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THE REPUBLICAN COMPROMISE: ON ELECTORAL REFORM IN ITALY

IL COMPROMESSO REPUBBLICANO E LA RIFORMA ELETTORALE ITALIANA

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Abstract: this article develops the concept of the «Republican Compromise» as an analytical framework for evaluating electoral systems from a public law and economics perspective. Building upon the Public Coase Theorem, the article argues that every electoral system must balance two competing objectives: the quality of democratic representation and the transaction costs of political bargaining. Electoral rules that improve representativeness tend to increase the costs of coalition formation and legislative bargaining, whereas rules designed to enhance governability typically reduce those costs at the price of weaker representation. Rather than treating this tension as a purely political question, the Republican Compromise explains it as a structural trade-off inherent in representative democracy. The framework implies that reforms worsening representation without improving governability should be avoided. The framework is applied to the Italian electoral reform currently under parliamentary consideration in order to highlight the possible implications in terms of reducing transaction costs and improving the quality of representation.

Keywords: Public Law and Economics – Stabilicum – Electoral System – Coase Theorem – Republican Compromise – Democratic Representation – Political Bargaining – Transaction Costs

Abstract: l'articolo presenta il «Compromesso Repubblicano» come un *framework* analitico attraverso cui valutare le leggi elettorali nella prospettiva dell'analisi economica del diritto pubblico. Nella prima parte, applicando il Teorema di Coase, l'articolo pone in

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evidenza come, in una democrazia rappresentativa, ogni sistema elettorale debba bilanciare due obiettivi antitetici: la qualità della rappresentanza democratica e i costi transattivi della contrattazione politica. Le regole che migliorano la rappresentatività tendono però ad aumentare i costi di contrattazione politica; viceversa, quelle orientate alla governabilità li riducono a scapito però della qualità della rappresentanza democratica. Il «Compromesso Repubblicano» interpreta questa tensione come un *trade-off* strutturale insito nella democrazia rappresentativa. Secondo questa prospettiva, le riforme che peggiorano la rappresentanza senza migliorare la governabilità dovrebbero perciò essere evitate. Nella seconda parte, tale *framework* viene applicato alla riforma elettorale attualmente all'esame del Parlamento al fine di evidenziare le possibili implicazioni in termini di riduzione dei costi transattivi e qualità della rappresentanza.

Keywords: *Public Law and Economics* – Stabilicum – Sistema Elettorale – Teorema di Coase – Compromesso Repubblicano – Rappresentanza Democratica – *Political Bargaining* – Costi Transattivi

1. Introduction

The Italian electoral system, except for the Meloni Government now in charge, has long struggled to produce stable governments[1]. Since the Constitution came into force in 1948, the country has had 65 governments, with the average cabinet lasting little more than one year[2]. The constant turnover complicates policymaking, frustrates Italy's

[1] In order to understand the exceptional longevity of the Meloni government, see M. Improta, 2026. The author analyzes the Meloni government «*as a case in which, unlike in most recent Italian experiences, stabilizing mechanisms have operated coherently and, crucially, jointly across the three stages of the coalition life-cycle. At the formation stage, stability stemmed from the interaction between a pre-electoral configuration, a minimal winning majority, and comparatively high ideological compatibility. During the governance phase, favorable contextual conditions, notably the economy and sustained public support, reduced incentives for intra-coalition conflict and facilitated pragmatic coordination within European constraints, consistent with the responsibility dimension of democratic governance. At the termination stage, government longevity has been reinforced by a fragmented opposition, together with the limited availability of alternative governing formulas (of both partisan and non-partisan nature)*» (M. Improta, 2026, 3-4). On the relationship between constitutional doctrine and political culture, and on how the latter affects forms of state and forms of government, see G. Pitruzzella, 1996, 15-17.

[2] From May 1948 (the first government of the Italian Republic under the 1948 Constitution) to July 2026, Italy has had 65 governments, with an average duration in office of approximately 439 days. This average, however, conceals a significant discontinuity. Governments preceding the 1994 electoral reform (Law no. 276/1993, the so-called Mattarellum) – from De Gasperi V to Berlusconi I, 47 governments in total – lasted on average 355 days. Governments formed after the transition to a predominantly majoritarian electoral system – 18 governments, from Berlusconi I to the current Meloni government – have lasted on average 677 days, nearly double the earlier figure. Duration data are calculated from the date of the swearing-in of each Council of Ministers to the swearing-in of its successor, based on official records published by the Presidency of the Council of Ministers (governo.it).

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international partners, and exasperates Italian citizens, who feel that the political system cannot govern effectively. Despite the short lifespan of governments[3], a partial corrective element aimed at stabilizing policy direction has emerged since the adoption of the Maastricht Treaties and subsequent Treaties; this can be attributed to European economic governance, specifically the so-called «autopilot» effect resulting from public spending rules and financial constraints[4]. Naturally, this corrective factor has had significant repercussions on the party system, fostering the rise of anti-establishment and Eurosceptic political forces and thereby contributing to the further fragmentation of the political landscape[5]. This generates a vicious cycle[6].

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[3] See M. Improta, 2026, 2. (author's own elaboration based on the Comparative Cabinets Dataset, M. Improta, 2025). According to the author, the conflict among coalition partners has historically been the most frequent cause of premature government termination in Italy (M. Improta, 2025, 39).

[4] See F.G. Angelini, 2020b, 94-97.

[5] The empirical findings of M. Draca and C. Schwarz, 2021, who apply Latent Dirichlet Allocation to World Values Survey data to recover citizens' latent ideological types, offer a useful test case for the Downsian median voter framework and its more recent revisions. At a foundational level, the paper confirms Downs's (1957) core intuition: ideology functions as an information-economizing device that allows individuals to structure a large set of discrete policy positions without evaluating each one independently. Draca and Schwarz explicitly invoke this Downsian logic to justify their generative model, in which four latent «*types*» operate analogously to party platforms, reducing the dimensionality of voter choice. However, the paper's central empirical result goes beyond the Downsian framework on the critical dimension of spatial structure. The four recovered types are not points along a single left-right continuum; they emerge from two largely orthogonal axes – a conventional social-issues axis (abortion, homosexuality, divorce) and, notably, an axis of institutional trust, which the authors find plays a «*leading role*» in defining ideology. The resulting «*Anarchist*» type is not a midpoint between Left and Right in the Downsian sense: Left Anarchist and Right Anarchist share low institutional trust while diverging sharply on social issues, meaning the two dimensions cut across, rather than align with, the traditional spectrum. This is inconsistent with the single-peaked-preferences-on-a-line assumption that underwrites Downsian convergence. The clearest illustration is the U.S. «*disappearing centre*»: the doubling of the combined Anarchist share (from roughly 30% to 50% of the population between Wave 2 and Wave 5) is not a movement along the left-right axis but a collapse of institutional trust that recruits from both ideological wings. Corroborating this, anarchist type-shares predict populist voting independently of left-right self-positioning – variance a single-dimension median voter model cannot capture. This connects only partially with Maxwell L. Stearns's (2024, 47-56) account of contemporary U.S. voter behavior as bimodal across two substantive policy axes - policy/economics and cultural/identity — generating four ideological quadrants and cross-cutting coalitions. The second axis identified by Draca and Schwarz is not, strictly, a policy axis at all, but a more procedural or legitimacy-based dimension — trust in institutions as such — closer to the «*trust in government*» variable in the populism literature than to Stearns's cultural/identity axis narrowly construed. That said, a cultural/identity component is not absent; it resurfaces nested within the Left/Right Anarchist split itself (via attitudes toward immigration and minority groups), so that in this typology the trust-based and identity-based logics intertwine rather than remain cleanly separable, as they arguably do in Stearns's two-axis model. The theoretical implication relevant to the Republican Compromise framework is that a multidimensional policy space undermines the convergence guarantee of the median voter theorem. It suggests that permanent political bargaining – the mechanism central to the Public Coase Theorem as applied here to the Stabilicum – may be less a contingent feature of Italian coalition politics than a near-structural response to the absence of a unique equilibrium under multidimensional voting.

[6] This phenomenon is partly attributable to so-called «rational political ignorance» (I. Somin, 2021) and the high information costs voters incur when exercising their right to vote. The campaign to delegitimize European institutions – whose fiscal and financial constraints have often been perceived by the public opinion as an undue curtailment of popular sovereignty – is a clear example of this. According to F.G. Angelini (2020a, 179-185, 233-242), the European (macro)economic constitution, in conjunction with the

In the latest attempt to address these challenges[7], the Italian Parliament is debating a broad reform of the electoral law, known as the Stabilicum, which aims to build stronger parliamentary majorities and, as a result, more durable governments. This controversial reform proposal has generated attention and debate among scholars, journalists, and politicians. Supporters describe it as an important corrective for a system that currently rewards fragmentation and chaos, while critics argue that it concentrates power in whichever political coalition crosses an arbitrary threshold of support.

Italian legal scholars typically analyze reforms of this kind by consulting constitutional law[8], asking whether the reform is consistent with the principles announced by the Constitutional Court[9], or through the lens of political theory[10], asking whether the reform serves social values such as pluralism, sovereignty, and accountability. Although these are very valuable frameworks, this article takes a different approach. It draws on law and economics, a field that, as the name suggests, applies concepts and methods from economics to legal issues. Law and economics has been enormously influential in private law, shaping how judges, scholars, and policymakers understand contracts, property law, and torts (i.e., the law of accidents)[11]. More recently, scholars have applied economics to the study of public law, analyzing constitutions, administrative agencies, and electoral systems[12]. This article follows that trend by applying an economic framework to Italy's proposed reform.

To be specific, we draw on a trade-off identified in the public law and economics literature called the Republican Compromise. More specifically, the Republican Compromise holds that efforts to improve the quality of representation tend to make political bargaining harder, and efforts to ease such bargaining tend to worsen representation[13]. The Republican Compromise is primarily a positive, rather than normative, framework. It does not determine whether an existing electoral arrangement or a proposed reform is «good». Instead, it simplifies that determination by reducing

domestic rules protecting the financial interests of the people, far from restricting popular sovereignty, serves as an objective supranational safeguard. By requiring the exercise of governmental power to comply with the requirements of financial stability, it imposes institutional constraints designed to promote efficiency in public decision-making, thereby expanding the effective scope of popular sovereignty and, with it, social welfare under the Kaldor-Hicks criterion of efficiency (see M.L. Stearns, T.J. Zywicki, T. Miceli, 2018, 20-21) and Buchanan's paradigm of mutual gains through joint commitment to rules.

[7] The Italian debate on the electoral reforms from the point of view of the relationship between the form of government and the evolution of the political system has been well highlighted by G. Pitruzzella, 1996. See, also, G. Guzzetta, 2022.

[8] See, e.g., A Brunialti, 1895-1898; C. Lavagna, 1952, 849 ss.; L. Elia, 634 ss.; C. De Fiores, 2007; M. Luciani, 2010; A. Gigliotti, 2014; E. Cheli, 2014; A. Morrone, 2017; O. Chessa, 2017; G. Delledonne, 2019.

[9] See E. Sorrentino, 2019, 2-25; A. Oddi, 2017; M. Di Geronimo, 2021,143-173.

[10] See, e.g., G. Sartori, 1976); M. Cotta, E. De Giorgi, L. Verzichelli, 2025.

[11] See, e.g., R.D. Cooter, T. Ulen, 2012.

[12] See, e.g., R.D. Cooter, M.D. Gilbert, 2022. In the Italian literature see, e.g., G. Napolitano and M. Abrescia, 2009; F. Forte, 2006; G. Bellantuono and G.B. Ramello, 2026, 173 ss. For a first application of public choice theory to the study of public decision-making processes, also in light of the implications for public finances and the EU's financial constraints, see F. Forte, 2007 and F.G. Angelini, 2020a.

[13] See R.D. Cooter and M.D. Gilbert, 2022, 147-149.

many considerations to a clear trade-off between representation and governability and assessing how the electoral system in question strikes a balance between them.

We use this framework to analyze the Stabilicum, asking how the reform would affect political bargaining in Italy and how it would redraw the balance between representation and governability. The key feature of the Stabilicum is the majority «bonus», which awards extra seats to any political coalition that exceeds 42 percent support. The bonus increases the reward for successful coalition building, but it does not necessarily make political compromise easier—in fact, it could make it harder, as we will explain. At the same time, the Stabilicum may diminish the quality of representation by pushing bargaining by party leaders behind closed doors, outside the public's view. Although the Republican Compromise is not a normative framework, it does have a normative implication: reforms that worsen representation and either leave political bargaining unchanged or make it harder should be avoided.

Our analysis proceeds as follows. Section 2 develops the Republican Compromise, beginning with an important concept from economics called the private Coase Theorem, then extrapolating to the public Coase Theorem, and then connecting bargaining by lawmakers to the quality of representation. Section 3 applies this framework to the Stabilicum. After describing the proposed reform, we argue that it does not necessarily lower the costs of political bargaining, as majoritarian reforms conventionally do by consolidating parties. Rather, it relocates bargaining from the floor of Parliament to pre-electoral negotiations among party elites while leaving the underlying fragmentation of the party system intact. Further, we suggest that the reform may weaken the accountability of legislators to voters given the opacity of pre-electoral negotiations and the persistence of blocked party lists. Section 4 explains what the Republican Compromise does, and does not, resolve, and section 5 concludes.

2. The Republican Compromise

Our analysis draws on an idea from the economic analysis of law called the Republican Compromise[14]. The Republican Compromise holds that efforts to improve the quality of representation usually increase the costs of political bargaining, and vice versa. We develop this idea in three steps. First, we summarize the Coase Theorem, which makes predictions about the efficiency of private bargaining, meaning bargaining among private parties. Second, we extend the Coase Theorem to political bargaining, meaning bargaining among officials such as legislators. In general, private bargaining does not affect third parties, whereas bargaining among officials inevitably affects third parties. Thus, our third step relates bargaining by officials to the quality of representation. This connection yields the Republican Compromise.

[14] See R.D. Cooter, M.D. Gilbert, 2022, 147-149.

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2.1. The Private Coase Theorem

The Coase Theorem, which earned its namesake a Nobel Prize, sits at the heart of the economic analysis of law. The theorem holds that if transaction costs are sufficiently low, parties will bargain to efficient outcomes regardless of the legal rule[15]. The theorem can be illustrated with a simple example[16]. Imagine two neighbors, a farmer with a field of corn, and a rancher with a herd of cows. Without a fence, the cows will eat the corn, causing $50 in damage. The farmer can build a fence around the corn for $10, or the rancher can build a fence around the cows for $20. If the legal rule is «rancher's right», meaning the rancher is not responsible for any damage caused by his cows, then the farmer will build the fence. She prefers to pay $10 for a fence than lose $50 in ruined corn. What if the rule is «farmer's right», meaning the rancher must pay for damage caused by the cows? One might expect the rancher to build the fence. After all, he would prefer to pay $20 for the fence than $50 in damages. However, this is irrational if the parties can bargain.

If the farmer and rancher have a good relationship and can cooperate, they can strike a deal according to which the rancher pays the farmer and the farmer builds the fence. To illustrate, suppose the rancher pays the farmer $15. The farmer gets $5 ($15 from the rancher, minus $10 to build the fence), which is better than getting $0 if the rancher builds the fence. The rancher spends $15, which is better than spending $20 to build the fence himself. The bargain leaves both parties better off.

We can reframe this example in terms of efficiency. The parties face three possible outcomes: no one builds a fence, which costs $50; the farmer builds a fence, which costs $10; or the rancher builds a fence, which costs $20. The efficient outcome is for the farmer to build the fence, and if the parties can bargain easily, she will, regardless of the legal rule. Whether the law is «rancher's right» or «farmer's right», the farmer builds the fence. What if the parties cannot cooperate? Then the legal rule determines the efficiency of the outcome. If the rule is «rancher's right», the farmer will build, but if the rule is «farmer's right», and assuming the parties cannot strike a deal, the rancher will build the fence for $20, an inefficient outcome.

Whether the parties can strike a deal depends on the transaction costs of bargaining. «Transaction costs» is a broad term that captures impediments to bargaining, such as the costs of hiring a lawyer, negotiating an agreement, drafting its terms, making a payment, and confirming performance. As transaction costs decrease, bargaining gets easier, and the law becomes irrelevant to efficiency. As transaction costs increase, bargaining gets harder, and the law determines efficiency.

[15] R.H. Coase, 1960.
[16] See R.D. Cooter, T. Ulen, 2012, 82-85.

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The Coase Theorem reveals two methods by which the state can promote efficiency. First, the state can enact efficient laws, such as «rancher's right» in our example. «Rancher's right» places the responsibility on the farmer who can build at lower cost. Second, the state can lower transaction costs. Given low transaction costs, parties will bargain to efficiency regardless of the law. The state might lower transaction costs by, for example, creating a system for fast, effective enforcement of contracts. The second method has an advantage because it does not require the state to identify the efficient law, which is often difficult.

2.2. The Public Coase Theorem

As conventionally understood, the Coase Theorem concerns bargaining over private goods such as fences, cars, and computers. Thus, we labeled it the «private» Coase Theorem. Here we develop the «public» Coase Theorem, which extends the logic to bargaining over public matters such as policies and laws. Bargaining over laws occurs among lawmakers such as executives, legislators, regulators, interest groups, and perhaps even judges. Like the farmer and rancher, lawmakers bargain to benefit themselves. The public Coase Theorem asserts that if the transaction costs of bargaining among lawmakers are sufficiently low, they will cooperate with each other and enact laws that are efficient as to them, regardless of background legal rules or structures[17].

Again, we can demonstrate the theorem with an example. Suppose the Liberal party proposes to increase spending on education, and the Conservative party proposes to increase spending on police. Each party opposes the other party's proposal. To make this concrete, we attach payoffs to the proposals. If the education proposal is enacted, the Liberals get a benefit of 10 and the Conservatives pay a cost of 5. If the police proposal is enacted, the Conservatives gain 7 and the Liberals lose 3. We assume the proposals are independent; the Liberals' support for the education proposal does not depend on the police proposal, and vice versa. The following table captures the parties' payoffs.

	Liberal party	**Conservative party**	**Total**
Education and police	7	2	9
Education	10	−5	5
Police	−3	7	4
Status quo	0	0	0

If the parties' transaction costs are high, then the outcome depends on who controls the government. If the Liberals control it, they will enact the education proposal for a total payoff of 5 (10 for the Liberals, –5 for the Conservatives). If the Conservatives

[17] See R.D. Cooter, M.D. Gilbert, 2022, 22-23.

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control the government, they will enact the police proposal for a total payoff of 4 (–3 for the Liberals, 7 for the Conservatives). If the government is divided, meaning proposals require support from both parties, then neither will pass, and each party will receive 0.

Now suppose the parties' transaction costs are low, meaning they can cooperate with each other. The Coase Theorem predicts that they will bargain to the efficient outcome. In this example, the efficient outcome is to enact both proposals, which generates the highest total payoff of 9. Importantly, background legal rules or structures do not matter. To illustrate, suppose the Liberals control the government. The Conservatives do not, as a legal matter, hold any power, but even so they can make the following offer to the Liberals: «If you enact both proposals, we will pay you 4»[18]. Instead of enacting the education proposal alone for a payoff of 10, the Liberals can accept the offer and enact both proposals for a payoff of 11 (10 from education, –3 from police, 4 received from the Conservatives). Instead of enduring the education proposal alone for a payoff of –5, the Conservatives get both proposals for a payoff of –2 (–5 from education, 7 from police, –4 paid to the Liberals). The bargain makes both parties better off and yields the efficient outcome[19]. If the Conservatives controlled the government, or if the government were divided, the terms of the bargain would change, but the same, efficient outcome would prevail: both proposals would pass[20].

Earlier we explained that the state can promote efficiency by lowering transaction costs. The state could lower lawmakers' transaction costs by, for example, enforcing their promises to one another. Would this be desirable? In private contexts, as with the farmer and the rancher, the value of efficiency seems clear. Spending more money than necessary to protect corn is wasteful. However, in political contexts the value of efficiency is debatable. Though important, efficiency is not the only relevant social value when making law[21]. Furthermore, bargaining among lawmakers benefits them, but it does not necessarily benefit everyone else.

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[18] The payment could take different forms, including future votes or other political favors.

[19] The parties' payoffs, 11 and –2, sum to 9, which is the highest possible total payoff, and which is achieved by enacting both proposals.

[20] If the Conservatives controlled the government, the Liberals could offer them, say, 6 to enact both proposals rather than the police proposal alone. If government were divided, each party could simply agree to support the other's proposal. To extend the logic, imagine two ways to organize power. First, the city council controls both police and education. Second, the city council controls the police and a separate school board controls education. If the Liberals and Conservatives can cooperate, and given that enacting both proposals is efficient, the Coase Theorem predicts that both proposals will pass, regardless of whether power is organized the first way or the second way.

[21] We note that efficiency is often confused with profit. Whereas profit measures money, efficiency measures the satisfaction of people's preferences, which may include money but also other ends such as health, love, and equality. Efficiency is a richer and more attractive social value than some people realize.

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2.3. Bargaining and Representation

When discussing the farmer and rancher, we assumed that their choices do not affect third parties. Bargaining benefits them and harms no one, so we can say that their cooperation is socially efficient, meaning it benefits society. In contrast, lawmakers' choices nearly always affect third parties. Raising taxes, declaring war, regulating pollution – these choices and many others impact the lawmakers themselves and thousands or millions of others. Whether bargaining by lawmakers benefits society depends on these third-party effects. Scrupulous lawmakers strike deals that benefit themselves and their constituents, as when enacting popular social programs. Unscrupulous lawmakers strike deals that benefit themselves and harm their constituents, as when enacting corrupt policies that transfer tax revenues to their pockets. Thus, the social efficiency of bargaining by lawmakers depends on the quality of representation.

This complicates the prescription developed above. To promote social efficiency in lawmaking, the state must lower lawmakers' transaction costs *and* make those lawmakers representative. Unfortunately, these goals often conflict. Efforts to lower transaction costs often worsen representation, and efforts to improve representation often increase transaction costs.

To demonstrate, consider the size of a legislature. A larger legislature has a higher ratio of representatives to citizens. As the ratio increases, citizens are more likely to know their representatives. With fewer constituents, legislators can better identify those constituents' wants and needs. Thus, a larger legislature should tend to improve representation. Taken to the limit, a legislature consisting of every citizen would represent the polity perfectly. The problem, of course, is that nothing would get done because thousands (let alone millions) of people cannot bargain and compromise with each other. As the size of the legislature increases, representation improves and transaction costs increase.

Consider a second example: terms lengths. Lawmakers in a democracy might serve short terms such as one year or long terms such as seven years. Some people argue that short terms make lawmakers more responsive to their constituents. Frequent elections prevent them from becoming complacent and being captured by special interests. On the other hand, short terms can stifle compromise. In lawmaking, compromise often requires an exchange of political favors, as when the Conservative party says to the Liberal party, «if you support our proposal now, we will support your proposal later». Lawmakers cannot sign enforceable contracts with each other, so their agreements rely on trust, and trust is easier to establish among people who interact repeatedly over time. In general, lawmakers who have worked together for years and will hold office for years to come can cooperate more easily than lawmakers who are strangers to one another and could lose their jobs at any time. The threat of a legislator losing her seat makes her offer of future favors less valuable. Thus, shorter term lengths may improve representation and increase transaction costs.

Finally, consider the choice between plurality rule and proportional representation. Under plurality rule, the winner exercises all power, whereas proportional representation allocates power in proportion to popular support. To illustrate with a stylized example, imagine elections for 100 seats in the legislature. The Conservative Party, Liberal Party, and Green Party always receive 45 percent, 35 percent, and 20 percent of the vote. Plurality rule might award 100 seats to the Conservatives, whereas proportional representation might award 45 seats to Conservatives, 35 seats to Liberals, and 20 seats to Greens. Under plurality rule, Liberals and Greens might receive zero seats, even though together they constitute more than half the population. Proportionality improves matters by matching the legislature with the population. However, proportional representation can impede bargaining. No party has a majority, so they must bargain to form a coalition. In general, bargaining across multiple parties with different political platforms is harder than bargaining within a single party with a relatively uniform political platform. Plurality rule worsens representation and lowers transaction costs, and proportionality does the opposite.

These examples illustrate a common trade-off called the *Republican Compromise*[22]. In a republic, where citizens elect officials to make law on their behalf, good representation is essential to social efficiency. But good representation is not enough. Officials can increase social efficiency by bargaining over laws, just as private actors can benefit by cooperating over a fence. Ideally, good representation and low transaction costs go together, but in reality they often conflict, with efforts to improve one worsening the other. Good electoral systems account for this trade-off and seek the best balance between these competing values. In the next section, we use the Republican Compromise to analyze electoral reform in Italy.

3. Electoral Reform in Italy: the Bill C. 2822 containing provisions regarding elections to the Chamber of Deputies and the Senate of the Republic

On June 26, the 1st Constitutional Affairs Committee of the Chamber of Deputies approved the bill C. 2822 of May 27, 2026, which contains provisions regarding the elections of the Chamber of Deputies and the Senate of the Republic. Therefore, pending the publication of this work, the Italian Parliament is debating a reform of the electoral law known as the Stabilicum. The debate follows a familiar script: proponents argue that Italy needs a stable government, and after so many short-lived coalitions, few would disagree. Critics warn that the reform hands disproportionate power to whichever coalition crosses an arbitrary threshold. Both claims may be true, but neither is precise

[22] See R.D. Cooter, M.D. Gilbert, 2022, 147-149.

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enough to test. If we translate the disagreement into the vocabulary developed above, sharper questions emerge: what does the Stabilicum do to the transaction costs of political bargaining, and how does it balance representation and governability?[23]

3.1. The Stabilicum

The Stabilicum would replace Italy's current mixed system, under which roughly a third of parliamentary seats are awarded through single-member districts, with a predominantly proportional system, based on nationwide allocation for the Chamber of Deputies and regional allocation for the Senate, supplemented by a fixed governability bonus. In more detail, unlike the current parallel mixed-member system, the proposed system is fundamentally proportional, but incorporates a majoritarian corrective through a fixed governability bonus. Under the current system, five-eighths of the seats are allocated through proportional representation, while the remaining three-eighths are filled under a plurality system, that is, in single-member constituencies where the candidate receiving the highest number of votes is elected[24]. The system introduced by the proposal under consideration is instead a proportional system corrected by a fixed seat bonus («governability bonus») awarded to the political force receiving the largest number of votes, provided that certain conditions are met. Single-member constituencies are abolished throughout the ordinary national electoral territory, while special single-member arrangements remain in force for Valle d’Aosta and Trentino-Alto Adige/Südtirol. The seats previously assigned through single-member constituencies are reallocated to the multi-member constituencies encompassing them.

Political parties and political groups intending to participate in the elections continue, as under the current system, to submit candidate lists for each multi-member constituency, which may be presented individually or as part of a coalition. In addition, in each constituency to which bonus seats have been assigned, parties and coalitions intending to compete for the governability bonus must submit constituency-wide bonus lists. In the case of a coalition, the list is common to the coalition as a whole, although it is formally submitted by each coalition party contesting that constituency.

The seats are allocated proportionally on a nationwide basis for the Chamber of Deputies and on a regional basis for the Senate (without prejudice to the different rules

[23] Among the first reflections on the topic in the Italian scientific debate, see M.A. Cabiddu, 2026; G. De Minico, 2026; as well as the statements made by Guzzetta, D’Amico, Gallo, Calvano, Tarli Barbieri, Bindi, Ciolli, D’Alimonte, Lanchester, Grosso, Pallante, Volpi, Azzariti, during hearings before the Chamber of Deputies’ Constitutional Affairs Committee (available on: https://www.camera.it/leg19/126?leg=19&idDocumento=2822)

[24] However, it should be considered that single-member and multi-member constituencies are interconnected and influence one another, making the majoritarian nature of the election in single-member constituencies merely apparent.

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established for the Valle d'Aosta and Trentino-Alto Adige/Südtirol constituencies[25] and for the Overseas constituency) among the lists presented in the multi-member constituencies. The mechanism by which seats are subsequently allocated from the national level to the electoral constituencies and subsequently to the multi-member districts (for the Chamber), and from the regional level to multi-member constituencies (for the Senate), remains unchanged from the current system.

The electoral thresholds for representation are 10% for coalitions of lists and 3% for individual lists, whether standing alone or within a coalition. However, each coalition benefits from a «recovery» mechanism whereby the coalition list receiving the highest number of votes among those falling below the 3 percent threshold may nevertheless qualify for representation. For the Senate, the same thresholds continue to apply and are calculated on a nationwide basis[26], while retaining the existing exception for lists obtaining at least 20 percent of the vote in a single region.

A single list or coalition of lists obtaining at least 42 percent of the valid national vote in both Chambers becomes eligible for a fixed «governability bonus» consisting of 70 seats in the Chamber of Deputies and 35 seats in the Senate. The bonus is awarded only where the political alignment receiving the largest nationwide vote total in the Chamber is formally linked to the alignment receiving the largest nationwide vote total in the Senate, and each receives at least 42 percent of the valid vote in the respective election. These seats are deducted from the total number of seats otherwise allocated proportionally and are assigned through the constituency-wide lists submitted specifically for this purpose[27].

[25] Elections in the Valle d'Aosta and Trentino-Alto Adige/Südtirol constituencies are governed by specific provisions. Although linked to the national electoral process, votes cast in these constituencies contribute to the national totals for determining whether electoral thresholds have been met, identifying the list or coalition obtaining the highest national vote share, and verifying whether the 42 percent threshold required for the majority bonus has been reached. Moreover, seats won in these constituencies by the coalition receiving the majority bonus are included in calculating compliance with the statutory ceiling on the total number of seats.
By contrast, the allocation of seats within the Valle d'Aosta and Trentino-Alto Adige remains separate from the national proportional distribution. Votes cast in these constituencies do not contribute to the national proportional allocation of seats, nor do any of their seats form part of the majority bonus. Rather, seats are allocated exclusively on the basis of the votes cast within those territories, either through single-member constituencies or proportional allocation, depending on the electoral rules applicable to each constituency.

[26] Coalitions must receive at least 10 percent of the valid national vote and include at least one list satisfying the applicable individual-list threshold.

[27] The proposal introduces a mechanism designed to coordinate electoral outcomes between the two Chambers through a reciprocal linkage of lists and coalitions. The conditions for receiving the governability bonus must therefore be satisfied by the same political subject in both Chambers. Consequently, if different coalitions or individual lists emerge as the largest electoral force in each Chamber, or if the 42 percent threshold is not reached in even one Chamber, the governability bonus is not awarded in either Chamber. In that event, the seats originally reserved for the bonus are redistributed through the ordinary proportional allocation process, and none of the candidates included on the district-level bonus lists is elected. Please note that if the threshold would not be exceeded by any party or coalition in either Chamber, or if there were different winners in the two houses of Parliament, the governability bonus would not be awarded and seats would be distributed in accordance with the proportional system.

Where, following the allocation of the «governability bonus», the winning list or coalition obtains, by combining proportional seats and bonus seats, more than 220 seats in the Chamber of Deputies or 113 seats in the Senate, a corrective mechanism applies whereby the excess seats are deducted from those obtained through proportional allocation[28]. If the provisional allocation would give the winning list or coalition more than 220 seats in the Chamber or 113 seats in the Senate, its proportional allocation is recalculated so that its overall representation does not exceed the applicable ceiling.

Voters cast a single vote for a party list, whether presented independently or within a coalition. The ballot paper displays the candidates standing in the multi-member constituency lists alongside the relevant party symbol together with the names of the constituency-wide lists submitted for the allocation of the governability bonus, which, in the case of coalitions, are common to all coalition members. No preference vote may be cast for individual candidates, as all lists remain closed and ranked.

Where a voter casts a ballot solely for the constituency-wide lists, that vote is also deemed valid for the corresponding constituency list. In the case of a coalition, the vote is distributed among the affiliated constituency lists in proportion to the votes each list receives within the relevant multi-member constituency[29].

Political parties are also required to indicate, within the electoral program they submit, the full name of the person proposed for appointment as President of the Council of Ministers (Prime Minister) and, where parties stand in coalition, all coalition partners must designate the same proposed candidate[30].

3.2. The Stabilicum in Practice: Potential Scenarios

At this point, it may be useful to simulate some of the possible scenarios that the proposed electoral reform could produce in light of the current levels of electoral support enjoyed by the individual political parties and the potential configuration of the center-right coalition and the center-left coalition (the «*Campo Largo*»)[31].

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[28] Seats won in the Overseas Constituency are excluded from this ceiling.

[29] Please note that no preferential voting for individual candidates is permitted.

[30] In accordance with the constitutional prerogatives of the President of the Republic regarding the appointment of the Government and the constitutional prohibition of the parliamentary imperative mandate, the name of the proposed Prime Minister does not appear on the ballot paper. Political parties must indicate in their electoral program the person whom they propose for appointment as President of the Council of Ministers, without prejudice to the constitutional powers of the President of the Republic. Coalition partners must designate the same person.

[31] See BiDiMedia Srl survey of July 8th, 2026 published in Quotidiano Nazionale of July 9th, 2026: (https://www.quotidiano.net/politica/sondaggio-politico-simulazioni-nuova-legge-elettorale-b7871e2e).
See, also, SWG survey of 22th - 27th July, 2026:
(https://www.swg.it/pa/attachment/6a686b789d021/Radar_Radar%20SWG,%2020%20-%2026%20luglio%202026.pdf)

Assume that the current largest party, *Fratelli d'Italia*, led by Prime Minister Giorgia Meloni, enjoys approximately 26.7 percent of the vote, while the principal opposition party, the *Partito Democratico*, stands at 21.8 percent. Under these assumptions, both the Current Majority – composed of *Fratelli d'Italia*, the *Lega*, *Forza Italia*, and *Noi Moderati* –and the Campo Largo – composed of the *Partito Democratico*, the *Movimento 5 Stelle*, and the *Alleanza Verdi e Sinistra* – would have to exceed the 42 percent threshold in order to qualify for the governability bonus. Assume further that *Forza Italia* receives 7.3 percent of the vote, the *Lega* 5.7 percent, and *Noi Moderati* 0.6 percent, while the *Movimento 5 Stelle* receives 12.2 percent and the *Alleanza Verdi e Sinistra* 6.5 percent.

Under these assumptions, the center-right coalition would obtain 40.3 percent of the vote, while the *Campo Largo* coalition would reach 40.5 percent, leaving both below the 42 percent threshold required to qualify for the governability bonus. Approximately 20 percent of the electorate would therefore remain outside the two principal coalitions. This residual electoral support would include a centrist political area (the so-called *Terzo Polo*), estimated at approximately 8.3 percent, and *Futuro Nazionale*, a far-right anti-establishment party, polling at approximately 6.2 percent, together with other minor parties.

Under this scenario, neither of the two principal coalitions would automatically qualify for the governability bonus. To surpass the 42 percent threshold, each coalition would have to either increase its electoral support at the expense of parties outside the existing coalitional framework or broaden its electoral alliance through pre-electoral agreements.

For the center-right coalition, two theoretical options would be available: forming an alliance with the centrist parties or reaching an agreement with *Futuro Nazionale*. For the Campo Largo coalition, the most plausible option would be to expand its coalition by incorporating the *Terzo Polo*. Each of these configurations, however, entails bargaining. An alliance between the center-right coalition and *Futuro Nazionale* would require a complex negotiation over both policy commitments and the distribution of political power, made even more difficult by the ideological distance between an established governing coalition and an anti-establishment party. Similarly, an agreement between the center-left coalition and the *Terzo Polo* would require reconciling significant differences concerning economic policy, institutional reform, foreign affairs, and the relationship with the *Movimento 5 Stelle*. In both cases, the bargaining necessary for coalition formation could prove difficult. A coalition between the center-right and the centrist parties would present a somewhat different picture. Although such an arrangement would involve fewer systemic incompatibilities, it would nevertheless generate internal political costs, particularly for the Lega, which could face intensified electoral competition from *Futuro Nazionale* among more nationalist and identity-oriented voters.

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3.3. Does the Stabilicum Lower Transaction Costs?

The Stabilicum does not abandon proportionality; it retains a proportional base and layers a governability bonus on top. Whether the bonus triggers Duverger-style consolidation depends on whether coalitions have a realistic chance of reaching 42 percent. Political scientist Roberto D'Alimonte has pointed out that where that chance looks remote, the threshold can discourage the very coalition-building it is meant to reward[32]. Our discussion in the prior section demonstrates the point. If, for example, the center-right coalition cannot realistically form an alliance with *Futuro Nazionale*, then it will have no incentive to attempt it. In the absence of a coalition large enough to trigger the bonus, the electoral system reverts to proportional representation and the usual parliamentary bargaining.

Majoritarian electoral rules are conventionally credited with reducing the high transaction costs of political bargaining under proportional representation. As Duverger's Law predicts, in single-member districts a vote for a party with no realistic chance of winning is close to wasted, so smaller parties face a rational incentive to merge with larger ones before the election rather than compete alone[33]. The bargaining that proportional systems conduct openly, in Parliament, majoritarian systems conduct earlier and more privately, inside the party, according to whatever internal rules that party observes. The reduction in transaction costs comes not from rewarding the winner with extra seats as such, but from this earlier, endogenous pressure toward consolidation.

The Stabilicum does not appear to promote such consolidation. Suppose the reform passes and a coalition forms that crosses the 42 percent threshold. The parties inside the winning coalition keep their own organizations, their own leaders, and their own electoral bases, none of which the governability bonus requires them to give up. To illustrate using an example above, if the center-left coalition strikes an agreement with *Terzo Polo*, *Terzo Polo* does not disappear; it remains a grouping of independent small parties, led by individual leaders, with their own structures, ambitions, and constituents. The Stabilicum may thus leave the underlying fragmentation of the party system largely undisturbed while still delivering the seat bonus that a genuinely consolidated majority would earn on its own.

To elaborate, consider an important distinction. *Transaction costs* refer to the costs of making and sustaining an agreement, while *surplus* refers to the gains from successful cooperation[34]. The Stabilicum increases the surplus; the bonus rewards a winning

[32] See Roberto D'Alimonte's analysis of the threshold's disincentive effects, reported in 2026a and in 2026b; see also F.G. Angelini, 2026a.

[33] M. Duverger, 1954.

[34] In a multidimensional political space such as the one analyzed in note 5, cooperation among coalition members becomes essential for government stability. From the perspective of the Republican Compromise, where - as in Italy (and, after Brexit, in the United Kingdom as highlighted by M.L. Stearns, 2024, 114-123) - the political system cannot be simplified into a two-party system under a majoritarian electoral system, encouraging cooperation, reducing conflict among coalition partners, and fostering a cooperative political

coalition with more political power. Naturally, parties will bear higher transaction costs to achieve a greater surplus. However, the Stabilicum does not necessarily decrease transaction costs because it still requires multiple, fragmented parties to negotiate. In fact, the Stabilicum could even increase transaction costs. For politicians, the allocation of political power can resemble a zero-sum game: more power for one group means less power for the rest. The bonus raises the stakes of this game. Parties that do not have a realistic chance of joining a winning coalition have a strong incentive to bargain with parties that do in an effort to buy them off and prevent a coalition from forming. The same bonus that encourages some parties to compromise encourages others to destabilize.

In sum, the distinctive feature of the Stabilicum is the incentive it creates to form a broad political coalition. The governability bonus is the prize for a pre-electoral agreement. If that prize outweighs the transaction costs of negotiation, political actors will have an incentive to reach an agreement before the election. Conversely, if transaction costs are too high, the bonus will not be awarded, and the system will operate, in practice, as a proportional representation system. In that event, political bargaining will inevitably shift to the post-electoral stage, where the parliamentary majority and the government will be formed according to the ordinary dynamics of Italy's parliamentary form of government, under the constitutional role of the President of the Republic[35].

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culture, becomes one of the central objectives of institutional reforms and electoral laws to balance stability and representation. M. Improta, 2026 argues that the experience of the Meloni government suggests that «*stability may emerge from the joint operation of mechanisms long identified in the cabinet survival literature. What makes this case particularly intriguing is that Italy's most durable executive in a generation has not resulted from constitutional engineering, but from the ordinary "coalition politics". As the government itself argues for the direct election of the prime minister, its own tenure demonstrates that cohesion and discipline can, at least for a time, substitute for institutional redesign*» (ivi, 9). Consistent with W.C. Müller and K. Strøm, 2000, Marco Improta highlights that «*the "long-life elixir" of coalition governments may not ultimately lie in forms of government or electoral laws, which can certainly facilitate the emergence of stability-friendly conditions (for example, majority bonuses allocated to the electorally largest coalition), but rather in the culture of cooperation among coalition partners. Nonetheless, this stability remains contingent. Concentrating power around a dominant leader and a tightly controlled coalition may resolve coordination problems in the short term but risks generating new vulnerabilities over time, especially if economic conditions deteriorate or coalition partners begin to challenge their subordinate roles in light of shifts in public opinion*» (ibidem).

[35] See M.L. Stearns, 2024. Stearns argues that parliamentary institutions internalize political bargaining within the ordinary process of Government formation, thereby reducing the destabilizing oscillation between competing governing blocs that increasingly characterizes presidential democracies. His analysis suggests that coalition bargaining may produce greater policy continuity by replacing electoral winner-take-all dynamics with negotiated parliamentary majorities. This insight is partly consistent with the logic underlying the Stabilicum, which seeks not to eliminate political bargaining but to create institutional incentives for parties to internalize its transaction costs before the election whenever a sufficiently broad governing coalition can be assembled. Note, however, that in the program of the current Government majority for the current legislature there was the «Premierato» – see F.M. Gramenga, 2024; M. Betzu, 2025 - the transition from the parliamentary form of Government to the form of Presidential Government through a profound revision of the prerogatives of the President of the Republic and a strengthening of the role of the Prime Minister. The Stabilicum therefore differs profoundly from this reform proposal.

3.4. Does the Stabilicum Improve Representation?

Section 2.2 warned that lowering lawmakers' transaction costs is not an unambiguous good, because while bargaining benefits the bargainers, its social value depends on the quality of representation. The Stabilicum illustrates the point. Under a proportional system with a governability bonus, political bargaining among coalition partners does not disappear; it simply relocates to three distinct moments. Before the election, coalition partners negotiate the terms of their alliance, their candidate lists, and the distribution of future ministries, informally, among party leaderships, without parliamentary oversight. Once a government must be formed, each coalition partner knows itself to be necessary to the majority and can therefore extract terms exceeding its actual electoral weight, a dynamic familiar to economists as the hold-up problem: whoever can block an agreement gains bargaining power out of proportion to its size[36]. Over the life of the legislature, each partner can use its own identity-defining issues as a standing threat, continuously renegotiating the coalition's terms.

None of this is unique to Italy, or to proportional systems with a bonus; some version of it appears in every coalition government. What the Stabilicum's design changes is where the bargaining occurs and how visible it is. If the reform's bonus succeeds in producing a single winning coalition, the government-formation bargaining that would otherwise play out, however imperfectly, on the floor of Parliament instead plays out beforehand, among a small number of party leaders, largely outside public and parliamentary view. A bargain by party leaders is not, by itself, evidence of a benefit for the people the parties represent; whether it is depends on the third-party effects described in Section 2.3, and third-party effects are harder to assess, and harder to correct, the less visible the bargaining that produces them.

Furthermore, the Stabilicum preserves blocked lists. Without a preference vote, a candidate's position on the party's list, rather than her standing with voters, determines whether she is elected. A rational candidate therefore has every reason to compete for a favorable position inside the party rather than for votes on the ground, a dynamic that economists describe using the vocabulary of rent-seeking and rent extraction: competition is redirected from creating value for the electorate toward capturing a position sheltered from electoral competition. The elected member remains formally accountable to the voter, in the sense that she must eventually face election, but is substantively dependent on whoever placed her on the list.

Giovanni Sartori's account of responsible representation provides a useful conceptual framework, distinguishing a dependent responsibility, meaning answerability to a principal, from an independent responsibility, meaning the competence and judgment to act in the interest of the whole polity, including the unrepresented and future

[36] See, e.g., R.D. Cooter, T. Ulen, 2012.

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generations[37]. Blocked lists do not remove dependent responsibility from Italian politics; they redirect it. The principal to whom a legislator answers shifts from the electorate to the party leadership that composed her list, and whatever independent judgment she might otherwise exercise becomes secondary to the more immediate task of staying in the good graces of whoever decides her position on the next one.

To summarize, bargaining by lawmakers raises social welfare only to the extent that they are good representatives, and the quality of their representation depends at least in part on remaining answerable to citizens. To the degree that blocked lists weaken that answerability, and given that the Stabilicum pushes parties to bargain behind closed doors rather than in public, it may lower the odds that the resulting bargains serve anyone beyond the bargainers themselves.

4. *What the Republican Compromise does not decide, and how it can improve democratic decision-making in a constitutional matter par excellence*

The Constitutional Court’s Judgments No. 1 of 2014 and No. 35 of 2017 marked the first occasions on which the Court declared portions of Italy's electoral legislation unconstitutional. The constitutional legitimacy of the balancing act proposed by the electoral reform under discussion must therefore be assessed in light of the principles developed by constitutional jurisprudence[38], with particular reference to the reasonableness and proportionality of the «governability bonus» and blocked lists. According to the Constitutional Court, when Parliament pursues, within its discretion, the

[37] See G. Sartori, 1969. See also F.G. Angelini, 2026b, 89-102, elaborating the distinction between dependent and independent responsibility within Sartori’s concept of responsible representation.

[38] The Constitutional Court «*has always recognized that Parliament enjoys broad discretion in choosing the electoral system it considers most appropriate in light of the historical and political context in which that system is intended to operate, reserving to itself a limited power of intervention only in cases in which the rules adopted are manifestly unreasonable*» (judgment No. 1 of 2014). With specific reference to electoral systems that graft a majority bonus onto a proportional allocation of seats, the Constitutional Court held that the majority bonus «*is liable to produce an excessive overrepresentation of the relative-majority list, since it enables a list that has obtained even a relatively small number of votes to acquire an absolute majority of seats. In this way, a distortion may occur between votes cast and seats allocated which, although present in any electoral system, in this case reaches such a degree as to compromise its compatibility with the principle of equal voting*» (*ibidem*). This mechanism, which pursued the «*legitimate objective of encouraging the formation of stable parliamentary majorities and therefore stable governments*», not only compromised but actually reversed «*the rationale of the electoral formula chosen by the 2005 legislature, namely that of ensuring the representativeness of the parliamentary assembly*». The resulting effect, the judgment continued, was «*an excessive divergence between the composition of the body of political representation, which lies at the center of the system of representative democracy and the parliamentary form of government envisaged by the Constitution, and the will of the citizens expressed through the vote, which constitutes the principal instrument through which popular sovereignty is manifested under Article 1, second paragraph, of the Constitution*». According to the Court, this effect is incompatible not only with Article 1 of the Constitution but also with Article 67, which configures the Chambers as «*the exclusive seats of parliamentary representation*», entrusted with functions that are exclusively their own, including constitutional revision.

constitutionally significant objective of governmental stability and the efficiency of parliamentary decision-making processes, it must comply with the constraint of imposing the least possible sacrifice on other constitutionally protected interests and values, including popular sovereignty.

The Republican Compromise is a positive framework, not a normative or interpretive one. It does not tell us whether the Stabilicum is consistent with the constitutional law and the teachings of the Constitutional Court. Rather, it tells us which questions a serious debate about the reform should ask: does the governability bonus lower the transaction costs of forming and sustaining a government, or does it chiefly redistribute those costs toward venues less exposed to parliamentary and public scrutiny? Do blocked lists alter the structure of legislators' accountability, and if so, in which direction? Does the 42 percent threshold generate incentives consistent with the governability it is meant to secure, or does it produce side effects, in transaction costs and in political rents, that work against that same goal?

When the Republican Compromise operates – that is, when representation and governability trade off against one another – this framework cannot resolve the question of whether a given electoral reform is «good». Two observers who agree entirely on the facts about a reform may reach different conclusions about its desirability, because they weigh representation, stability, transparency, and efficiency differently. The Republican Compromise cannot resolve that disagreement, and it does not try. What it offers is a way of making the disagreement precise: not whether a given electoral system is good, but where it places the equilibrium between representation and governability, and who bears the cost of that placement.

What if, however, representation and governability do not conflict with one another but move together instead? The Republican Compromise is a generalization about electoral institutions, not a law of nature. In general, efforts to improve representation increase the transaction costs of political bargaining, and *vice versa*, but this relationship does not hold in every case. An ideal electoral reform would improve representation and lower transaction costs simultaneously. However, the Stabilicum does not seem to move in this direction, although its attempt to foster cooperation among parties by encouraging coalition formation is commendable, as it seeks to promote cooperation rather than force a simplification of the party system at the expense of democratic representation. The governability bonus increases the surplus from cooperation, but it does not necessarily decrease the transaction costs of political bargaining, and perhaps it could even raise them. Simultaneously, it may worsen representation for reasons discussed above. Any reform that worsens representation without delivering greater governability would appear difficult to justify under the Republican Compromise framework.

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5. Conclusion

The Republican Compromise reveals an important feature of most electoral reforms: they balance two difficult-to-reconcile needs, governability and representativeness. Depending on whether governability is favored over representativeness or vice versa, the outcome of this balance must be analyzed from the perspective of the transaction costs and political rents[39] it generates, bearing in mind that, although the existence of such rents remains inherent to the democratic-social model, to a degree certainly greater than that of the nineteenth-century liberal state, the excess of political rents causes distortions in market and political-administrative processes. This creates dysfunctions that may trigger what Acemoglu and Robinson have called the «vicious circle of extractive institutions»[40] which, giving rise to an undue concentration of economic and political power, slows down economic and social development, generating impoverishment and exclusion[41]. Given the stakes, electoral reforms must be scrutinized carefully, and the right, precise questions must be asked.

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[39] See G. Bognetti, 1983, 15 ss. The political rents are divided into two macro-categories: the first refers to internal rents within the political (sub)system, deriving from operations necessary for the operation of the political-administrative system in the strict sense (e.g., the costs of politics, the provision of political services); the second refers to political rents within the economic (sub)system, including those earned by people employed in jobs related to the private or public production of services and goods of any other kind. These rents are not the equivalent of actual productivity measured according to market terms of trade, but represent a premium secured by creation of positions of special advantage via the direct or indirect intervention of political authority. These rents consist of the receipt of state grants or the enjoyment of state-provided services for which the recipient and user have not paid or do not pay a fee, or the fee does not cover the full cost of the service.

[40] D. Acemoglu, J.A. Robinson, 2012.

[41] Electoral laws, like the fiscal and economic constitutions – see F.G. Angelini, 2022 – play an essential role in containing political rents within levels compatible with the sustainability of the democratic-social model.

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