The political significance of Beppe Grillo's Five-Star Movement

Marc Wells, Peter Schwarz 9 March 2013

The success of Beppe Grillo's Five Star Movement in the recent Italian election is a development requiring attentive examination. The *MoVimento 5 Stelle* (M5S), founded in 2009, won a quarter of the popular vote in its first ever participation in a federal election and is the biggest single party in the House of Representatives.

Layers of the working and middle classes voted for M5S to express their opposition to austerity measures imposed by the European Union (EU) and the government of Prime Minister Mario Monti. However, Grillo's program stands in stark contrast with the class interests of those who fell victim to his populist appeals. They will soon confront the reality of his reactionary, right-wing program.

To understand Grillo's rise, one must take account of two things: the deep crisis of Italian and European capitalism and the complete bankruptcy of the traditional "left" parties.

Europe's ruling elite has passed the full burden of the 2008 financial crisis onto the working population through austerity policies which have devastated Italy. Industrial production fell by 5.4 percent in just one year under the government of Mario Monti, who took over power at the end of 2011, representing the international banks. Monti's government increased the retirement age, eliminated workers' rights and imposed high taxes on working people and the middle class. Unemployment has risen from 8 to 11 percent and, amongst young people, from 30 to 37 percent. The number of those living in poverty rose from 9 to 10 million, in a country of 60 million people.

The successor organisations of the formerly influential Italian Communist Party (PCI) offered no opposition to Monti's policies. On the contrary, the Democratic Party of Pier Luigi Bersani was Monti's most important and reliable ally. Since the Italian party system imploded 20 years ago in a flood of corruption scandals, the PCI's successors have repeatedly supported technocratic governments which have launched massive attacks on the working class.

Communist Refoundation (PRC), which also had its roots in the Communist Party, integrated the entire pseudo-left petty bourgeois milieu in its ranks and played an even more despicable role. Describing itself as a left alternative to the Democrats, it regularly ensured that their antiworking class policies received the required parliamentary majority. It discredited itself in 2006 by entering the government of Romano Prodi, a forerunner of Monti.

Grillo has pushed forward to fill the political vacuum left behind by the Democrats and PRC. He exploited the anger, disgust and frustration with the political establishment and the European Union for his own ends.

Grillo's constituency is of a very heterogeneous social composition. Alongside with middle and upper middle class elements, sections of working class voters who typically identified with the "left" were lured in by rhetoric attacking the entire political establishment.

M5S was particularly successful among the 20 and 30 age group, known in Italy as "Generation 1,000 euros" and internationally referred to as the "precariat." These are well educated young people who, after graduating

from university have to get by working in internships, temporary jobs or with short-term contracts, earning no more than 1,000 Euros per month and with no prospect of a stable, decent-paying job.

M5S' 160 senators and parliamentarians mostly hail from this milieu. Their average age is 37, almost 20 years lower than the rest of parliament. The percentage of academics, at 90 percent, is unusually high.

The programme of M5S

Grillo strongly appealed to these young, well-educated layers. His fierce attacks on the corruption of the whole political class resonated with generations whose entire experience with Italy's political parties—including the so-called "left"—is that they served as ruthless defenders of big business.

Many of the demands of M5S are borrowed from petty-bourgeois protest movements appealing to students and academics, such as the environmental, Occupy and Pirate movements. M5S calls for a more ecologically-friendly energy policy and for measures to cut CO2 emissions. It has demanded a halt to major projects such as the bridge from the mainland to Sicily, and the Turin-Lyon high-speed rail line. It wants to penalise the use of motorised private transport in towns and to expand provisions for cyclists and public transport.

The real centrepiece of its programme, its economic policy, however, is unmistakably right-wing. Under the guise of a struggle against corruption, monopolies and bureaucracy, it calls for an historic assault against workers and the entire framework of the postwar welfare state. While M5S claims to oppose the corrupt political class, its target is the social gains of the Italian working class.

In the name of cutting waste and eliminating red tape, hundreds of thousands of public sector jobs are to be cut. M5S proposes to simply do away with all the provinces and eliminate municipalities with less than 5,000 residents.

To prepare the way for further deregulation and privatisation, state regulatory bodies would be removed. In education, the demand for closer integration of universities and businesses would drive forward privatisation. In the media, M5S intend to maintain just one public television channel, further restricting the right to information.

Under the pretence of protecting public health care, the M5S program paves the way for a major revision to universal medical access. It calls for "additional charges for non-essential treatment", and "limits of second level of prevention (screening, early diagnosis, predictive medicine)" in favour of "first-level prevention (healthy eating, physical activity, quitting smoking)."

The M5S's economic programme emphasises the interests of small and medium-sized businesses. Along with the plan to do away with private

monopolies like Berlusconi's Mediaset conglomerate, M5S demands an end to state monopolies like the railways. There are also calls for the limiting of managers' pay, the break-up of large banks and businesses, the strengthening of small shareholders, and the promotion of production for the domestic market.

Deliberately dividing the working class

Grillo deliberately seeks to divide the working class—playing off the youth and impoverished layers against older workers and public sector employees.

In a blog commenting on the election results on February 26, he made this explicit, claiming that in Italy there are "two social blocks." Block A, which voted overwhelmingly for M5S, was made up "of millions of youth without a future, who are working in a precarious job or unemployed, often with a university degree, who feel they are being smothered." These "young people", according to Grillo, "are seeking a way out, they want to become institutions themselves, to turn the tables and create a New Italy out of the ruins."

Block A also includes "the excluded, the over-taxed, those who receive a starvation pension as well as the small and medium entrepreneurs who live under a regime of tax policing, are forced to close their businesses or to kill themselves out of despair."

Block B, on the other hand, consists "of those who want to maintain the status quo, of those who have survived the crisis since 2008 more or less intact by retaining their purchasing power, of a majority of the government employees, of those who receive a pension of more than 5,000 euros per month, of tax evaders, of the huge circle of those engaged in politics as a livelihood and who draw their income directly from municipal services, concessions and state interests."

According to Grillo, the key division in society is not between the working class and the bourgeoisie, but between these two blocs. Group A wants renewal, Group B continuity. Group A has nothing to lose, Group B do not want to yield up anything and "often have two homes, a decent current account and a good pension or the security of public employment."

"A generational conflict in which the issue is age, not classes" is looming, according to Grillo. The young generation carries the burden of the present without prospects of a future and cannot be expected to do this much longer. "Every month," Grillo writes, "the state must pay 19 million pensions and 4 million state salaries. This burden is no longer sustainable."

In this context Grillo proposes an unconditional basic income of 1,000 euros, which is often described as a "socialist" element in M5S's program. In fact, it is aimed at replacing existing pensions and state salaries and reduce these to a minimum subsistence level.

Support from entrepreneurs

Grillo himself does not belong to the A block he wants to mobilize against state employees and workers covered by contract: he is one of the richest people in Italy. In 2005, his annual income amounted to 4.3 million euros. He is widely regarded as the mouthpiece and not the actual head of the movement. This role is attributed Gianroberto Casaleggio, a wealthy IT entrepreneur from Milan who rarely appears in public and pulls the strings behind the scenes. His communications company, Casaleggio Associati, founded in 2004, is well networked. One of his key collaborators up until recently was Enrico Sassoon, longtime head of the American Chamber of Commerce in Italy, and editor of the *Harvard Business Review Italia*. In September last year, Sassoon retired from the company so that revelations of his role would not politically damage Grillo.

Casaleggio and Grillo lead M5S along the lines of a private company. Though they extol the merits of "direct democracy" via the Internet and local meetings of members, the movement lacks any democratic structures. All decisions relating to personnel and program are made by them personally.

The statute of M5S—which is officially called a "non-statute"—stipulates Grillo's total control over the organization. The origin, centre and seat of the organization is the blog www.beppegrillo.it. The function of M5S is the preparation and selection of candidates, "who support campaigns for social, cultural, and political awareness, which reflect the goal exposed by Beppe Grillo and are presented within the blog www.beppegrillo.it." Both the name "MoVimento 5 Stelle" and its logo "are registered on behalf of Beppe Grillo, the sole owner of the rights of use." The organisation lacks any sort of regional or federal structure which means there is no way to control Grillo or ensure he abides by party decisions.

Many Italian entrepreneurs understand that Grillo defends their interests. Some, like 77-year-old billionaire and Luxottica founder Leonardo Del Vecchio, openly declare their support for Grillo. Steel entrepreneur Francesco Biasion from Vicenza said he had voted for Grillo because "the companies today are in the grip of the bureaucracy and the unions."

Under the heading "Grillonomics," the *Süddeutsche Zeitung* commented: "While most Grillo voters cast their vote because they long to escape from the sclerotic structures of their country, business circles are increasingly concluding they must be freed from the shackles of a bloated state."

German foreign policy journal IP also writes that Grillo's success offers "a chance for Italy and Europe." If it came to an alliance of "Grillini" with the Democrats, Bersani could tackle the reforms the country really needs, the journal hopes: "stricter laws against corruption, tax fraud and economic fraud", "a liberalization of the sphere of work" and "a suspension of more or less hidden monopolies and unnecessary supervisory bodies, which paralyze the economy."

While Bersani courts the support of Grillo, the latter has been reluctant to commit himself to working with the Democrats. He anticipates an imminent economic collapse of Italy, as he explained to the German magazine *Focus*: "I give the old parties six months—and then it is lights out here. Then they can no longer pay the pensions and public salaries." Under such conditions, Grillo apparently sees a better chance to realize his plans for drastic cuts in the public sector.

Conclusion

The meteoric ascent of Beppe Grillo and his M5S is the result of the deep social and political crisis of European and international capitalism. Grillo was able to exploit popular discontent because all of the parties once identified with social reforms and the labor movement, support the austerity measures dictated by Brussels, Berlin and Rome. He is leading this discontent, however, into a dangerous impasse.

The cause of the current social decline is not just the corruption and greed of a political caste, but rather the historic crisis of the capitalist system based on the private ownership of the means of production. The crisis cannot be overcome without breaking the dominance of finance capital, abolishing capitalist private property and organizing economic life to meet social needs rather than the greed for profits.

Grillo's movement adamantly rejects such a socialist transformation of society. Its response to the domination of capitalist monopolies is not their socialization, but rather the promotion of small and medium enterprises. Its response to globalization is not the unification of the international working class, but the strengthening of the nation state on an austerity program.

It is no coincidence that the M5S has attracted many former voters from the openly racist Northern League, which advances the interests of small and medium-sized enterprises in the north against the claims of the central state and the impoverished south. A profoundly reactionary core can be identified in the program M5S.

Only the independent intervention of the working class based on a socialist program can provide a progressive response to the capitalist crisis. This requires an unsparing critique of Grillo's M5S as well as the trade unions, the fake left and all the other organizations upon which capitalism relies for survival.



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