

Policy responses to the global economic crisis: competition and integration in the regional governance of unemployment benefits in Italy

Prof. Rosa Mulé
Department of politics and social sciences
University of Bologna, Italy
Email:rosa.mule@unibo.it

The paper analyses the origin and diffusion of emergency social shock absorbers in Italy in the aftermath of the Great Recession. It contributes to the debate on regions as spaces for politics and policies by arguing that regions have been the main drivers of change in labour market policies in recent years. Regions departed from path-dependent strategies of passive labour market policies, which had been implemented in the previous decades. A new system of unemployment benefits was created that tied active and passive labour market policies because unemployment benefits became strictly conditional to enrolment in training programmes. Such path-switching operations yielded institutional and policy change via two separate mechanisms. First, by ‘patching up’ a hybrid administrative structure that consisted of adding new elements with new underlying principles to old structures ruled by old principles. Second, by initiating a process of policy conversion that shaped new goals, functions and purposes, thus altering the core objectives of the traditional labour market policy programme. The regional restructuring of the labour market policy programme eventually transformed its policy goals from income maintenance to welfare-to-work. This transformation paved the way for the activation turn that underpins the *Jobs Act* approved by the Renzi Government in 2014.