

returns and benefits (even if in some case illusive) for many of the involved categories, making less interesting the incentives for the introduction of an effectively competitive reform, by which even categories with feebler voice could benefit. More directly, the main obstacles to the introduction of possible competition in the local transport are the forms of interest association still widely present in the sector as in the grand part of the public transport: the convergence of the interest of the monopolists (municipal companies and private firms with concessions); employees (wages and salaries relatively higher than the other sectors); “blind” users (which appreciate the low tariffs and that understand only in part the costs that they pay as tax-payers).

To resume, the positive aspects of the reform seem limited to the higher responsibility binding the service planning due to both the more pressing tie in the balance sheet of the local administrations and the more rational grouping of the competence concerning local transport. What appears less satisfactory are the actions taken in order to make the service offered more competitive. The incentives for overcoming the monopolistic organization and for introducing forms of administrated competition (that is competition “for the market”) in the service allotment procedure that were somehow traceable in the inspiring principles of the reform (law n. 549/95) and in the different drafts of the decree law, became progressively much weaker during the discussion that brought in the D.L. n. 422/97. Because of the not very prescriptive content characterizing this decree, at present the space for a more competitive vision of the reform mainly depend on a “virtuous” carrying out by the regions.

#### *4.2. Intervention of the National Antitrust Authority*

With a note of February 1998, the National Antitrust Authority (AGCM) declared, for the first time, its opinion about the changes to make to the existent regulation framework<sup>53</sup>. Successively, the Authority returned to the subject to express an opinion about the “*measures of revision and replacement of the administrative concessions*”<sup>54</sup>, coming to define a complex of corrective actions turning around the principle that the provision of the service should be as competitive as possible and less expensive, and should also include between the costs those associated to the regulation.

In this perspective the restrictions of the competition determined by the regulation framework can only be “proportional” to the achievement of the public goal. The direct

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<sup>53</sup> See the note dated 27 February 1998 about the *Reform of the Local Public Transport*, Gazette n. 8/98.

<sup>54</sup> See the opinion dated 28 October 1998 about *Measures of Revision and Replacement of the Administrative Concessions*, Gazette n. 42/98. At this regard see also D’Alberti (1998) and Cispel (1997).