area includes 134 municipalities with about **3,2 millions** of inhabitants.

Milan is the **economic capital** of Italy: GDP per capita was 47,300€ in 2017 (Italy: 25,400€): 1/10 of total Italian wealth is produced in Milan by 1/20 of the Italian population.

Notwithstanding, poverty and social disadvantage are well present in the area, mainly in the outer suburbs (but without a real pattern).



THE CITY OF MILAN



SOCIAL ASSISTANCE IN MILAN: THE ORIGINS

Milan has a very long history of commitment in this field with both public and private initiatives: some organizations - still in operation - were founded in the XVI century!

In the last 150 years, three very peculiar factors favoured the development of social assistance in Milan:

1. A strong **activism of the bourgeoisie** (a kind of social responsibility)
2. A strong tradition of **reformist socialism**, with several cases of self-organization of workers (“società di mutuo soccorso”)
3. A tradition of **progressive Catholicism**, very close to the reformists

SOCIAL ASSISTANCE IN MILAN: THE FOUNDATION

Since the end of the XIXth century local government ruled by reformist liberals or socialists, up to the 1993 (of course with the exception of the fascist period, 1922-1945).

Above all, after WWII, a row of **8 mayors coming from the Socialist Party** that have **governed the city for 48 years (1945-1993)**.

This has favoured:

- 1) The attention and activism by local governments in the field of **social needs** of the population in the crucial years '40s – '60s (recovery after WWII, internal flows of migrants)
- 2) The **cooperation** between the local government and the countless initiatives of no profit organizations
- 3) As consequence of 1) and 2), an incessant **innovation** in the field of social assistance, with the widening of the range of benefits and services.

SOCIAL ASSISTANCE IN MILAN: THE FOUNDATION

Some **examples** from '50s-'70s:

- In the early '50s one of the *first Italian professional social assistance service* is created, with several offices in the districts to ease the access
- *Almshouses for elderly* are opened and run by the local administration
- 91 *nursery school* are opened
- Pre and afterschool, school canteen, summer and winter holidays for children in *primary and lower secondary school* (6-14 years old)
- *Council schools* for secondary education, professional and academic courses, evening courses to improve education in working class (about 21,000 enrolled in the AA 1969-70)
- *Free health care* for people in hardship (the Italian NHS was created only in 1978)
- Special support for *migrants* coming from southern regions (job, house, school, ...)

SOCIAL ASSISTANCE IN MILAN: THE FOUNDATION

Summing up the development of social assistance in Milan up to the '80s:

1. **Relevant problems to tackle:** first the tragic effects of WWII, later the huge migration flows coming from southern regions
2. **Several private initiatives** from bourgeoisie, working class organizations, and catholic organizations
3. **Local governments ruled by Socialist Party** aiming at building a strong and universalistic safety net
4. **A collaborative relationship between 2. and 3.,** that has strengthened the efficacy of social protection

SOCIAL ASSISTANCE IN MILAN: THE AGE OF THE RIGHT

The Italian politics in the early '90s is shocked by the **huge scandal** “**Tangentopoli**” (kickback), involving all parties and leading to their extinction: Communist Party, Socialist Party, Catholic Party, all disappear from the political field.

In Milan, this means the **end of the socialist power** and the victory of new conservative parties → initially the Lega Nord (Salvini), later Forza Italia (Berlusconi)

Therefore, in the period **1993-2011 we have a row of conservative mayors**, supported by similar coalitions in the regional government (more radically catholic)

SOCIAL ASSISTANCE IN MILAN: THE AGE OF THE RIGHT

In the field of **social assistance**, this political turnover has meant:

1. An idea of **welfare based on private (catholic) initiatives**, rooted in the belief that civic organizations are more “connected” with the needs of the people
2. The **retrenchment of public policies**, the outsourcing of competences and resources, leaving to the public merely a role of supervision and coordination → holiday houses are sold, almshouses are privatized, many public houses are sold, public schools are closed or reduced, ...
3. A discourse on **poverty and marginality as problem of security** (outer suburbs as place for drug dealing, migrants as a “threat”, homeless as a question of decency, untraditional families as “unnatural”), therefore **policies of repression**.

SOCIAL ASSISTANCE IN MILAN: THE AGE OF THE RIGHT

This retrenchment of welfare was based on the adoption of a specific **instrument** for the delivery of services → the **voucher*** (typical of NPM)

When a citizen is qualified to receive a benefit (nursery, home assistance, almshouse, educational support,) he/she receives a voucher to “**buy**” the service.

Private no profit organizations are qualified to deliver services, they compete for “**customers**” and are paid accordingly.

Moreover, entire services are semi-privatized through public tenders (for instance job support, homeless relief, ...)

* This system was conceived by the Lombardy Region for healthcare, and later applied to other sectors, like vocational training, support to disabled, and social assistance

SOCIAL ASSISTANCE IN MILAN: THE AGE OF THE RIGHT

CARIPLO

SOCIAL ASSISTANCE IN MILAN: THE RETURN OF THE LEFT

In 2011 the “conservative age” ends with the election of a mayor from the left. In 2016 the current mayor (Beppe Sala) is elected by the same coalition (+/-).

Initially, **no big changes** in social assistance, because:

- 1) Expo 2015 absorbed all political resources and efforts
- 2) The scarce political and cultural support, also on the left, for a return to a greater and direct role of the public
- 3) The impossibility to increase funds for social assistance due to the internal fiscal severity

But, a strong claim on the “**participation**” of citizens to the political debate: since 2011 a yearly “Forum of social policies” is organized with the involvement of civic subjects.

SOCIAL ASSISTANCE IN MILAN: THE RETURN OF THE LEFT

After EXPO 2015 and the election of the new mayor (former director of Expo 2015 ...), greater interest for a **change in social assistance**.

Two main reforms (still under fiscal strictness) :

- 1) A **rationalization of monetary benefits** for the poor
- 2) A complete and very innovative **re-organization of the offices**, based on the idea of “community welfare”

SOCIAL ASSISTANCE IN MILAN: THE RETURN OF THE LEFT

Monetary benefits for the poor

Previous situation: “**stratification**” of many different measures, under very different rules, run by different departments, no unified or integrated archives → cases of multiple beneficiaries

Current situation: 5 “**lines**” (1 minors, 2 households with disabled, 3 severe disability, 4 elderly, 5 urgent situations) managed through similar rules → income under 6,000€ (corrected by household size)

SOCIAL ASSISTANCE IN MILAN: THE RETURN OF THE LEFT

Monetary benefits for the poor

Procedure: the applicant submit the request to decentralized offices, social workers make interviews and collect the data required, the application is evaluated by a central commission.

Emergency benefits (5) are immediately delivered by local officers.

Usually the beneficiary receives a **grant of 2,000€** on ~12 months; he/she has to respect a “**contract**” that specify a personal project with various tasks and obligations. The contract (and the grant) can be extended twice.

THE SET OF MONETARY BENEFITS IS A LITTLE BIT WIDER ...

TITLE	AIMS AND CATEGORIES OF RECIPIENTS	SOURCE OF FUNDING
AD	Support to caregivers of elderly	Regional
AD_INDIRETTA	Support to volunteers of elderly	Regional
AFFIDO_TERZI	Support to caregivers of elderly	Regional
INPS_3_MINORI	Large families' grant	State (through INPS)
ASSEGNO_MAT	Maternity grant for unemployed women	State
BSA	Income support for disabled	Local (Municipality)
EX_SIMV_ADULTI**	Income support for adults (dismissing)	Local (Municipality)
EX_SIMV_ANZIANI**	Income support for elderly (dismissing)	Local (Municipality)
EX_SIMV_DISABILI**	Income support for disabled (dismissing)	Local (Municipality)
FSP	Income support for persons with mental disorders	Local (Municipality)
M1	Income support for families with minors	Local (Municipality)
M2	Income support for families with disabled members	Local (Municipality)
M3	Income support for families with severe disability	Local (Municipality)
M4	Income support for families with elderly	Local (Municipality)
M5a	Urgent income support	Local (Municipality)
SIA***	Income support for families with children or disabled	State
B2	Income support for severe disabilities	Regional
BONUS_ELET*	Bonus for electricity supply	State
BONUS_GAS*	Bonus for gas supply	State
BORSE_LAVORO	Job grants	Local (Municipality)

RECIPIENTS (HOUSEHOLDS) BY NATIONALITY (2016)

		Household's members citizenship			
	AV	Italians	Mixed	Foreigners	Tot %
AD	94	73,4%	4,3%	22,3%	100,0%
AD_INDIRETTA	34	91,2%	2,9%	5,9%	100,0%
AFFIDO_TERZI	32	93,8%	3,1%	3,1%	100,0%
INPS_3_MINORI	2841	18,9%	18,6%	62,4%	100,0%
ASSEGNO_MAT	960	22,5%	17,2%	60,3%	100,0%
BSA	305	96,7%	2,0%	1,3%	100,0%
EX_SIMV_ADULTI	69	81,2%	4,3%	14,5%	100,0%
EX_SIMV_ANZIANI	1927	90,8%	3,6%	5,6%	100,0%
EX_SIMV_DISABILI	336	76,5%	6,8%	16,7%	100,0%
FSP	663	87,2%	4,5%	8,3%	100,0%
M1	1813	20,9%	17,6%	61,5%	100,0%
M2	753	68,8%	6,2%	25,0%	100,0%
M3	289	69,6%	4,5%	26,0%	100,0%
M4	349	87,1%	6,3%	6,6%	100,0%
M5a	1494	66,7%	8,8%	24,4%	100,0%
SIA	2470	28,1%	16,9%	55,0%	100,0%
B2	545	91,9%	2,6%	5,5%	100,0%
BONUS_ELET	12056	47,1%	11,2%	41,7%	100,0%
BONUS_GAS	11104	47,1%	11,2%	41,8%	100,0%
BORSE_LAVORO	1152	52,7%	3,7%	43,6%	100,0%

SOCIAL ASSISTANCE IN MILAN: THE RETURN OF THE LEFT

Re-organization of offices

Previous situation: organization segmented in 4 main categories of beneficiaries → minors, elderly, disabled, adults and migrants (able bodied)

Current: three main “**line of products**” destined to all categories according to the need:

1. “**territorialità**” (first access) → gates of access to services, distributed in the territory of the city, first and second reception, selection of applications
2. “**domiciliarità**” (home delivery) → delivery of services and benefits to individual and households living on their own
3. “**residenzialità**” (residential services) → homes, shelters, communities etc. for people unable to live on their own (elderly, disabled, minors, homeless, etc)

SOCIAL ASSISTANCE IN MILAN: THE RETURN OF THE LEFT

Re-organization of offices: pros and cons

Pros: new challenges for social workers, optimization of resources (both economic and organizational), standardization of procedures, systematic collection of data on benefits and recipients

Cons: “silent resistance” by street level bureaucrats, economic-based rhetoric (product, efficiency, client, ...) transforming the user in a customer (NPM)

SOCIAL ASSISTANCE IN MILAN: THE RETURN OF THE LEFT



SOCIAL ASSISTANCE IN MILAN: THE RETURN OF THE LEFT

Re-organization of offices

To this internal re-organization, the municipality implemented a second stream of innovation aimed to widen the users of social services (still in progress):

- 1) A **website** with all information to ease the matching between the citizen that has a need and the institution that delivers the service needed → <http://wemi.milano.it/>
- 2) A **network of “hotspot”** (currently 9) open to the population (civic centers) run by private no-profit associations where, alongside usual social activities, people can receive information on social assistance services

This development is based on the idea of “**community welfare**”: the involvement of private profit and no-profit organizations and associations in the production of social welfare

SOCIAL ASSISTANCE IN MILAN: THE RETURN OF THE LEFT

Pros and cons

Pros: the attempt to open social assistance to the whole population, reducing stigma and tackling new needs

Cons: risk of privatization of care services and weakening of social rights

THANK YOU FOR YOUR ATTENTION!

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