Elections in Italy deepen European Union crisis

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3 March 2018

Unless the polls are proved wrong, tomorrow's parliamentary election in Italy will usher in a new stage in the crisis and instability of the European Union (EU).

No party and no electoral alliance expects to win a governing majority. Under the election law, which is being used for the first time, and awards a third of the seats to those candidates finishing first in electoral districts and two thirds of the seats to regional party lists, 42 percent of the vote is needed for a governing majority.

The right-wing electoral alliance of three-time Prime Minister Silvio Berlusconi, which also includes the far-right Lega and fascist Fratelli d'Italia, comes closest to achieving this goal with 38 percent support. But even these parties are deeply divided, meaning that even if they secure a majority a stable government would be unlikely.

The strongest single party, according to the polls, is the Five Star Movement (M5S) founded by comedian Beppe Grillo with close to 30 percent. It has no electoral allies. The Democrats (PD), which lead the current government, have the support of just 22 percent, while a split-off from the PD, Freedoms and Equals, enjoys the support of 5 percent.

Italy thus risks being plunged into a deeper crisis on the same day as the result of Germany's Social Democratic membership vote on a new government is announced, which could resolve a five-and-a-half-month government crisis. With a population of 61 million, Italy will be the third largest country in the EU after Britain's departure.

Given Italy's high indebtedness—at 130 percent of economic output Italy has the highest level of state debt as a percentage of GDP after Greece, and its banks are sitting on the largest quantity of toxic assets in Europe—a sustained government crisis could quickly destabilise the entire European financial system. EU Commissioner Jean-Claude Juncker therefore warned that it is necessary "to prepare for the worst-case scenario."

But the real source of the crisis is not the political fragmentation of the future parliament, but the social polarisation across the country, which finds only extremely distorted and malignant expression within the official party system.

The growth of poverty and precarious working relations, which is characteristic of all European countries and has impacted wide swathes of the working class and sections of the middle class, is particularly glaring in Italy. While gross domestic product within the EU grew by 8.4 percent nominally over the past decade, and 12.3 percent in Germany, in Italy output shrunk by 5.4 percent. The majority of the population is worse off than it was 10 years ago. The official unemployment rate is 11 percent and rises to 30 percent among youth.

This is the reason for the decline of the Democratic Party. The PD, which emerged out of the Communist Party and incorporated a section of the former Christian Democrats, has organised in conjunction with the EU the destruction of hard-won workers' rights, attacks on pensions and the slashing of social spending. Their lead candidate Matteo Renzi, who as the self-appointed "destroyer" of the old elites experienced a brief spell of popularity, is today among Italy's most reviled politicians.

The PD has shared the fate of other social democratic parties—Greece's PASOK, which within six years crashed from 44 percent to just 6 percent support; France's Socialist Party, which within five years dropped from being the country's largest party to just 7

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percent of the vote; the Dutch Labour Party, which secured only 6 percent support last year; and Germany's SPD, which won just 20 percent of the vote in last September's election, the worst result in its post-war history.

In the past, the social democratic parties ensured the stability of the capitalist order by means of social reforms and concessions. But under the pressure of globalisation, the deepening crisis of the financial system, and inter-imperialist conflicts, they have been transformed into the most rabid advocates of austerity policies, the strengthening of the repressive state apparatus, and war. This is the reason for their decline.

The social interests of the working class find no independent political expression in the existing party system. The election campaign has therefore been dominated by far-right, noxious and repugnant developments.

A central election issue was a vicious anti-refugee propaganda campaign. While the right-wingers openly presented their fascist outlook, called for the deportation of half a million people and defended a fascist who shot indiscriminately at immigrants in the small town of Macerata, the Democrats portrayed themselves as the party most capable of defending Italy's borders and preventing refugees from travelling to Europe.

Behind such disgusting spectacles, bitter social struggles are brewing. The class struggle, which has long been smothered by social democracy, the trade unions, and their allies in the pseudo-left, is once again on the rise internationally. The rebellion of teachers in West Virginia in the United States, who have been striking for days in defiance of their trade union leaders, marks a milestone in this development.

Workers' struggles against wage cuts, layoffs and unbearable working conditions are also occurring in Europe with increased regularity. This cannot but have an effect on Italy, which has a long tradition of militant working class struggle. Two years ago, major strikes and protests broke out against the Renzi government's Jobs Act.

In the face of these developments, all of the parties are drawing closer together. The Five Star Movement, which won support for its angry tirades against the corruption of the existing parties and has to date refused all cooperation with them, has declared its readiness to join a coalition government and abandoned its anti-EU rhetoric.

Their lead candidate, 31-year-old Luigi da Maio, spoke to students at Harvard, bankers in London and businessmen in northern Italy and reassured them that his party would rapidly eliminate the bank's toxic assets, abandon its announced intention to hold a referendum on the EU, and cooperate with other parties to ensure Italy does not "descend into chaos."

Berlusconi and Renzi, who cooperated closely to pass the new election law and value each other highly, have raised the prospect of a coalition government.

Berlin and Paris are responding to the crisis in Italy by pressing ahead with the transformation of the EU from an economic into a military union capable of pursuing its predatory interests around the world, building a European army, and strengthening the police and intelligence apparatus to suppress the class struggle. This is the essence of the coalition agreement for a new German government, which will assume office in the coming days unless the SPD membership vote to reject it.

There is hardly any support in the population for these policies, which most of Italy's parties advocate. They will lead to bitter political conflicts and class struggles. These struggles require a political perspective. They can be successful only if they organise independently of all of the bourgeois parties, their backers in the trade unions, and their pseudo-left henchmen.

The working class must unite internationally and fight for a programme that links the struggle against war, fascism and social attacks with the fight against their source: the capitalist profit system. This is the programme advocated by the International Committee of the Fourth International and its sections.

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