



# Italy's 2013 General Elections

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Brief written for The Arab Forum for Alternatives

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Website: www.afaegypt.org Mail: info@afaegypt.org Telefax: +202-37629937 Twitter: AFAlternatives Facebook : https://www.facebook.com/AFAlternatives



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By Andrea Teti Department of Politics and International Relations University of Aberdeen Edward Wright Building Dunbar Street Aberdeen AB24 3QY E-mail: <u>a.teti@abdn.ac.uk</u> Phone: +44 (0)7586481519

> *Andrea Teti* is Director of the Centre for Global Security and Governance and Lecturer in International Relations at the University of Aberdeen, as well as Senior Fellow at the European Centre for International Affairs. His research focuses primarily on political theory and Mediterranean politics. He has published on EU, Egyptian and Italian politics, on democratization theory, constructivism and post-structuralism.

The 2013 Italian elections mark a political shift comparable to the end of the 'First Republic' in 1994, which heralded the twenty years dominated by Silvio Berlusconi. In 2013, Berlusconi's coalition lost over 16% of its support, the main leftist party fared little better, and increasing public anger at a political elite perceived as more brazenly corrupt and self-serving than in 1994 fuelled a massive shift towards the Five Star Movement (M5S) lead by former political satirist, Beppe Grillo.

## Background; terms of comparison

In 1994, Berlusconi was first elected in the wake of the 'Bribesville' scandals, massive corruption organized with the cooperation of most parliamentary parties. Italians always knew public life was corrupt, but the sheer scale and cross-party cooperation in systematically eliciting and sharing bribes took people by surprise. Public anger drove Bettino Craxi, Berlusconi's political patron and one of Italy's most powerful post-War Prime Ministers, to flee to Tunisia.

Many voting for Berlusconi hoped for Anglo-Saxon liberalism, or at least for a clean break with the past, as he presented himself as outside the previous political elite. This, to others, was clearly not the case, because from his beginnings as a construction magnate Berlusconi was deeply connected to politicians, but also to security forces, to the secret Masonic lodge Propaganda Due (P2) whose declared aim was the 'neutralization' of Italian democracy and whose members spanned the political, industrial, intelligence and mafia elites of the country, and many say also to the Palermitan Mafia (*Cosa Nostra*) itself.

Berlusconi's period in politics has been marked by the exact opposite of a renewal of ethics in public life: the so-called Second Republic has been mired in scandal. Berlusconi epitomizes all this, as demonstrated his repeated indictments and consequent attempts to change the laws he was accused of breaking. His brazen clientelism – whether buying off opposition figures or having elected to parliament women he was linked to sexually – and utter disregard for the health of the state accounts – which have deteriorated systematically, worsening the plight of the unemployed and under-employed youth and pauperized middle classes – has eroded confidence both in him and in his allies internally, as well as the confidence of international markets and of Euroean and American counterparts. Estimates indicate that Italy every year loses over €120bn in tax fraud (over five times the 2010 Budget), state-to-private corruption at €60-100bn, while organized crime is estimated to be worth about €150bn – amounting to about 75% of the EU's original Stability Mechanism, which guaranteed Greece, Spain, Portugal and Ireland against bankruptcy.<sup>1</sup>

## The 'Big 4': Big Losses for Established Parties, Big Winnings for the Five Star Movement

Before the polls, four main groups were thought to be contenders: first, the 'soft left' coalition lead by the Democratic Party (PD), widely expected to win comfortably; second, Berlusconi's Freedom People (PdL), which made up 5% in ratings since December's low of 17% thanks to Berlusconi's media control and the PD's lacklustre campaign; third, a conservative list headed by Mario Monti; and finally the outsider Five Star Movement, which polled well in previous local elections, but was not expected to receive more than 19%.

The PD lead a 'soft centre-left' group of parties, which obtained 31.6% in the Senate (120 seats) and 29.54% in the Chamber of Deputies (345 seats). The PD received 25.4%, down from

<sup>&</sup>lt;sup>'</sup> For more details, see Andrea Teti "While Rome Was Burning: Berlusconi and The Politics of Italy's Patronage," *OpenDemocracy*, Nov. 12, 2011; available at <u>http://www.opendemocracy.net/andrea-teti/while-rome-was-burning-berlusconi-and-politics-of-italy%E2%80%99s-patronage</u>.

33.18% in 2008. The PD's main ally was *Sinistra Ecologia e Libertà* (SEL; Left, Environmentalism and Freedom) received 3,2%. This coalition was thought – including by many supporters – as being unable or unwilling to bring about change. Even when in government, it was unable to push through laws against corruption, tax evasion and conflict of interests which had popular support.

Berlusconi's coalition obtained 30.7% in the Senate (117 seats) and 29.1% in the Chamber (125 seats)<sup>2</sup> for a loss of about 16% on the 2008 results. Berlusconi's PdL is often described as a centre-right party. While it is true that a certain part of its supporters, particularly young, believe in liberal values, the party itself is far more a vehicle of patronage designed to support Berlusconi's personal grip on power. It is important to emphasise that the party obtained only 21.56% of the vote – a massive drop of nearly 16% from 37.38% in the general elections of 2008. More committed ideologically are Berlusconi's main allies in the *Lega Nord* (Northern League) whose share of the vote halved compared to 2008, dropping to 4.08%. Often drawing on openly racist sentiment, the *Lega* initially ran on two points: first, the North's independence, and second, honesty in public affairs. This second component is the reason that some *Lega* voters switched to M5S, tired of corruption scandals inside the party and of being tainted by association with Berlusconi.

Monti's hastily-gathered list was announced on January 5<sup>th</sup>, and obtained 9.1% (18 seats) in the Senate, and 10.5% (47 seats) in the Chamber. A former EU competition Commissioner, Monti was a 'technocrat' appointed Prime Minister in November 2011 to replace Berlusconi. His government was heralded throughout Italy by most – simply glad to see Berlusconi go – but became increasingly unpopular as it became apparent he was unwilling to pursue either growth-led strategies that would help worsening unemployment, or pass strong anti-corruption and anti-tax evasion laws. In doing so, he left the massively expensive privileges of Italy's political elite untouched, effectively asking the poor and the increasingly struggling middle classes to pay for a crisis they did not cause. This accounts for his poor showing at the polls.

The only real winner of the elections was Beppe Grillo's *MoVimento Cinque Stelle* (M5S, Five Star Movement). At their first showing in parliamentary elections, they obtained 25.5% of the vote for the Chamber (109 seats) and 23.8% in the Senate (54 seats). This performance, which makes the M5S the largest single party, is unprecedented. The M5S also represents a change in political method: while traditional parties were based on a combination of patronage from above and (greater or lesser) mobilization from below, M5S is spearheaded by a charismatic leader, but policy is influenced by M5S members, who used online Meet-Up networks to begin discussion, organization and mobilization (Italy's share of households with internet access is still only around 40%). The Movement shunned traditional print and television media, and gathered strength through direct contact online and mass mobilization in squares throughout the country.

M5S is also a very young political organization – and made of relatively young people – so it is unsurprising that its programme, policies and internal organization are still sometimes ill-defined. However, their very strong emphasis on honesty and transparency in public life has attracted voters from across the political spectrum nationwide. Predictably, they have a strong emphasis on the rule of law, which attracted disaffected centre-right voters. But equally strong it their emphasis on progressive policies – particularly on the environment, opposing economic exploitation, and on

<sup>&</sup>lt;sup>\*</sup> Italy's complex electoral law, designed by PdL and accepted by the PD so as to prevent smaller opposition parties from getting into parliament, gives a majority 'prize' to the largest party nation-de in the Chamber of Deputies, while the majority prize in Senate elections is assigned at a Regional level, and was designed to give the PdL a majority in populous regions (e.g. Lombardy, Sicily) in order to more easily control the Senate. See <a href="http://en.wikipedia.org/wiki/Italian\_Electoral\_Law">http://en.wikipedia.org/wiki/Italian\_Electoral\_Law</a> for an introduction to the electoral law and its politics. N.B.: the Italian Parliament's two Houses, the Chamber of Deputies (615 members) and the Senate (315 members), have exactly the same legislative powers.

social justice – which attracted the early core of its support away from traditional left-wing parties. Perhaps the Movement's most eye-catching slogan has been "*tutti a casa!*" ("they [corrupt politicians of the past] must all go home!").

## The Road Ahead

The result was a majority for the PD in the Chamber of Deputies (thanks to the electoral law, the PDled coalition benefits from a majority bonus of a guaranteed 55% of MPs). However, in the Senate no one party or coalition has a majority, and Monti – with whom both PD and PdL had said they would be happy to govern – did not do well enough to 'swing' the vote. Because the two houses of parliament in Italy have virtually identical powers, this means parliament as a whole is hung. The new Parliament therefore faces political deadlock.

The only possible majorities are between two of the first three parties (PD, PdL, M5S). However, M5S has sworn not to enter into alliances with mainstream parties. An alliance between M5S and PdL seems impossible: the M5S' entire platform is built against the moral, legal and financial corruption of the Berlusconi years. A PD-PdL alliance would probably represent the political kiss of death for the PD, which has already been tainted by its decision to work with Berlusconi in the past. M5S has rejected an alliance with the PD, but will be trying to avoid the accusation of stalling the entire political system. Most observers believe a governing majority cannot be found, and that a second round of elections will be necessary.

The compromise that might emerge is the so-called 'Palermo Model', i.e. M5S support for a PD-led minority government on a point-by-point basis rather than a formal alliance. This will provide the PD with a majority in the Senate, but allows the M5S not to be 'tainted' by a formal alliance while allowing it to extract the maximum number of reforms possible before new elections. It is likely that this compromise will focus the M5S' core areas of concern (e.g. anti-corruption law, elections law, politicians' privileges) not least because both PD and PdL have in the past declared these to be their objectives as well. It is possible that the M5S may just be in a position to extract significant concessions on this count, at least from the PD – Berlusconi's PdL will never agree to any substantive attack on their leader's personal business and political interests.

In terms of policies, what policies and more importantly to what extent they will be implemented very much depends on the kind of government the country will get. Any kind of pact involving only PD-PdL-Monti will very likely pass only superficial reforms in key areas such as taxation, corruption and macroeconomic growth. On the other hand, should the PD and the M5S reach some kind of *de facto* deal, the PD will likely be forced to implement more sweeping changes. Because most commentators – including from parliamentary parties – expect this to be a short legislature, enough for the government to pass key reforms and then return to the ballot box to try to get a clear majority, it is unlikely that there will be any substantive policy shift outside of these core areas (e.g. on the Euro or on budget cuts).

This context helps clarify why the national and international press emphasises the idea that Italy is in "crisis": it is true that there is a crisis, but this is the crisis of an old system of power rules by parties – which have become machineries of power rather than functioning to represent the population – which has lost most of its legitimacy. In a sense, this is the consequence of a problem that former Communist Party leader Enrico Berlinguer famously identified in 1981 as the "Questione Morale".

### The impact on the EU

The M5S' political success once again puts European elites before the fact that their 'reforms' are penalizing the poor and rewarding the rich. Italians are neither Eurosceptic nor against economic reform *per se*, but want to see growth and jobs, effective anti-corruption measures, tax evasion and tax elusion tackled, etc. and accuse political elites of having a conception of democracy which ignores rule of law, social justice and economic rights. The EU's elite has thus far ignored those calls, preferring reforms which weaken working Italians by increasing their taxes, cutting services, and making jobs less secure. Italy's elections bring into a decisive position a political group whose objection to EU policies is based on their being socially unjust as well as macroeconomically unsound. From the European perspective, Italy may be 'too big to fail', and any serious objection to EU austerity policies could not be dismissed out of hand. In this scenario, there might be a possibility of re-thinking at least the growth components of EU policy towards Southern countries.

### Italy and its Mediterranean Significance

Foreign policy was marginal in campaign debates, and the elections results are unlikely to have a direct impact on relations with the Arab region. However, while there are certain obvious differences between Italy and its Mediterranean counterparts, such as Egypt and Tunisia, especially relating to the degree of violence exercised by security forces, the role of religious parties and armed forces, there are also notable similarities. In particular, the questions of social justice, economic rights, and corruption in public life are central to Italian politics. Like Egypt and Tunisia, PIIGS countries have been witnessing the polarization of social relations, with elites benefiting from 'liberal' reforms (privatization) while working classes and portions of the middle classes being hit hard.