Italy:

Berlusconi's and Monti's latest moves in Italian crisis.

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Today December 10 the spread between the interest Italy pays on government bonds compared to Germany has gone up beyond 350 points (30 points more than last week) and the Milan stock market fell by 2.2%. This follows the unexpected speed of Monti’s resignation after Berlusconi’s decision to pull PDL support from the Italian government and, in his words, to take to the field again. Today's polls give Berlusconi only 11.9% three times less than Bersani and the PD and also less than Beppe Grillo's movement. These events show the difficulties the ruling political class have in managing governments in times of austerity and crisis.

Berlusconi has decided to go into opposition at a time when the Monti government was becoming more and more unpopular due to the reintroduction of a property tax, the cuts in real wages and a rise in unemployment that is much greater than the level recognised by the official statistical agency (ISTAT). This demagogic turn of Berlusconi is particularly barefaced since his previous governments pursued policies with exactly the same consequences for working people for a number of years. Although Monti has carried them forward much more decisively - thanks to the consensus of 99% of the mass media and the shameful parliamentary majority cobbled together between Bersani’s [1] Democratic Party (PD), Berlusconi’s People’s Liberty Party (PDL) which has been led by Alfano since the big man’s temporary withdrawal and Casini’s Union of the Democratic Centre (UDC) [2] (...) Just as a year ago with the coming to power of Monti’s team of âEurosÜprofessors’ or technocrats, the government was not toppled as a result of a strong mass movement pushing events in a progressive left direction but rather as a result of political manoeuvres within the ruling class and its political structures.

In a very deliberate move, Berlusconi, who is being denounced in the press and by Monti supporters as âEurosÜirresponsible’, is ensuring that before the government falls the important Stability Budget law is going to be passed which consists of the latest round of severe austerity measures. However he is presenting this final act of support as an altruistic gesture and sacrifice so that the hapless PD is left with the âEurosÜhonour’ of firmly backing these anti-working class measures. Presumably the PD will consequently lose part of the fragile support it has recently gained with the primaries âEurosÜshow’. [3] Of course Berlusconi's move will also stop the passing of legislation moderately combatting corruption and restricting the eligibility of candidates with criminal records (both directly impacting on himself!) as well as other measures such as the reduction in the number of provincial administrative areas.

But what is Monti up to with his precipitous resignation without waiting for the March election timetable to play itself out? He did not wait for a formal vote of no confidence in his government where he could have been able see the crisis-ridden PDL's cards and whether it was really united around its ex-leader's action. His reaction to Berlusconi took the political class a little by surprise. The PDL MPs had walked out of the chamber, they did not vote against the government or call for a vote of no confidence. It cannot be excluded that Monti’s haste is above all to do with improving his own position in case he throws his hat in the ring or indirectly intervenes in the upcoming elections. Monti could try to avoid a serious balance sheet of his own tenure by blaming those people (aka Berlusconi) who sabotaged it. From the PDL point of view bringing the elections forward [4] could also mean stemming the serious haemorrhage of support the centre right is undergoing in key regions such as Lazio [5] and Lombardy and stop PDL politicians jumping from a sinking ship.

At the same time, Monti, who, contrary to what the PD leadership thinks and sustains, is a thoroughgoing right wing politician, does not want to be in a position where he is called by âEurosÜduty’ to take up a position in a government dominated too much by the centre left - which could well happen if the elections produced an unstable outcome caused by an excessive success of the Five Stars Movement. [6] He would prefer to lead a coalition in which the weight of the centre right is not too much reduced.

Grillo is a little ahead of the game by having organised an online selection of his parliamentary candidates - in a way...
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which is not more democratic than the centre left primaries that he so vehemently ridiculed. His movement could have a real impact on the electorate and could be the new factor. In any case Grillo has a nose for something since his slate is ready at a time the âEurosÜestablishment’ team is breaking up. This is in contrast to the Cambiare si Puo [7] (We can change things) political project which is still playing catch up - especially since it is spending more time on discussing who to exclude and who to include (Ferrero [8] is even proposing to bring in the IDV [9] (Italia dei Valore) rather than its programme and how to politically organise. The latter has to start from a reflection about why the left has undergone so many defeats.

Obviously it is very tempting to downplay these byzantine manoeuvres between old accomplices which are enmeshed in a tissue of incredible lies. Berlusconi is saying that it is time to change the electoral law, after having previously sabotaged any previous possible reform by coming up with different proposals every week. Monti is piously resigning because he feels offended by the severe and disloyal judgment of the current PDL leader, Alfano [10] - as if Alfano is anything else but a puppet remotely controlled by Berlusconi.

But this farce is possible because the real left is absent - not only from parliament but also from the struggles which are continuing but are fragmentary and partial and which are not easily coalescing into an overall political challenge. The biggest trade union organisations, including the CGIL, have no intention of building mobilisations for the defence of the overall interests of workers, pensioners and those with short term, temporary, low paid jobs.

See Antonio Moscato’s blog.

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[1] Bersani has recently declared in an interview with the New York Times that any government led by him (and his party is ahead in all the current opinion polls) would âEurosÜrespect all the commitments’ made by the Monti government to the European Troika and would not rescind any of the economic measures taken by Monti. He glorifies in the stabilising role of the PD - without it Italy would be a problem for Europe. He also buries any talk of re-instating the recently removed Article 18 of the labour laws which gave workers some rights against bosseâs right to sack them. The PD is a social democratic party that has emerged out of the majority of the old Italian Communist Party.

[2] Hence the agreement was called the ABC after the party leaders’ names.

[3] Just a week ago Bersani was confirmed as the candidate to lead the PD and its centre left allies into the upcoming elections. He defeated the super-Blairite Florence mayor, Renzi, 60 to 40 per cent in the second round. Over 3 million people participated in these primary elections.

[4] The press is now talking about February elections rather than March when they were due.

[5] Leading members of the PDL in Lazio have been indicted for corruption recently.

[6] Movimento Cinque Stelle - the Five Stars Movement led by Beppe Grillo, a comedian and new political leader which in some recent opinion polls is at over 20% and coming second to the PD. In the recent Sicilian Regional elections it got 18% and scored better than the PD.

[7] Cambiare si Puo started by an appeal by a number of left intellectuals and activists and aims to set up an electoral coalition to the left of the PD in opposition to austerity and Monti-like governments. It held a well- attended meeting in Rome on the 2nd December in which Sinistra Critica actively participated - a further meeting is arranged for next week.

[8] Paulo Ferrero is leader of what is left of Rifondazione Communista (Communist Refoundation) and is linked to the Comunisti Italiani (Italian Communists) in the Left Federation. Recently the Federation split over whether to seek an alliance with Bersaniâs centre left. The Communists are looking to block with Bersani but Ferrero disagrees. Both of these groups though are in often in coalition with centre left forces in regional, provincial or local governments.
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IDV - Italy of Values - is Di Pietro's party, he was the famous investigating judge who was at the forefront of exposing Tangentopoli (Bribesville) which implicated all the mainstream parties a decade or so ago.

When Berlusconi resigned and 'withdrew' from politics last year when Monti took over, Alfano was made the new PDL leader. Of course now the great man (the Cavaliere) has returned Alfano is found lacking. As Berlusconi royally comments, 'we looked for a new leader but we could not find one. It takes time'.