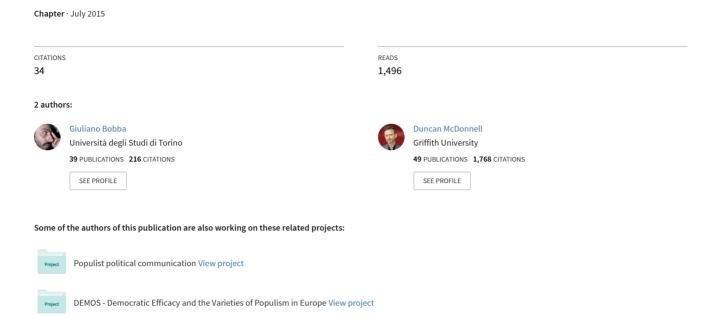
Italy - A Strong and Enduring Market for Populism



Chapter Ten

Italy – A Strong and Enduring Market for Populism

Giuliano Bobba and Duncan McDonnell

Introduction

Over the past two decades, Italy has been one of the strongest and most enduring markets for populist parties in Western Europe. The characteristics of this market derive, firstly, from the favourable structural conditions which have presented on different occasions for the emergence and success of populist parties and, secondly, from the astute agency of these parties in exploiting those structural conditions. The political and economic crises of the late 1980s and early 1990s saw the rise of Forza Italia (FI) and the Lega Nord (LN – Northern League), while the political and economic crises since 2008 have facilitated the ascent of the Movimento Cinque Stelle (M5S – Five-Star Movement). This latter addition to the market resulted in the combined total vote for populist parties in Italy exceeding 50 per cent for the first time at the 2013 general election, after having oscillated between a low of 28.3 per cent (2006) and a high of 45.7 per cent (2008) in the previous five elections (see Figure 10.1). Italy thus presents a case of strong and multifaceted populism. Moreover, since the two main parties in the Italian government from May 2008 to November 2011 were populist – FI's successor party, the *Popolo della* Libertà (PDL – People of Freedom) and LN – Italy also provides a case of populist resilience in office (from this perspective it offers an interesting comparison with Greece – see the chapter by Takis Pappas and Paris Aslanidis).

Our chapter is organised as follows: in the first section, we discuss the two main populist parties in Italy before 2008 – FI/PDL and the LN – and note how the idea of 'crisis' has always been central to their message (whether in or out of power). In section two, we consider a series of economic and political indicators in order to assess how and when the recent economic and political crises affected Italy. As we explain, the economic crisis in Italy is best thought of as having occurred in two waves – the first being that which struck globally in September 2008 and the second being the more specific financial crisis which hit the country in mid-2011. This latter wave in turn fuelled – and interacted with – a fast-growing political crisis. In the third section, we look at how the PDL and LN discussed the economic crisis while in power. For the former, the reaction strategy was largely one of denial while the latter sought simply to not talk about the economy and to focus instead on its key issues of federal reform and immigration. We also note that both parties continued to use strongly populist messages while in power.

60 50 40 30 20 29.4 30.7 33.3 28.3 45.7 50.7 50.7

Figure 10.1: Total populist vote in Italian general elections; (1994–2013)

Note: General election results refer to the proportional part of the elections for the lower house of parliament, the Camera dei deputati (Chamber of Deputies). For the elections between 1994 and 2006, the totals are the sum of the FI and LN vote shares. For the 2008 election, the sum of the PDL and LN vote shares is used. For 2013, the sum of the PDL, LN and M5S vote shares is used. *Source:* Electoral archive of the Italian Interior Ministry, http://www.elezionistorico.interno.it.

Section four discusses how the post-2011 period also saw the emergence of a new populist actor, the M5S, which blamed the crisis on Italian and European elites (including the pre-existing populist parties, the PDL and the LN). Indeed, as we show in section five, the M5S rise culminated in the most spectacular debut election result in recent decades in Europe, with the movement taking just over a quarter of the vote – a result which meant that over half of Italians now supported populist parties (*see* Figure 10.1).

Populism in Italy before 2008: From one crisis to another

As Figure 10.1 shows, populism was already very strong in Italy before the 2008 crisis thanks to the rise of FI and the LN amidst the political and economic crises which struck the country in the early 1990s and the sustained electoral success of both parties thereafter. Although different in terms of their specific ideologies, FI (along with its successor, the PDL) and the LN have long been treated by scholars as populist (e.g. Taggart 2000; Mudde 2007). We consider the LN to be best understood as an 'ethnoregionalist' populist party (Spektorowski 2003; McDonnell 2006). While it switched between federalist and secessionist positions in the 1990s, and back to a federalist one after 2000, the party has remained constant in appealing to a specific territorial area and northern 'people', along with opposing immigration and strongly criticising national and supranational elites. In terms of its election results and institutional roles occupied, the LN has been one of Europe's most successful regionalist parties,

serving in several governing coalitions led by FI/PDL's Silvio Berlusconi briefly and acrimoniously in 1994, and then far more harmoniously from 2001–06 (Albertazzi and McDonnell 2005) and from 2008-11 (Albertazzi and McDonnell 2010). Berlusconi's personal parties (McDonnell 2013) – first FI and, since 2008, the PDL - have generally been Italy's most electorally successful during the two decades since the beginning of the 'Second Republic' and have been the largest members of coalition governments in 1994, 2001-06 and 2008-11. FI has been viewed within the literature on populism as more moderate than the LN, with the party termed 'liberal-populist' (Taguieff 2003: 104) and 'neoliberal populist' (Mudde 2007: 47). Although the lack of a strongly emphasised antiimmigrant and nativist stance means that we are certainly not dealing with a radical right populist party, the 'liberal' label is also problematic given that both FI and the PDL have often adopted strongly illiberal positions regarding the checks and balances of Italian democracy (such as media freedom, the judiciary, the Constitution, and the President of the Republic). For our purposes in this chapter, however, it is sufficient to say that FI and the PDL are safely classifiable as populist parties which have been broadly located ideologically on the centreright/right.Crisis and populism tend to go together – at least rhetorically – and both the LN and FI/PDL provide good examples of this. As Benjamin Moffitt (2014: 2–3) argues, we should see crisis as 'an internal feature of populism' rather than something which is 'purely external'. In other words, crisis – whether real, alleged, or perceived – is an ever-present element of populist mobilisation given that 'populist actors actively perform and perpetuate a sense of crisis, rather than simply reacting to external crisis' (Moffitt 2014: 7). Hence, FI/PDL and the LN have each presented themselves as saviours on a mission to restore sovereignty and prosperity to a 'people' cast as victims of a series of elites and faced with a multi-faceted and ongoing situation of crisis. The presence of crisis has been a fixed component of these parties' appeals. In the early 1990s, the (objective) crisis in Italy was both economic and political – the country was under enormous pressure due to its large public debt and the pressures created by the need to fulfil the Maastricht criteria for eventual entry into the euro. At the same time, the exposure of widespread corruption among the main parties which had governed Italy for decades (in particular, the Christian Democrats and the Socialists), along with the collapse of the former Communist Party, created a political crisis and a vacuum of representation which both FI and the LN sought to fill. Born out of political and economic crisis, the two parties continued to base their key messages for the following fifteen years on the idea of persistent, unresolved crises (and the warning that these were set to get much worse). In LN discourse, the democratic rights and economic wellbeing of its 'people' (hard-working northern Italians attached to their local traditions) were said to be menaced, from above, by corrupt elites in Rome and Brussels and, from below, by southern Italians (although this was toned down after 2000) and immigrants (with Islamic immigrants in particular being the focus of LN attention after 9/11). For FI/PDL, its people (decent, ordinary, family-oriented Italians) were depicted as under threat from the undemocratic and immoral elites of the left, the *intelligentsia*, the judiciary, and those parts of the media not owned by Berlusconi, all of whom were also said to have combined to impede economic growth due to their supposed continuing attachment to communist and 'anti-Italian' values. For both populist parties, the solutions proposed were simple: FI/PDL promised in successive campaigns to usher in a new Italian 'economic miracle' (harking back to the boom years of the late 1950s) by reducing taxes, cutting bureaucracy and promoting public works, while the LN urged the introduction of regional autonomy and a clamping-down on immigration. Even during their years in power, the presence of 'crisis' and its alleged effects continued to play a key role in the discourse of both parties. In particular, external crises were used as explanations both in the 2001–06 and 2008-11 periods for why they were unable to achieve their aims in government and why the promised economic boom had failed to materialise. Hence, after taking office in 2001, Berlusconi regularly referred to 9/11, the wars in Afghanistan and Iraq, the effects of the mismanaged introduction of the euro and the unfair competition deriving from India and China's entry into the World Trade Organization (WTO) as unforeseen events which had created crises preventing his government from delivering on its campaign pledges and forcing it into a 'fire-fighting' role. Consequently, in FI's 2006 election manifesto, readers were told that the government had presided over 'five extremely difficult years due to the continual crises that emerged', both due to internal factors (the legacy of the left's time in office between 1996 and 2001) and external ones such as those mentioned above (FI, 2006). Faced with such adverse circumstances, so the argument of both FI and the LN ran, they had in fact done a very good job of 'crisis management'.

Although the centre-right alliance narrowly failed to remain in government at the 2006 election, a slimmed-down version of it (consisting almost entirely of the newly-created PDL and the LN, alongside a couple of miniscule parties) returned to office just two years later after the fall of Romano Prodi's centre-left administration. The April 2008 election was a successful one for both populist parties. As we saw in Figure 10.2, the LN increased its share from 4.6 per cent in 2006 to 8.3 per cent, while the PDL took 37.4 per cent of the vote – the highest general election result to date for any Berlusconi-led party.

Economic and political crisis in Italy after 2008

As we have noted already, it is best to think of the crisis as having hit Italy in two waves, the first in September 2008 and the second in mid-2011 (Jones 2012). While the first did have discernible effects on the Italian economy, it was the second which had by far the greater political impact, with the events of 2011 increasing the pressure on an already-beleaguered Berlusconi government that had seen its

See, for instance, the comments by Berlusconi about India and China's entry into the WTO and the effects of globalisation on the Italian economy in his 2006 general election campaign speech in Genoa on 21 March. Available at: http://www.radioradicale.it/scheda/254146/politiche-2006comizio-di-silvio-berlusconi.

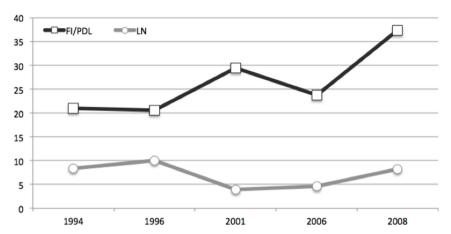


Figure 10.2: FI/PDL and LN in general elections (1994–2008)

Note: General election results refer to the proportional part of the elections for the Camera dei deputati (Chamber of Deputies). In all elections except 1996, the two parties ran together as part of the same coalition. The PDL was created by a merger between FI and other parties in 2008 – hence the apparent sudden rise in the FI line at the 2008 general election.

Source: Electoral archive of the Italian Interior Ministry, http://www.elezionistorico.interno.it.

parliamentary majority dwindle since mid-2010 due to a series of expulsions and defections from the PDL.

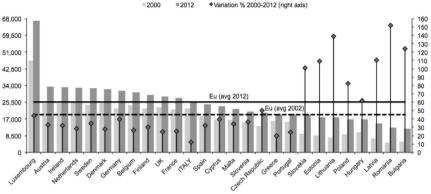
When we look at the data regarding the Italian economy over the last decade, we can clearly see that Berlusconi's eight years in power neither ushered in the promised era of prosperity nor improved Italy's position compared to its European partners. As Figure 1.3 in the introductory chapter to this volume shows and Figure 10.3 presents in further detail, Italian GDP per capita went from above the European average in 2002 to just below it in 2012. At just 12.5 per cent, Italy also had by far the lowest growth over these ten years of any EU-27 member state – far less than Germany's 39.7 per cent, France's 25.6 per cent and even Greece's 20 per cent.

As shown by the data on the trend of GDP and public debt presented in the introductory chapter (Figures 1.1 and 1.3), Italian GDP noticeably declined after 2008, while the level of public debt went up in the same period by almost twenty-one points (reaching 127 per cent of GDP in 2012). The available data on changes in the workforce also highlights the effects of the crisis. Unemployment in Italy increased from 7.8 per cent in 2009 to 12.2 per cent in 2013 – an increase of 4.4 percentage points (well above the average EU-27 rise of 1.9 points).² Even more revealing, however, is the data from Italy's 'wage guarantee fund' which subsidises workers on permanent contracts (particularly in medium-large

^{2.} All Eurostat data is taken from epp.eurostat.ec.europa.eu.

Figure 10.3: Gross domestic product per capita in EU-27 (2002–12)

2000 Variation % 2000-2012 (right axis) 68,000 59 500 51.000



Source: Eurostat, epp.eurostat.ec.europa.eu.

companies), when their employment hours are cut. It is therefore a very good indicator of how such companies are faring generally.³ As we can see clearly from Figure 10.4, the number of hours for which payments were made rose extreme sharply from around 227,660,000 hours in 2008 to circa 914,035,000 hours in 2009 and 1,197,816 hours in 2010. Although these numbers declined slightly in the years thereafter, they nonetheless remained at levels far higher than prior to 2008.

While the Italian economy therefore clearly felt the effects of the Great Recession in the post-2008 period, it was also hit by a second 'wave of crisis' in the summer of 2011 when the markets began to lose confidence in the ability of the PDL/LN government to introduce key reforms and bring down Italy's large public debt. In the space of just a few weeks, the stock market in Milan suffered a series of heavy losses and, most worryingly for Italy's prospects of managing its debt obligations, the spread between Italian and German ten year government bonds widened rapidly from 268 points on 17th August 2011 to 575 on 9th November. Although faced with repeated (and very specific) requests from its European partners, the European Central Bank (ECB) and business leaders within Italy, the Berlusconi government only passed weak measures. Whether through inability or unwillingness, this failure to respond convincingly to the crisis in turn fuelled a growing lack of faith in the country's economic outlook, with several rating agencies downgrading Italian debt in the early autumn and

The Wages Guarantee Fund (Cassa Integrazione Guadagni) is 'a special public fund used to protect workers' income, financed by companies and the state and administered by the National Institute of Social Insurance (INPS). In cases laid down by law, the Wages Guarantee Fund makes up the pay of employees affected by lay-offs or short-time working, up to 80 per cent of the lost pay'. (http://www.eurofound.europa.eu/emire/italy/wagesguaranteefundcig-it.htm).

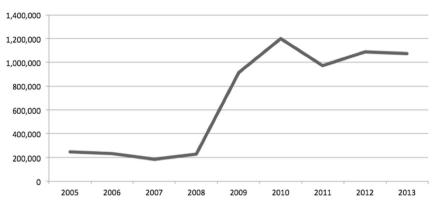


Figure 10.4: Wage Guarantee Fund (2005–13 (thousands of hours)

Source: Inps; http://www.inps.it.

successive emergency European Council summits in late October calling on Italy to provide formal assurances that it would indeed pass tough measures to bring down the debt and promote growth (Bosco and McDonnell 2012: 41–43). With his parliamentary majority slipping away, his party plummeting in the polls and his government unable to tackle the crisis, Berlusconi resigned on 12th November 2011 and was replaced by President Giorgio Napolitano's nominee, Mario Monti, who led a technocratic executive (containing no MPs or party representatives) which swiftly set about introducing the austerity measures desired by Europe and the markets.

The year 2011 also saw the deepening of a political crisis in Italy. Of course, there has usually been some degree of real or potential political crisis bubbling away in Italy since the early 1990s. Nonetheless, we can clearly see the escalation of political crisis following the economic crisis – and the 2011 financial crisis – if we look at indicators such as electoral volatility, and public trust in parliament and in the functioning of democracy (see Figure 1.4 in the introductory chapter). As far as electoral volatility is concerned – Italy is second only to Greece – but this is largely explained by the spectacular success of the M5S at the 2013 general election. The growing distrust of citizens in politics is more evident, however, if we look at the data regarding dissatisfaction with democracy and public trust in political institutions. In addition to the failures of the parties to provide solutions to the problems facing Italian society, the numerous scandals during this period involving elected representatives at all levels (both local and national), along with the effects of the economic crisis, produced an unprecedented distance between the political elites and the public in Italy. Trust in political institutions, taken as a

For example, no single government has lasted for an entire legislature since 1994 and only in one case (2001–06) has the same Prime Minister (Berlusconi) remained in power for a full five years.

whole, fell from 41 per cent in 2005 to 24 per cent in 2013, while for parliament alone it dropped dramatically from 22.5 to just 7.1 per cent. Similarly, after a period of relative stability, dissatisfaction with democracy as expressed in Eurobarometer surveys also began to grow noticeably from 2009 onwards, rising to 69 per cent in 2013.

The data discussed here confirm that a strong economic crisis in 2011 was accompanied by a strong political crisis. Of course, this combination was also the product of long-term trends: the frequent governmental crises of previous years along with the persistently high levels of public debt were clear indicators that all was not well either economically or politically in Italy. However, what we can safely say is that both types of crisis – economic and political – degenerated severely in 2011, with one feeding off the other.

Governing in crisis, by crisis

In this section, we consider how the PDL/LN government reacted rhetorically to the economic crisis after September 2008. Here we find a division of roles between the two populist parties: while Berlusconi's party, as in the 2001–06 period, stressed the presence of external crises or internal ones (created by others) and emphasised its success in managing these crises, LN for most of the period spoke little about the economic crisis, focusing instead on its key issues of federal reform and immigration/law and order (on which it achieved several significant results during its first two years in office).

Berlusconi's strategy when discussing his government's handling of the crisis was to claim that Italy was in fact doing better than other EU member states thanks to the PDL-LN administration's careful management of a crisis which it had found itself forced to deal with. In a speech to the Chamber of Deputies on 29th September 2010, he said:

We did not get caught unprepared as the crisis escalated. Although nobody could have envisaged it would be so serious and so profound. I have said many times and I repeat it again today: even though Italy was in a difficult starting position due to its enormous public debt, it has tackled this crisis with measures judged effective by all international organizations. In fact, I could even say that Italy has tackled the crisis better than other countries.

In November of the same year, at the PDL's national executive meeting, Berlusconi returned to this theme, again lauding the ability of his government

^{5.} Since the outbreak of the economic crisis in 2008, the major political scandals in Italy have been: the sexual scandals involving Berlusconi, the misappropriation of public funding for parties involving Bossi, corruption scandals involving several high-profile members of the PDL, along with a series of expenses scandals involving politicians at regional and local levels.

^{6.} See Gli Italiani e lo Stato – Rapporto 2013, available at: http://www.demos.it/a00935.php.

^{7.} See Eurobarometer 63, 72, and 79: http://ec.europa.eu/public opinion/archives/eb arch en.htm

since 2008 and blaming internal factors (the economic mismanagement of the left) and external ones (the global economic downturn) for not having been able to deliver on all his pre-electoral pledges. Beginning by rejecting criticism from the left and the media, he said:

They falsely accuse us of not doing anything so that they can play down our achievements in government. It is a battle with no quarter given, which we are fighting from a position of strength and confidence in what we have done, against their poison and their indefatigable factories of lies and smear. What we have done is indisputable. First of all we faced numerous crises inherited from the previous Left government and solved them quickly. We also faced a global crisis, the worst since 1929. We have faced this and overcome it thanks also to the work ethic and capacity for savings of the Italians...in the whole history of the Republic, our government has done more than any other, and we have done so in objectively difficult circumstances given the international economic crisis.

Even during its last year in office, the PDL stuck to its claim that 'the worst is over' and repeatedly stressed that – despite the crisis – it had been able to combine responsibility with responsiveness by keeping its 2008 election promise of 'not putting our hands in the pockets of Italians' (i.e. raising taxes). Once again pointing to Italy as having fared comparatively well, Berlusconi announced in December 2010 that 'Italy is no longer part of the economic problems in Europe, but has become part of the solution' and then, in February 2011, asserted that 'we have tackled the economic crisis well and have avoided the worst consequences'.

As mentioned, for most of the 2008–11 period, the LN avoided discussing the economy, preferring to delegate this to the PDL. Instead, it focused on those areas over which it held issue ownership and could claim to have achieved important results - notably, federal reform and immigration/law and order (Albertazzi and McDonnell 2010). On those occasions when the party did talk about the crisis, this occurred almost exclusively within the frame of a critique of globalisation and unfair competition from countries such as China or those in Eastern Europe. For example, in its manifesto for the 2009 European Parliament (EP) elections, the LN committed itself to 'combating the passage of measures – based on the pretext of the free market – which lead to unfair competition, thus hurting production and employment'. When the second wave of the crisis in 2011 made it impossible for the Lega to avoid the subject, the party focused on its role within government of opposing the reforms requested by Europe, such as those on pensions. For example, in a speech in September 2011, Bossi said that 'it was unjust and so we opposed it and there was no stopping us. They tried to get it through by all means possible, we had everyone against us: the powers-that-be and Confindustria [the employers' association]. But in the end we won the battle'. In this way, the party sought to differentiate itself from the PDL and present itself as the sole defender of 'the people' against the elites of Rome, Brussels and the financial markets amidst a situation of crisis.

The 2008–11 period in Italy is also interesting because it gives us a chance to see how populists communicate when in power. While answering such a question definitively would require a type and breadth of analysis beyond the scope of this chapter, we can say that both the PDL and the LN continued to issue strongly populist messages (and in similar tones) to those they used in opposition. Hence, we find that Berlusconi and those close to him persisted in attributing blame for Italy's problems to 'the communists' and railed against bureaucrats, the state and 'undemocratic' judicial elites. For example, in his 'Forza Silvio' newsletter on 24th June 2010, Berlusconi complained about the difficulties facing businesses because 'Italian politics has been dominated by a certain culture (communist and catholiccommunist), according to which someone who takes on the responsibility and risk of setting up a business is a potential exploiter, tax dodger and swindler'. He added that business people were also faced by a bureaucratic culture that expressed itself in 'the language of a totalitarian state which conceives of its citizens as subjects'. Such claims were by no means exceptional: in another 'Forza Silvio' newsletter on 16th January 2011, he focused his ire on the country's judges and claimed that 'a country is not free when there is a caste of privileged and unaccountable people who can commit all sorts of abuses against other citizens'.

Likewise, the LN did not tone down its anti-elite or anti-immigrant populist rhetoric after entering government. For example, in a speech in Padua on 20th July 2008, ⁸ Umberto Bossi announced 'Either we obtain reforms, or else there will be a battle and we will attain our liberty. We have to fight against this fascist state. The moment has arrived, brothers, to put an end to things'.

New crisis, new populists

As pointed out earlier, trust in political institutions hit a new low in 2011 and Italy found itself in a situation of both economic and political crisis – with the latter reinforced by the presence of a technocratic government, put in place to do what the parties could not (or would not) do themselves. By early 2012, almost half of respondents in different opinion polls were saying that they were either undecided or not planning to vote. An ISPO/Corriere della Sera survey at the beginning of February 2012 produced similar results to the public trust figures cited above, with per cent of respondents saying they had 'little' or 'very little' faith in political parties. In the ensuing months, however, many Italians began to turn towards

Northern League online post, 20 July 2008. Available at: http://www.leganord.org/notizie2/6992-Bossi-mai_più_schiavi_di_Roma. Gobbo_rieletto_alla_guida_della_Liga.html

See, for example, the surveys by ISPO/Corriere della Sera, 'Liberalizzazioni, d'accordo 6 italiani su 10', http://www.sondaggipoliticoelettorali.it/asp/visualizza_sondaggio.asp?idsondaggio=5159, and by Ipsos/RAI-Ballarò, 'I cento giorni di cura Monti,' http://www.sondaggipoliticoelettorali. it/asp/visualizza_sondaggio.asp?idsondaggio=5221.

See the ISPO/Corriere della Sera survey, 'Fiducia nei partiti, dopo il caso Lusi giù all'8% e il 56% degli elettori vuole cambiamenti radicali,' http://www.sondaggipoliticoelettorali.it/asp/ visualizza sondaggio.asp?idsondaggio=5193.

a new political actor and, as had happened in 1994, the presence of objective economic and political crisis again led to an increase of populism in the system. This occurred in the shape of the M5S, which began a startling rise in opinion polls from 5.6 per cent in April 2012 to 18.6 per cent by June 2012. 11

The M5S is hard to classify ideologically due to its short history, its eclectic mix of policies and its unique organisational characteristics. The movement was founded in October 2009, building on the success of Beppe Grillo's political blog and the 'Beppe Grillo meet-up' groups which came into existence in 2005 and 2006 respectively (Bartlett, Froio and McDonnell 2013: 21–22). Nonetheless, there has already been broad agreement among scholars that the M5S discourse – and particularly the statements of its founder, Beppe Grillo, both before and after the movement's foundation – is classifiable as populist (Bordignon and Ceccarini 2013; Corbetta and Gualmini 2013; Fabbrini and Lazar 2013), Certainly, Grillo's exaltation of 'good' citizens (i.e. 'the people') whose wellbeing and democratic rights are oppressed by all political elites – along with his framing of this as a perilous crisis – fits the key elements for the definition of populism as discussed in the introductory chapter. The M5S is not, however, a case of right-wing populism: in its policies it combines a range of themes from different ideologies (left, right, environmental) and there is no clear identification – and denigration – of 'the other' in its discourse (Bartlett, Froio and McDonnell 2013: 25–27).

As regards the M5S response to the crisis, Grillo laid the blame for this firmly on the shoulders of Italy's entire ruling class (comprising all existing parties, the media, business leaders, President Napolitano and the technocrats of Monti's government) and European elites, which were said to have caused democracy to malfunction and the economy to decline. As he explained in a statement on his blog in September 2012:

The media, the parties, *Confindustria* and the banks are all one. They support each other in defence of their economic interests. Meanwhile, unemployment grows to levels never seen before, small and medium enterprises (the only ones keeping this country going) have to close, lay off staff or move abroad. Tax revenues will plummet...and Italy will find itself bankrupt, having saved the banking system and propped up an absurdly-organized state.

The M5S thus spares none of the other Italian political actors – whether partisan or not – from blame. In its 'political *communiqué* no. 51' on 28th June 2012, the movement says that 'Monti's remedy has made the public debt increase and the spread continue to rise. As a consequence, the interest we pay has also risen'. However, 'the debt was created by the parties, the PDL and the PD first and foremost, and now the citizens are being made to pay with tax increases, unemployment and cuts to services'. Of course, in the M5S view of Italian politics, elites misbehaving and usurping the sovereignty that ought to belong to the citizens is nothing new. As the 'political *communiqué* no. 50' on 6th May

^{11.} These figures are based on the averages of pooled monthly opinion poll data. *See* Figure 10.6 later in the chapter.

2012 says: 'we have never had democracy in Italy. We went from a monarchy to fascism to partyocracy'. For the M5S, citizens in Italy are therefore 'servants of an extended group which holds power'.

As we shall discuss in the next section, this new populist force would prove to be more than a mere blip in mid-2012, as some commentators had predicted. Rather, not only would it sustain its support levels in the polls up until the February 2013 general election, but it would produce a stunning general election result which went beyond all expectations.

The populist majority

The 2013 election campaign saw the PDL, LN and M5S all blaming external forces for the crisis and promising to return sovereignty and prosperity to the people. As noted earlier, the M5S cast the citizens of Italy as the victims of a system dominated by corrupt and incapable elites at national and supranational levels. The solutions it proposed were rather vague in terms of policy specifics, but involved overturning the system entirely, removing the current elites and restoring power to the Italian citizen by online direct democracy. The PDL copied the M5S to some extent, in particular by adopting a Eurosceptic stance and blaming Germany for Italy's economic condition. For example, in its election manifesto, the party claimed that the technocratic government had wrongly 'chosen to follow the politics of austerity imposed by a Germanocentric Europe and the depressing results are there for everyone to see'. Again distancing itself from measures taken by Monti, the PDL also promised to abolish the property tax which Monti had introduced (and the party had voted for in parliament). Finally, the LN repeated its denunciation of elites and said it would strive to free northerners from the tyranny of Rome and Brussels by allowing regions to retain 75 per cent of the taxes collected within their territory.

The election on 24th–25th February 2013 was the second-most volatile general election of recent decades in Western Europe. According to Pederson's index of electoral volatility, there was an increase from 9.5 and 9.7 at the 2006 and 2008 Italian general elections to 41.3 in 2013 (Chiaramonte and Emanuele 2013; Pedersen 1979). As Figure 10.5 below shows, the PDL dropped 15.8 percentage points compared to 2008, slumping to 21.6 per cent, while its main centre-left opponent, the *Partito Democratico* (PD – Democratic Party) declined by almost eight points from 33.2 to 25.4 per cent (although the centre-left coalition as a whole obtained 29.6 per cent and so received the majority bonus of seats in the lower house of parliament, awarded to the largest coalition). The LN also did very poorly, slipping from 8.3 to 4.1 per cent. By contrast, the M5S performed extraordinarily well, taking 25.6 per cent. As noted in the introduction, this meant that – although the PDL and LN both declined – the total populist vote in Italy exceeded 50 per cent for the first time.

^{12.} The analysis of the 2013 election is based in part on a fuller account of the LN and PDL's performances in the general election, available in Albertazzi and McDonnell (2015).

FI/PDI 40 37.4 PD 33.2 35 30 PD M5S 25.6 25.4 FI/PDI 25 21.6 20 15 LN 10 ΙN 4.1 5 0

Figure 10.5: PDL, LN, PD and M5S results in the 2008 and 2013 Italian general elections

Source: Electoral service of the Italian Interior Ministry, http://elezioni.interno.it/

While, at first glance, it might seem that the LN had been punished for its performance in government (*see* Figure 10.5), in fact the roots of this result can be traced back to the news in April 2012 that the party's founder and leader, Umberto Bossi, was under investigation for misappropriation of party funds. Although he duly resigned and was replaced as leader in July 2012 by Roberto Maroni (who had previously been an extremely popular Minister of the Interior in the PDL-LN government), the party never recovered from this blow. We can see this quite clearly in Figure 10.6, which presents the variation from April 2006 onwards of our three Italian populist parties in pooled monthly opinion poll data – as the data shows, the LN in fact improved slightly during its first months back in opposition after November 2011. Once the scandal about Bossi became public, however, the party quickly dropped in the polls over the course of just a few months and did not recover in time for the general election.

Given FI-PDL's focus on the economy, we also investigated the relationship between the parties' average poll figures and monthly consumer confidence trends. As Figure 10.6 again shows, after the end of a long 'honeymoon period' in 2010, the PDL's poll results mirrored the drop in consumer confidence fairly closely. By contrast – and in line with that party's 'delegation' of the economy to the PDL and concentration on its key issues – the LN's results seem to be much less affected by consumer confidence trends. While it is impossible to demonstrate conclusively, we believe it very likely that the PDL decline is linked to the fact that it had stuck its colours so strongly to the flag of economic revival. As Van der Brug, *et al.* (2007) have shown, bad economic conditions tend to hurt larger parties in coalitions more than junior ones, especially when responsibility for economic

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40 PDL (var Apr 06) Lega (var Apr 06) M5S (var Sep 10) CCI (variation Apr 06) BTP/BUND*: 575 30 BTP/BUND*: 412 Prodi Government Berlusconi Government Monti Government 20 10 Jan 12 -10 -20

Figure 10.6: PDL, LN and M5S voting intentions and consumer confidence monthly trends (July 2006–February 2013) (variation on April 2006)

Note: All points in the graph display the averages of voting intention surveys for particular months, with the exception of February 2013, when the general election was held (we use the actual election data for this month). All points regarding party support display the variation from the April 2006 general election results. The CCI line shows the variation from its value in April 2006. * stands for Italian-German Long-Term Interest Rate Differentials.

Source: Data concerning the parties are calculated using the averages of voting intention surveys conducted by the main Italian polling houses (Cfi, Crespi, Datamonitor, Demopolis, Demos, Digis, Emg, Euromedia, Fullresearch, Ipr, Ipsos, Ispo, Lorien, Piepoli, Swg, Tecne). These can be accessed at sondaggipoliticoelettorali.it. The data for the Consumer Confidence Indicator (seasonally adjusted data) are taken from Eurostat: epp.eurostat.ec.europa.eu.

policy is clear – something which was most certainly the case in the PDL-LN government.

As regards the M5S result: the movement took votes from both left and right at the 2013 election. ITANES data shows that 29.8 per cent of its voters had supported the PD in 2008, but 30.4 per cent of them had backed the PDL and 6 per cent had cast their ballots for the LN. 13 Grillo was able to exploit the combination of economic and political crisis – along with the discontent these produced – better than the other populist actors present in the Italian party system. Or, to put it another way, he was able to exploit the same structural conditions as the PDL and LN had done in the past, but using fresh contents.

Finally, although they fall beyond the formal remit of this chapter, it is worth briefly noting the results of the May 2014 EP elections. These were a triumph for Matteo Renzi who, in his first major test at the ballot box as party leader and

^{13.} See ITANES Rolling Cross Section Survey 2013. Available at: www.itanes.org/en/data/.

Renzi was elected leader of the PD in primaries held in December 2013. He then replaced Enrico Letta of the PD as Prime Minister in February 2014.

Prime Minister, led the PD to an unexpected 40.8 per cent – the largest vote share achieved by any Italian party in a national election in the past fifty years. 14 While these elections also saw a decline in the M5S vote to 21.2 per cent, we believe this was still a good result which showed that the movement – at least so far – is not a 'flash-in-the-pan'. As for Berlusconi's party, the 16.8 per cent it received was down on its already very poor 21.6 per cent at the general election. However, this needs to be put into context: the PDL suffered a split in late 2013 when the more moderate wing chose to form a new party led by Angelino Alfano called Nuovo Centrodestra (NCD – New Centre-right) and remained in coalition government with the PD while Berlusconi led the majority of the PDL into opposition and changed the party's name back to FI. That caveat aside, the EP result was still below expectations. Indeed, perhaps only in a personal party like Berlusconi's could a leader stay on after losing so many votes at two consecutive elections (McDonnell 2013). Meanwhile, the LN in its first election under new leader Matteo Salvini obtained 6.2 per cent and thus began to reverse the steep drop in its vote suffered at the 2013 general election.

Conclusion

As occurred in the early 1990s, the combined presence of economic and political crisis in recent years has again seen an increase of populism within the Italian party system. While two decades ago, those crises led to the emergence and success of FI and the LN, this time the M5S rose swiftly from under five per cent in the polls in February 2012 to over 25 per cent in the general election just a year later. The M5S did so both by exploiting the economic and political crisis present in Italy from 2011 onwards and by casting itself as the only force willing and able to act responsively for the people and against the corrupt elites. In this sense, they gave the existing populist parties – the PDL and the LN – a taste of their own medicine. However, the experience of Italy since 2008 not only points to the importance of crisis (and especially the combination of economic and political crises) for the initial success of new populist parties. It also offers us a rare case of how populist parties in government fare during situations of objective crisis. To put it in the terms used by Peter Mair (2009), the PDL was unable to be either responsive (it failed to deliver the economic growth it had promised in 2008) or responsible (it also failed to introduce the measures requested by Europe and others at the height of the 2011 crisis). Hence, despite quite a long honeymoon in the polls, its support declined steadily after the first quarter in 2010 and the party's attempt to re-cast itself as 'responsive' in the 2013 election campaign failed to generate a recovery. While the case of the LN seems similar to the PDL if one looks just at general election results, in fact – as Figure 10.6 showed – the party was able to serve in government during the crisis without seeing its support levels slip at all. It thus offers us an important example of how populist parties can indeed serve in government without losing support, even during a crisis which has seen incumbent parties across the continent haemorrhage votes (Albertazzi and McDonnell 2015).

So, overall, how has populism interacted with economic and political crisis in Italy? As we have explained, the timing of events is crucial: the key moment in Italy for economic and political crisis and, by consequence, for an increase in populism, is from 2011 onwards, not September 2008. While the first two years in office were generally good for the PDL and LN, the country's long-standing debt problem triggered – with the help of jittery markets – a financial crisis in 2011 that in turn fuelled an already-growing political crisis. This latter political crisis, for its part, mushroomed and manifested most notably in a crisis of representation through which neither the leading populist party of the time (the PDL) nor the principal mainstream party (the PD) was willing to take on the responsibility of government in November 2011 and so Italy found itself with a technocratic administration consisting solely of non-elected, non-party ministers. And it was on the back of this period of combined economic and political crisis that we saw the subsequent rise of the most electorally successful new populist actor in Western Europe: the M5S. Whether that party is able to overcome the many organisational (and ideological) difficulties its sudden success has aggravated and laid bare remains an open question. However, what we can say is that, despite the media attention on the country's new – and so far, electorally successful – Prime Minister, Matteo Renzi of the PD, Italy continues to offer excellent market conditions for populism.