

Populists Conquer the Government in Italy

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Posted: 15 June 2018

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Three months after the political elections held in Italy on March 4, 2018 two populist parties – the anti-establishment Five Star Movement (5SM) and the far-right League – have formed a government and obtained the confidence vote of the Parliament. This is an unprecedented event in post-war Europe, a continent in which the unification process has promoted during the second half of the 20th century peace, prosperity and democracy. It is true that in Hungary and Poland there are populist governments, but Italy is a founder member of the EU, the third EU country in terms of demographic and economic weight and is placed at the core of the Eurozone.

To assess the significance of the turning point which occurred in Italy, it is worth mentioning the opinion expressed by Steve Bannon, the strategist of Trump's electoral campaign. He has exulted in the result of Italy's political elections and has decided to stay in Rome in order to study the laboratory of the world sovereigntist right. “All the roads of the new world sovereigntist right lead to Rome”, he stated in an interview to an Italian newspaper, and added that Italian voters: “have struck at the heart of the beast of Europe”.

It does not seem exaggerated to assert that these political parties represent a threat to democracy. During consultations of President Mattarella for the formation of government, Italy experienced the most serious attack to the Constitution in the history of the Republic. The real leader of the coalition that supports the government is Matteo Salvini, the Secretary General of the League, whose design, supported more or less knowingly by the 5SM, is to leave the euro and return to the lira. He shares this design with Marine Le Pen and other populist leaders. He proposed Paolo Savona as Minister of the Economy, who authored a euro exit plan. President Mattarella vetoed the appointment, since the simple announcement of a plan to leave the euro would have encouraged an attack of international speculation, a catastrophic loss of value of savings of companies and families, capital flight, bonds slump, surge in spread, increase of public debt, which is the second highest in the monetary union (132% of GDP) after Greece and the risk of Italy's default. Taking into account that Italy is much bigger than Greece and has a special responsibility deriving from its status of founder of the EU, its default could drag down the whole Eurozone.

These are the reasons why a Plan B has been devised, i.e. a white coup d'état. The goal was to bring about a dramatic financial crisis that would have questioned the Italian membership of the

monetary union and created the conditions for the euro exit during a weekend after the closure of stock markets. The plan considers that, to leave the euro, a simple decision taken by the government without a vote in Parliament is sufficient. Euro exit would be accompanied by a massive default in public debt by about 15-25%. President Mattarella, who was fully aware of the existence of this plan has invited to discuss openly the reasons in favor or against the adoption of the euro, an issue that was not addressed during the elections campaign. In conclusion, to avoid the risk of new political elections, the two populist parties have agreed to create a government in which Paolo Savona has been shifted to the Ministry of European Affairs.

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If we throw a glance at the *longue durée* processes and longer term structures and patterns, the populist victory, like Mussolini's victory in 1922, can pave the way to a new form of fascism. Invented in Italy, fascism conquered Europe. It is possible that history repeats itself in the 21st century. In fact, there is a striking analogy between the current global economic and political crisis and the world crisis that occurred between the two World Wars. Then the great depression of 1929, Mussolini's and Hitler's ascent to power and World War Two, today the financial and economic crisis, the growth of populism and nationalism, the decline of consent towards democratic institutions, the EU's ones included, the attacks of terrorism, ISIS massacres on behalf of the cult of death – a trait very similar to nazism –, the return of war at the periphery of Europe from Ukraine to Syria, Gaza, Iraq, Yemen, and Libya.

The root causes of both crises lie in systemic transformations in the mode of production and in the international political order. As always occurs, the transition from an old to a new political order generates a power vacuum which paves the way to the spread of violence, economic disorder and authoritarian regimes. This is what occurred at the time of world wars, during the transition from the European states system to the bipolar world states system, and occurs now in the globalization era, which is marked by the primacy of non-state actors – first of all those involved in global finance – over states and the prevalence of private interests over the collective ones.

But now the global financial and economic crisis has marked the failure of the concept of self-regulated markets and neo-liberal ideology. Politics, that had given up governing the economy and society, is re-occupying the stage. Two political answers to globalization are competing: nationalism and globalism. Nationalism represents the return to the past with its array of disasters. The only alternative is the adjustment of political institutions to the dimension taken by economy and society so as to pave the way for a regulated globalization. In today's transitional period, the US and Russia represent the old order, ride the wave of nationalism with the purpose of defending their old privileges. But their efforts are destined for defeat, since it is impossible to go against the course of history.

On the other hand, China and the EU have a vital interest in maintaining open markets, regulating their modus operandi and correcting their distortions. The EU is an unaccomplished work. The weakness of the monetary union lies in the contradiction of a single currency without a fiscal and political union. The solution does not lie in the withdrawal from the euro, but in the

strengthening of the Union. The European states are too small to survive in global competition. Only united they can play a global role. Divided they are insignificant.

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The slogan “masters at home”, frequently used by the populist parties, is groundless. Italy, like all the other EU member states, is a country with limited sovereignty. During the Cold War, its membership of the Atlantic alliance and the division of Europe into two spheres of influence led by the superpowers barred the access way to power to the Italian communist party and assigned it the role of permanent opposition party. After the fall of the Berlin wall, the membership of the EU following on the entry into force of the Maastricht Treaty (1993), the creation of the Monetary Union (1999) and the circulation of the euro (2002) has started a supranational mechanism which obliges the EU member states to jointly operate within the framework of macro-economic parameters.

Paradoxically, the decline of popularity and the growing disaffection towards the European project began to significantly appear in the 1990s, when the European Union was created with the Maastricht Treaty, which unquestionably represented a step forward towards the strengthening and democratisation of European institutions. It is to be remembered that, in those years, there was near unanimous support from people for the European project. For instance, the referendum – promoted by the European Federalist Movement – on the granting of a constituent mandate to the European Parliament, which in Italy was combined with the European elections of 1989, was approved in Italy by a majority of 88.03% of voters. Since then, anti-European sentiments have relentlessly grown together with increasing electoral successes of populist, nationalist right-wing political parties, which have taken over the levers of government in Hungary and Poland. Brexit marks a step in this direction, since it could be interpreted as a premonitory sign of an EU disintegration process. It is to be underlined that in France and Britain, which can be considered the cradles of modern democracy, the anti-European parties – Front National and UKIP – achieved the highest number of votes in the European elections of 2014.

How to explain this change of orientation?

Even though there are specific European aspects in the stagnation and regression of European unification – the fact that it is an unaccomplished construction, not yet endowed with sufficient budget and security resources to face the challenges that lie ahead of the EU – the root cause of this profound crisis lies in globalization, and more precisely in global challenges that the EU is unable to face such as governing globalization, reforming the international monetary system, regulating migration flows, combating climate change, eliminating weapons of mass destruction, extending the principles of the rule of law and democracy at the international level. Owing to the powerlessness of politics to govern economic, social and cultural processes of a globalized world, voters are abandoning the traditional political parties and shifting their consent towards the new populist parties.

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Is it possible to change this negative trend? The European elections, that will take place on May 2019, offer a unique opportunity – perhaps the last one – to stop the populist wave. As Macron transformed the French presidential elections into a referendum for or against the European unity, so the European elections can assume the same significance: a challenge to the populist parties on the ground of the refoundation of the EU. Indeed, only “a sovereign, united and democratic Europe” – this is a quotation from President Macron's *speech at the Sorbonne university* – can face the global challenges that it has to cope with and cooperate with the other protagonists of world politics to build a better world.

The significance of European unification lies in the overcoming of the organization of the world into nation-states, which has produced the strongest concentration of power and has determined the deepest division among human groups ever experienced in history. Therefore, the European federation can be seen as the model and motor for unification and pacification of the whole world. As a federation of nation-states, it will be a landmark in the evolution of the forms of government. After the city-state, meant as the institution that allowed to pacify the tribes, and the nation-state, which ensured peace among cities and regions, the Federation represents the form of government that allows the pacification of nations.