

How to fight organized crime influence on local politics

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Recent UNODC report on Covid and Organized crime warns on growing number of criminal organizations performing a governance role

Among the others, the report mentions Italian mafias, certain Latin American structured trafficking groups, and Balkans

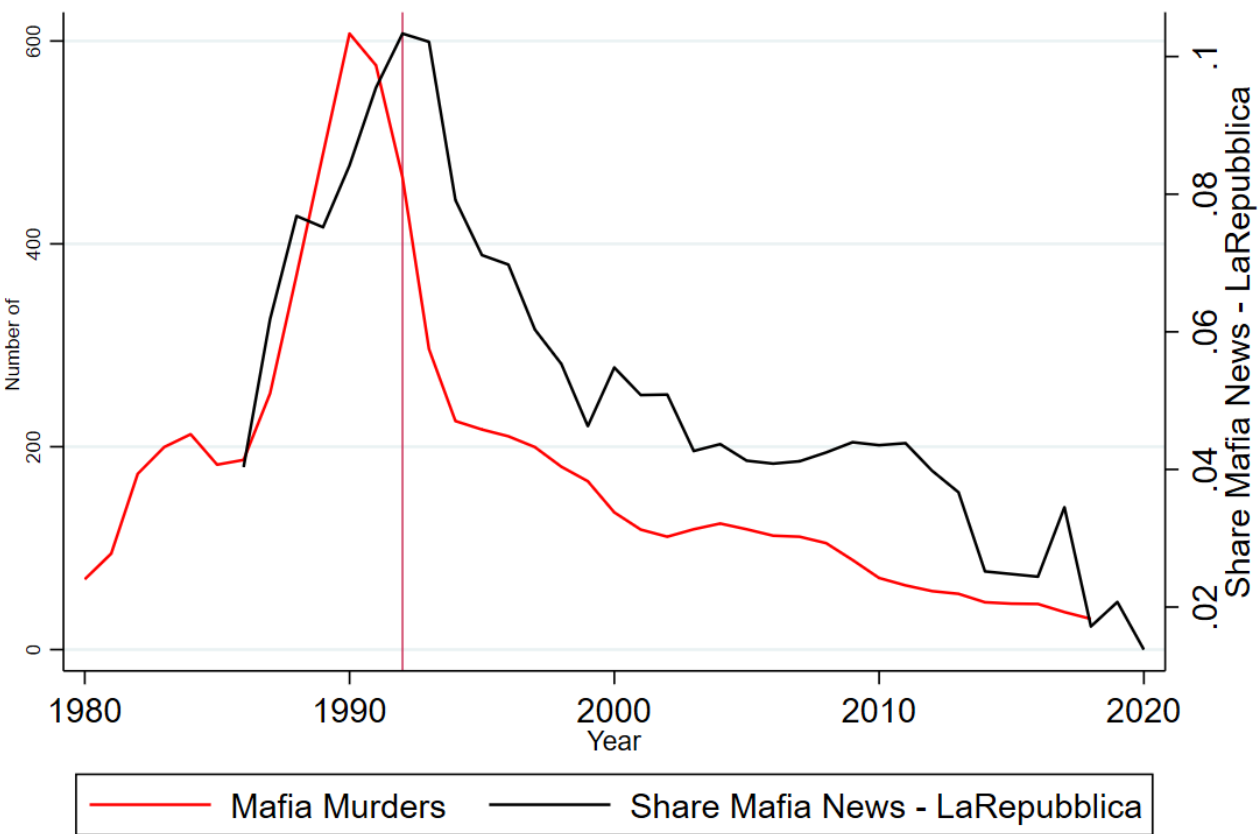
HOW: systematic use of bribes and violence to influence politics

- e.g. >165 politicians in Brazil have been murdered in 2018-2020; > than 100 mayors killed by drug cartels in Mexico in the last decade

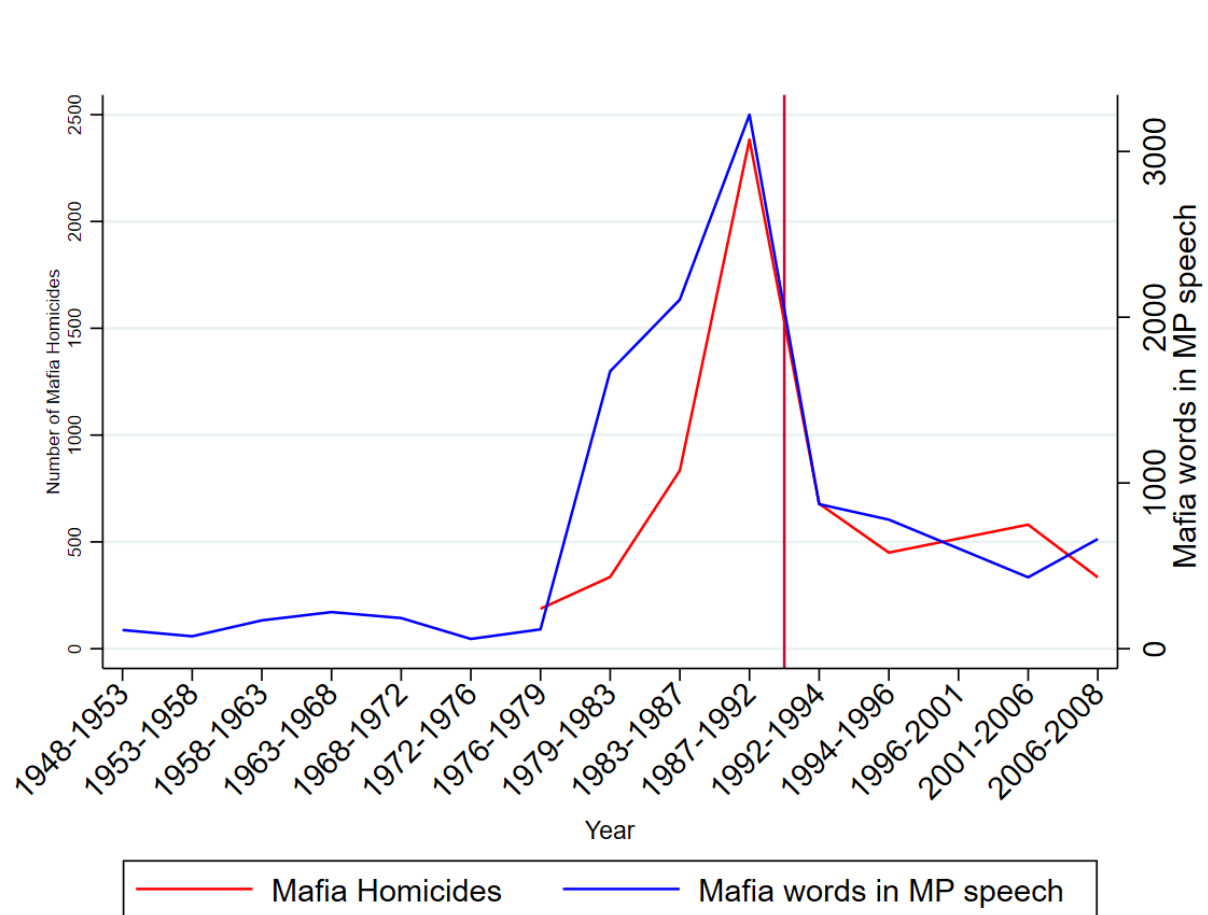
WHY

- Interfere with elections and influence political selection
- Reduce law enforcement
- Extract rents (e.g. control public procurements)
- Winning the favor of local populations

Mafia homicides and News



Mafia homicides and MP speeches



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→ *A long term problem In Italy*

Italian mafias, sophisticated organizations:

- Highly infiltrated into legal economy
- Influence local politics
- Use violence strategically
 - Avoid homicides (homicide rate in Italy is about half of Finland)
 - Widespread use of threats and other types of violence (Daniele and Dipoppa 2017 JPUBE)

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How to fight organized crime infiltration in local politics?

→ **City council dissolutions (CCD) & appointment of technocratic local government**

City council dissolutions (CCD) 1991-

- If suspicious of ties between politicians and mafias
- The national government can “dissolve” a municipal council and substitute elected local politicians with unelected State commissioners up to 2 years (then new local elections)
- Restore legality, manage public spending
- Law enforced more than 300 times (average municipality population: 10k)
- Strong and salient intervention: removal of elected politicians – local/national media coverage

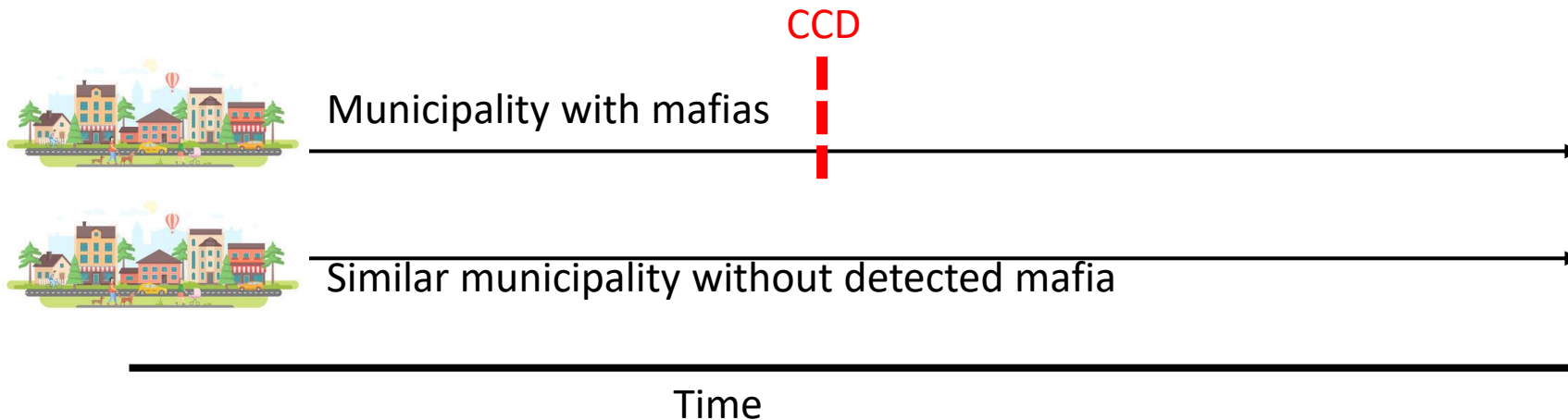
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City council dissolutions (CCD) 1991-

- Recent policy evaluations use difference-in-differences methodology comparing CCD municipalities with nearby similar ones before and after the policy



City council dissolution (CCD): a success?

- Improve political selection in terms of politicians education (+20%), and election of female and young candidates (Daniele, Geys, 2015 EJ)
- Reduce spending in key mafia sectors: waste management and construction (Mastrorocco, Di Cataldo, 2021 JLEO)
- Employment growth by +16% over nine years (Fenizia, Saggio, 2021)
- Less “waste” in discretionary spending in nearby municipalities (Galletta, 2017 JUE)

City council dissolution (CCD): a success?

However, CCD doesn't always work:

- Many cases of repeated dissolutions (20%)
- 2 cases of municipalities without a government as nobody runs for mayor
- 50% of commissioners report local bureaucrats are hostile to the technocratic government
- 54% report citizens are “indifferent”

Interest for other countries:

Strong and relatively cheap policy with potential beneficial effects on local politics and local economy

But also risks...

Interest for other countries:

Risk#1: removal of democratically elected local politicians without conclusive trials
(trade off speed – conclusive evidence)

- About 23 cases of revoked dissolutions
- High risk of political manipulation
- If risk of political manipulation, policy might be controlled by independent anti-corruption authority

Interest for other countries:

Risk#2: In a context of low trust, bureaucrats and citizens might be hostile to externally imposed technocrats, deterring the positive effects

- The CCD must be perceived as rightfully motivated
- The selection of the commissioners plays a key role
- Current Italian debate focuses on specific training for the commissioners and increase local State capacity by hiring new local bureaucrats

Risk#3: In high violence contexts, State capacity should guarantee safety and independence of appointed bureaucrats

Thanks!