

Italy: Most right-wing government since Mussolini

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Italy faces the formation of the most right-wing government since Mussolini's overthrow 73 years ago. On Sunday, the protest Five Star Movement (M5S) and the right-wing extremist Lega agreed on a joint government programme and a prime minister, the law professor Giuseppe Conte, who is close to Five Star. President Sergio Mattarella must now decide whether to grant the coalition the government mandate.

The government programme bears the xenophobic imprimatur of the Lega. Hundreds of thousands of refugees are to be deported to their countries of origin in Africa and the Middle East, held in detention centres for up to 18 months to this end. Lega boss Matteo Salvini wants to personally take over the responsibility for these mass deportations as the new interior minister.

Like other far-right parties with which it cooperates at the European level, the Lega employs anti-immigrant rhetoric and the persecution of refugees to incite a chauvinist hysteria, to justify increasing state powers and to attack the democratic and social rights of the entire working class.

The European media and politicians of all stripes have made a fuss about the coalition's intention to introduce a so-called basic income and the partial lifting of earlier pension reforms that drastically increased the retirement age. They see this as an attack on the stability criteria of the eurozone, which serve to justify ever more attacks on the working class.

French Finance and Commerce Minister Bruno Le Maire warned that "if the new government runs the risk of failing to meet its obligations for public debt, deficit and bank restructuring, then the financial stability of the eurozone is in jeopardy." EU Commission Vice President Valdis Dombrovskis urged the parties to respect budgetary discipline.

There is no doubt that in the conflict between the

working class and capital, the Lega and M5S stand firmly on the side of the latter. They are merely pursuing a more aggressive nationalist course than previous Italian governments, which were always loyal to the European Union. Inspired by Donald Trump, the motto of the new government is "Italy first."

A central point in the new government programme is the introduction of a flat tax. Income tax, which currently lies between 23 and 43 percent, depending on earnings, and the corporate tax rate are to be reduced to a uniform 15 percent. Only family income over €80,000 would be taxed at 20 percent.

So far, only neo-liberal governments, at the time of the capitalist restoration in Eastern Europe, have ventured to implement such a radical tax cut. It is a massive cash handout to the rich and corporations. The progressive taxation of incomes, which requires higher earners pay a higher tax rate than poorer earners, has long been regarded as an important instrument of ensuring social equity in order to reduce class antagonisms.

The flat-tax project, in addition to the witch-hunting of refugees, is symptomatic of the class character of the new government. While the Lega and M5S in particular were able to mobilize the anger at the establishment parties of poorer social layers to their own advantage, using populist slogans, they stand firmly in the camp of capital and better-off layers of the middle class who regard the claims of the working class as a threat to their property.

The Lega emerged from the separatist Lega Nord, which originally advocated the separation of the richer north to stop financial transfers to the poorer south of the country. The M5S has long hidden its refusal to infringe upon capitalist private property by saying it was "neither left- nor right-wing." But now it is

showing its true colours. Two years ago, when the M5S candidate Virginia Raggi won the mayoralty in the capital Rome, she soon proved to be just as corrupt and tied to criminal circles as the old parties she had maligned.

The new government intends to finance the tax cuts through a radical cutback in the civil service, under the motto, “de-bureaucratization.” This will cost the jobs of tens of thousands. The nominated head of government Giuseppe Conte, who is portrayed by the media as a politically immaculate law professor, is considered an expert on “reducing bureaucracy.” He was originally to become minister of public administration and was only advanced as the candidate for prime minister when M5S boss Luigi Di Maio and Lega boss Matteo Salvini could not agree which of them should hold the post.

On closer inspection, the promised social reforms, which have met with indignation in European capitals, turn out to be a sham. For example, the planned “basic income” is anything but “unconditional.” It would only be paid to jobseekers holding an Italian passport and would be immediately withdrawn if they refuse to accept low-paid work. It thus fulfils a similar function to the so-called Hartz “reforms” introduced in Germany in 2003. They were also touted as a replacement of humiliating social welfare with a fixed basic income, while in reality serving as a lever to create a huge low-wage sector.

As far as lowering the retirement age is concerned, it is highly questionable whether this promise will ever be made good and, if so, could only be carried out through massive reductions in pension levels. Many commentators point out that the financial markets have plenty of leverage to apply to the Lega and M5S, which they neither could nor would oppose. For example, a rise in the risk premiums on Italian government bonds, interest rates and inflation would especially hit the petty bourgeois clientele of the Lega and the M5S.

During the coalition negotiations, Di Maio and Salvini had already dropped two of their most radical demands—a debt relief of €230 billion and a possible exit from the euro—as the euro began to decline under pressure from the financial markets. It is only a matter of time before the new government, if it comes to fruition, comes into serious conflict with the working class.

The rise of such a right-wing government to the top of the third largest economy on the continent is part of the shift to the right of the ruling class throughout Europe. The responsibility for this lies with the European Union. It generates the nationalist and centrifugal forces that it purports to fight. The austerity dictates from Brussels have paved the way for the right-wing populists. As a result of drastic austerity measures, Italy’s economy, burdened by a debt of €2.3 trillion, has stagnated for 20 years. One in ten adults and one in three young people are unemployed.

These austerity measures were implemented by the so-called “left” parties—the Democrats (PD), their pseudo-left appendages and the unions. PD Chairman and former prime minister Matteo Renzi attacked the new government coalition from the right, mocking its programme as “popcorn for all.”

With the coming to power of such a right-wing government in Italy, the contradictions in Europe will continue to worsen. After Hungary, Poland and Austria, a founding member of what later became the EU is now swinging onto a nationalist course. This confirms that it is impossible to unite the continent on a capitalist basis in the interests of its inhabitants. The working class can only defend its social and democratic rights and prevent the continent’s relapse into nationalism, dictatorship and war by joining forces internationally and fighting for a socialist programme, for the United Socialist States of Europe.



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