

## Country Case Studies: Effects of the Crisis on the Left in Various EU - Short presentations of Political Foundations' Reports

### Italy

#### General and context

On 1 October 2009, the IMF presented the "World Economic Outlook" with analysis and forecasts on global economic situation. In a nutshell we highlight three points:

- The peak productive recession is past, began the recovery :
- The recovery is uncertain (particularly in some countries) and characterized by a general increase in unemployment;
- Public Accounts deteriorate almost everywhere, especially in Italy and Japan.

ISAE data record is already a strong impact of economic crisis on employment levels bringing the national unemployment rate from 8, 1% in 2009 to trend 8.5% in 2010.

From July 2008 to July 2009 were lost 378,000 jobs. Employment rates (amount of employment required by businesses) fall all over Italy from 59.2% in July 2008 to 57.9% in July 2009 (more in the South: -2%). (ISTAT 22/11/2009)

From July 2008 to July 2009, the INPS has received 984,286 applications for unemployment benefit, an increase of 53% annually (signal statistically significant but that does not mean that there are 1 million more unemployed). However in July 2009 the INPS (national Institute of Social Security) estimated 1,841,000 unemployed in the country.

In the second quarter of 2009, the Italian GDP drops by 0.5 on a quarterly basis and 6% on an annual basis (the worst performance of European countries on the trend, while quarterly lags behind only the United Kingdom) Eurostat

The recession technically began in the second half of 2008 and continues. The effects of the crisis in manufacturing employment is only now emerging in official statistics because the repercussions are highlighted employment always lags behind the decline in GDP and produce negative effects for some time even when the GDP will restart rising.

The crisis makes credit crunch (banks are afraid to make new loans and try to return immediately credits they made) which increases the effect of recession on SMEs and households in debt. While SMEs have been described, the situation of thousands of families (the figure of insolvency is growing and families are indebted mainly to the purchase of the house) that will become insolvent because CGI (social security salary) / mobility or redundant and with the risk to lose all (home and money spent on the house) we hear about nothing by our media.

The CRIF (risk and financial agency) records the 2% default rate of households in the first quarter of 2009 compared to 1.1% in the same period of 2008. In the first 5 months of 2009, the company EXPERIAN (which provides information to providers about the risks of credit) is growing by 78% of mortgages on property posed by creditors not paid (from 46,754 to 83,025). The figure was highest in Lazio (centre region): + 575% (from 3042 to 20,534).

economic crisis in Italy has produced and continues to produce a massive loss of jobs. Continues the inexorable relocating industrial facilities in areas within Europe (the largest case of Italian industry Fiat has already 'declared its intention to divest a plant in the south, Termini Imerese, built with massive state subsidies and benefits, and reduce total production of cars in the country), and outside Europe with the closure of entire sectors and industrial districts.

Even in the agricultural crisis highlights its size through a decrease in production costs but which are not 'following a drop in consumer prices, increasing the gap already' huge between producers and distributors revenues.

In this sense the condition of exploitation of the migrant masses, with a very low cost, in agriculture fields and in other areas, and with no possibility of even a minimal recognition of rights, such as living conditions and decent accommodation, have clashed with a malaise spread of local people who see the exploited worker, not a poor with which to do battle, but a dangerous competitor, willing to accept any conditions while working, creating conditions for an ethnic conflict that actually' has nothing to do with ethnic .

What is clear is that the restructuring of the working world takes advantage of the economic crisis, trying to reduce further the area of democracy and rights in labour and outside labour.

A restructuring that in Italy starts from the attack in Article 18 of the Labour Statute a protection of workers against unfair dismissal, which the government these days is trying to bypass through a kind of arbitrage-independent judiciary, allowing companies to eliminate the constraints and social ties and simultaneously trying to reduce the possibility of an effective trade union in the workplace.

All this is set in an social and industrial context in which Italy has an unbridgeable break between north and south of the country that has not undergone almost no change over a century and already Gramsci described in the "questione meridionale" and the interaction between mafia power and politics, that is consolidated and amended over the years, and the governments that have followed and which are increasingly' evident from the revelations of investigations of the judiciary.

A plot that grips the economic and social growth not only in the south, but rather is increasingly 'branching and sprouting in increasingly' large areas, thus creating a kind of cultural hegemony in which tax evasion and the non-compliance law becomes a cultural background in any kind of relationship.

Is in these days the story of the Lazio regional election lists, where with a certain amount of arrogance, the government submitted a law interpretation of the terms of admission after the Party of Popolo della Libertà had failed to appear in the time allowed, trying to return that list forcing on the judiciary and the idea of legality.

All this creates the conditions for alienation and an anti political culture in one hand and a kind of moral rebellion evident in a vote to populist political forms such as IdV born by the former magistrate of "clean hands" Antonio Di Pietro and network forms citizens that are organizing protests using the net channel as the "purple people" who managed, with the support of some political forces, to take to the streets hundreds of thousands of people.

## The crisis of the Left

The crisis of the radical left in Italy is not an isolated phenomenon in Europe, but are instead part of a process of historical decline of the Left, which has deep roots: the inability of the Left to respond to the defeat of the 70's and in the changing of global capitalist mode of production. And that, as such, has invested in various forms, its main components, labor, and policies, which have gradually taken the neo-liberal globalization as its own horizon, trying to mitigate the more devastating effects so its radical forces, often crushed between two options equally losers: Resistance conflicts and compromises political subordinates.

What has impressed in the Italian case, is the sudden acceleration. The berth where it came with the defeat of the Left and the Birth of the Democratic Party: that is, the removal from Parliament for the first start of the Republic, of any political force, which refers to the labor movement and Socialist and Communist tradition.

In its specificity, this acceleration must be placed in the Italian vicissitude. Italy has been long screwed into a political, economic, social and civil life crisis, it doesn't seem to be in front of clear solutions. Many elements of this crisis are similar to those of other countries. However, in Italy, the tight turn required by the monetarist and the destabilization caused

by globalization are being combined with specific structural weaknesses (a hypertrophied role of the State, a weak position in international competition, a weak welfare state, an unfinished process of society democratization and integration of citizenship in the state, evanescent civic spirit and control of legality, strong regional differences and the presence of an important informal and crime economy, especially in the south). And this led, already in his mid '90, to a profound destabilization of the state - paralyzed from the high public debt - and the political system. And since then is basically that Italy will try to measure - seamlessly - with the final dispossessing of a development focused primarily on the role of the state, and with it the disappearance of a possible organic development of the country. This makes Italy a very confused and difficult to govern nation: poor cohesive, conflict, crossed by strong movements, incoherent in territorial development and therefore exposed to pressures towards a more authoritarian democracy.

Italy has become so, in the European framework, a workshop "advanced" of the crisis of politics: the process of gradually weakening the capacity of government and parallel degeneration that has invested all political systems and democratic institutions, during the process of globalization. Crisis which has fully invested the same left.

No coincidence that the last fifteen years the Italian political landscape was marked by the rise of "outsiders" policies, which are incorporated in the structural crisis in the political system by a sharp transformism into "containers" political, and institutional innovations that have sought to ensure "governability" (that is blockage of the permeability of representative institutions - through barriers and majority constraints - to reduce the power of elected assemblies in favor of executive powers) to impose unpopular policies.

All this creativity, together with the gradual disappearance of mass parties, and an ever more integral mediatic politic, gradually succeeded, at least in part, to stabilize the political system by imposing a bipolar structure: very conflicted in terms of media contention, but rather very homogeneous in terms of neoliberal policies.

But each cycle of government has been regularly distrusted by the electorate. And during each cycle, the distrust and the gap between the population and the political system and institutional framework has been deepened.

The institutional framework continues to maintain elements of instability both in the field of the Right where is ongoing in a clash between the two forces that have created the Party Popolo della Libertà , Berlusconi's Forza Italy and National Alliance of Gianfranco Fini, who is now President of the Chamber of Deputies, which currently does not hesitate to criticize the plebiscitarian policy of the premier, both in the Left field where the PD, which apparently left the vocation to majority of the former secretary Weltroni, not yet found a coherent policy swinging between business and culture of the globalized market and labour defense.

The predictable and already announced new phase of constitutional and electoral changes that would push on elements of presidentialism, federalism and further narrow majority that is required to participate in the PD, based on convergence and a pact of mutual legitimation already laid before the election, remains suspended but not excluded. This prefigures the overall effort to consolidate a political regime simpler and even less penetrable by movements, conflict and social demands. If this will be the outcome, much will depend on the behavior of the trade union movement and the PD.

The PD, meanwhile, is far from a consolidated project.

The split between the PD and the radical left reflects a real gap. But this break settles the PD in a state of structural minority in the country. It is not easy to imagine that the PD can be successful, absorbing left and expanding in the moderate electorate to propose an enlargement of the center-left to a force as a centrist UDC, although certainly that is the approach that is pursuing. Inside it develops a dialectic and there will be those who propose to recover a relationship with the left and the demands that represents (Aimee poorly), with the exclusion of more radical leftist forces. Finally for PD the last hypothesis

on the cartpet, though very improbable for now: to meet all the way to the pressures from the "big powers" towards national unity policies.

## The Radical Left

As for the radical left, out of the elections in a deep crisis, unable to play a recognized role, after fragmentation and divisions produced more thrust for a personalistic view that opposed politics view.

The success that Vendola, author of the split from the Communist Refoundation, achieved by participating and winning in the primaries for the nomination of the Puglia region, has strengthened the hypothesis of Left Ecology and Freedom, who lived a moment of great difficulty after another defection of Greens, but also demonstrates that within the electorate of the PD and the country there is still a strong characterization of the left. On the other hand, the unification process of the radical left made on site by Rifondazione Comunista with the proposal of the Federation of the Left, quite obscured by media and not very innovative in the way is made, still not has a sure recognition. It is not inconceivable that the current crisis can also lead to a further and potentially irreversible shredding of the political left. There is already a diaspora to the PD and especially to IDV. This will foreshadow the fulfillment of the "Americanization" of Italian politics, which was so often evoked in the last election campaign and the expulsion from the political system of an autonomous left.

This would, however, largely the result of a failure of the ruling groups and political forces of the left. Because in Italy, despite the electoral defeat, a left-wing voters there, and it is also potentially significant.

But the electoral disaster has brought to light the weaknesses of what is the left. It is more a sum of different historical sedimentation that a coherent political, alive and rooted subjectivity. It does not have a specific social setting, not a common culture, not a credible political project, has no organization and an effectively way to act. Despite some important insights and some generous efforts of renewal that has known mainly thanks to Rifondazione, the left is still deeply disoriented and rootless in the contradictory social anthropology and territorial geography emerged from the disintegration of Italian society. There are some insights into its political culture, that Rifondazione has learned from its immersion in the "movement of movements", but that has never been able to translate into concrete and effective innovations. They are: openness towards society and the movement and its ability to combine the diversity in a virtuous way, innovation in the languages and forms of communication, a complex approach, flexible and innovative forms of political organization and ; the need to re-articulate the policy beyond the national dimension, rooted in their territories and connecting in transnational networks, the invention of new democratic forms that go beyond the limits of the exhausted forms of representation. And there are others.

The ability to effectively translate these into a system and bring new insights generated by the new movements, the Left will play its survival and the chance to play a role in the crisis of Italy.

If the play at once: in the capacity that will contribute to the development of a broad movement of opposition to the government of the right.

It will probably do, if it can recover two key words of his experience of Genoa: the non-self-sufficiency and the transfer of sovereignty. Why those two words tell us what is most important to know that the focus of a possible new political movement of transformation is beyond the confines of the left is into the society.