

The centre loses - again: three lessons from Italy's ballot box results

Blog post by Associate Alessandro Gangarossa, 29 September 2020

Last week Italy overwhelmingly approved proposals to reduce the size of its parliament with a 70%-30% referendum vote. Six major regions also elected local governments, which yield real power in Italy. These delivered a tie between the centre-left coalition and the right-of-centre bloc, each securing three regions. The elections and the referendum offered almost the entire political spectrum some chance to claim victory. So, what should we make of them?

First, the results were met with a sigh of relief by the coalition parties and by the prime minister Giuseppe Conte. But the fact remains that the fate of the governing coalition seems to hang by a thread at each election. This is due to the inherent fragility of a coalition between the centre-left Partito Democratico (PD) and the "anti-establishment" Movimento 5 Stelle (M5S), with a limited amount in common. The fightback from the centre-right opposition that some predicted didn't materialise. The bigger story is likely to be the growing unrest in the M5S at its uncomfortable coalition. This still looks like a government chiefly struggling from the inside out.

This growing gap in the political field is the second lesson of last week. This was a test for the centre-right and liberal parties, and they ended up looking further marginalised in favour of the more polarised exponents of the right. Silvio Berlusconi's Forza Italia and Matteo Renzi's Italia Viva (centrist) came out bruised. Both were against the parliamentary reform and their support at regional level is negligible. Taken together, they barely reach 10% in opinion polls. This leaves Italy without a serious and genuinely pro-business and pro-EU political player. This is reflected in the increasingly interventionist attitudes in Rome - which are increasingly popular.

Finally, last week's votes are proof - if any are needed - of the fluidity of the Italian political landscape. Even more than usual this is characterised by accelerated and intensified political cycles. The past five years have seen the rise and decline of three different parties - Partito Democratico, M5S and Lega. These parties have had very different leadership styles and political agendas. The main cost here is uncertainty and almost permanent political risk. That said, there are no major elections scheduled over the next 12 months in Italy. In principle this means a window of time to focus on structural reforms linked to the recovery plan. We shall see.