

# Italian government crisis remains unresolved

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Even after surviving a second no-confidence vote at the beginning of October, the Italian government of Prime Minister Enrico Letta is staggering from one crisis to the next.

To reduce the budget deficit below the limit prescribed by the European Union (EU) of 3 percent of GDP, Letta is ruthlessly attacking working people. His resignation would plunge the euro and the EU into new turmoil.

Writing in six European newspapers last week, the Italian prime minister appealed to the ruling elites throughout Europe to stand together and vigorously oppose the rise of populist parties and movements in the EU. If such parties won more than a quarter of the votes in the European elections in May 2014, this would be “a big problem,” he wrote. We would then have to deal with “the most Euro-sceptic EU parliament in history”.

While Letta is mainly alluding to right-wing parties such as the French National Front and the Italian Lega Nord, he is especially concerned with the growing social opposition to the austerity of the EU. He is demanding a strengthening of the institutions of the euro zone, which are not subject to any democratic control, to continue the austerity measures against the growing popular opposition. “We need a permanent minister of economics and finance for the euro area countries. We need a common budget, a common economic policy, an institution that unites us 18 [countries],” he writes.

In Italy, the austerity measures implemented by Letta and his predecessors, Mario Monti, Silvio Berlusconi and Romano Prodi, have triggered a deep recession.

In September, the official level of unemployment in Italy stood at 12.5 percent. According to the statistics office ISTAT, however, about 20 percent, or 6 million people, are without work. In addition to the 3.2 million registered as “looking for work” there are another 3

million who are said to be “inactive”, those who cannot prove they have actively been seeking work in the previous month. Another 200,000 people are looking for full-time work but must content themselves with a part-time job.

Young people between 15 and 24 years old are among the worst hit. Youth unemployment in Italy reached a record high in September at 40.4 percent, the highest since records began in 1977. The situation is comparable to that of Greece and Spain. The EU’s crisis policies are robbing the younger generation of any prospect for a future.

Sitting on a social powder keg, the government is deeply divided. The three coalition partners--Letta’s Democratic Party (PD), Berlusconi’s People of Freedom (Pdl) and Mario Monti’s Citizens Choice (SC)--are not only fighting against each other but are also divided internally.

Silvio Berlusconi, who has been convicted of tax evasion and faces several other charges, is still struggling to prevent his expulsion from the Senate. For this reason, he tried to bring down the government on October 2, which failed due to defections from within the ranks of his own party under the leadership of his former secretary, Angelino Alfano.

Since then, the 77-year-old billionaire has arbitrarily dissolved the Pdl and renamed it Forza Italia (Go On Italy!). It was under a party of this name that Berlusconi first came to power in 1994. Alfano and the four other Pdl ministers did not attend the meeting that “unanimously” decided on the name change, which is tantamount to their expulsion.

So far, the Senate has kept delaying the vote to expel Berlusconi from its ranks, in order not to endanger the existence of the government. But it is no longer possible to keep this up.

The smallest coalition partner, Citizens Choice, virtually no longer exists. The government is, however,

not necessarily dependent upon its votes.

The former EU commissioner Mario Monti had led a cabinet of non-party “technocrats” from 2011, and then founded his party to be able to participate in the parliamentary elections in February 2013. However, it received only a disappointing 8 percent of the vote. Monti has now resigned from his own party, which he accuses of seeking a rapprochement with Berlusconi and of carrying out a “political slalom”. He sharply attacked Letta’s 2014 budget proposals and is calling for additional tax relief and “stimulus” for the economy.

Letta’s draft budget provides for a cut in spending of €12 billion and a reduction in business taxes of nearly €4 billion. To fill the budget deficit, VAT (sales taxes), garbage collection charges and other indirect taxes are to be increased dramatically, placing a disproportionate burden on the backs of working people. Also, public sector wages are to be frozen and job vacancies left unfilled.

In his own party, Letta is increasingly coming under pressure from the mayor of Florence, Matteo Renzi. On December 8, Renzi is standing in the primary election for party chair, in a vote that includes the participation of non-party members. He is regarded as the most likely candidate to fill the position. A year ago, Renzi had sought to become the Democrats’ lead candidate in the parliamentary elections, but was solidly beaten by then-party leader Pier Luigi Bersani, because he was regarded as an opportunist and a man of big business.

Now, Renzi is trying to assemble all the malcontents in the Democratic Party by presenting himself as a strict opponent of the coalition with Berlusconi. Among others, he is supported by Nichi Vendola, the president of the region of Apulia, who only recently had attacked him as the “Berlusconi of the left”. Now, Vendola refers to him as the “hope of the Italian left”, and as the only one who can effectively combat “the poison of the grand coalition”.

Vendola’s party, SEL (Left, Ecology, Freedom), emerged from Rifondazione Comunista (Communist Refoundation), which virtually collapsed in 2008 after it had participated in the Prodi government for two years, supporting its attacks on the working class. Like all the other bourgeois parties, whether nominally of the left or right, it bears a direct responsibility for the current social misery in Italy. The needs of working

people are not represented by any party in Italy.

In the elections in February, the Five-Star Movement (M5S) of comedian Beppe Grillo had moved into this political vacuum. Due to its vehement attacks on all the established parties, it won a quarter of the votes and became the largest Italian political party.

However, Grillo advocates an extremely right-wing programme, as the WSWS had shown at the time. Meanwhile, this is becoming increasingly clear. In the election campaign, Grillo called on his followers to respect “right-wing voters”, railed against immigrants, and said the children of immigrants should be denied Italian citizenship. After earlier contact with the extreme right-wing Casa Pound, Five-Star Movement co-founder Gianroberto Casaleggio is alleged to have recently met with representatives of the extreme right-wing party La Destra, and has long maintained connections to the French National Front (FN).

Meanwhile, social tensions are noticeably increasing. There are frequent demonstrations and violent clashes with the police. For example, this was the case on October 19 during a demonstration in Rome against the government’s austerity measures.

Last Thursday, protesters in Rome demanded a state-guaranteed basic income and the right to housing, after hundreds of families had been forcibly evicted in recent months. The crowd moved towards government headquarters at Palazzo Chigi, where armored police vehicles tried to halt them. Angry participants chanted, “Shame, shame!”, pelted the police with fruit and everything else they could lay their hands on, and nearly overran police vehicles.



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