INTRODUCTION

The Year of the External *Podestà*

Aldo Di Virgilio and Claudio M. Radaelli

In an editorial published in the summer of 2011 in the *Corriere della Sera*, Professor Mario Monti commented on the financial crisis of those weeks and the pressures coming from the markets and from the European institutions, making three points.¹ The first was a criticism of the Berlusconi government and its majority, which, “after claiming that it had the ability to solve the country’s problems alone, and after turning down the possibility of a shared effort alongside other political parties to try to lift a discouraged Italy out of the crisis, ... then actually accepted ... a super-national technical government.” The second point was regret for the “lack of dignity” in this approach: “Even though the ‘external *podestà*’ belongs to a tradition that goes back to the Italian communes of the thirteenth century, it is regrettable that Italy might be seen as a country that prefers to allow unpopular decisions to be imposed on it, even though these may have positive effects for future generations, rather than making these decisions themselves as a result of becoming convinced of their necessity following a series of civilized debates between the various groups.” Thirdly, Monti pointed out the “negative effects” of the improvised handling of the financial crisis, which he defined as “political downgrading,” “lost time,” and “a handicap for growth.”

We do not know whether Monti already saw himself in the role that three months later he was called upon to assume by President Giorgio Napolitano—a role that, in itself, was not too different from an

“external *podestà*,” since he did not belong to any political party—in order to deal with the emergency that the country faced. What is certain is that those comments set the tone for Monti’s own government and hence for the political scene in 2012. This is reflected in the technical nature of the executive, in the measures that it took to reverse the process of political downgrading, and in its initiatives to make up for lost time and relaunch growth.

Within this perspective, the way that the 2012 political year unfolded can be analyzed by using the political triangle, which is often presented to students in introductory courses in political science, that is, the distinction between policies, polity, and politics. The urgency of the issues on the table led to the absolute priority being given to policies, and the changes that the government brought to these policies were seen as its entire *raison d’être*. In order to legitimize a “blood, sweat, and tears” approach, the executive adopted a public discourse. The hallmarks of this discourse were its pedagogic intent, a call for self-esteem and for the national interest, and an emphasis on the authoritativeness of a technical decision-maker who was presented as the best interpreter of the general interest. Within all that, there was a constant appeal to the polity, with a focus on the Europeanization of the anti-crisis measures and on the recentralization of the responsibility for domestic policies. For much of the year, politics, on the other hand, was placed on the back burner, downgraded to providing a necessary support for the work done by the technocrats in government. Its legitimacy was tarnished as a result of the numerous scandals that took place in 2012, and it was under attack from new challengers, the most prominent of which was the Movimento 5 Stelle (M5S, Five Star Movement). The conditions left behind by the 2012 political year remain difficult. Thanks to actions taken by a government that was led by an “external *podestà*,” who in the end changed his colors by deciding to “climb up” into politics, the country recovered some credibility and gained some time. However, this was not enough to bring about conditions that would favor an economic recovery, while the uncertainty surrounding the political elections of 24–25 February 2013 and their aftermath is jeopardizing the results that have been achieved.

The Policies “Glass”: Half-Full or Half-Empty?

In November 2011, the Monti government came into being in order to provide the shock therapy that the country required in light of the growing economic-financial emergency. The government approached a daunting policy reform agenda with a two-pronged strategy: first, to

cope with emergencies and satisfy the expectations of the EU institutions and leader, and, second, to prepare the basis for relaunching the Italian economy. In its public presentation, this strategy was enshrined in the “Salva Italia” (Rescue Italy) policy mix followed by a second step of “Cresci Italia” (Grow Italy) packages. The major corrections to the dynamics of public expenditure were expected in the domains of pensions and labor market reforms, as explained in Stefano Sacchi’s chapter in this volume. Taxes were a key component of fiscal corrections, especially because Monti needed to fix the major budgetary problems in just a few weeks in late 2011.²

Product market liberalization and some degree of service liberalization were supposed to create the prerequisite for a more competitive environment and therefore relaunch growth. Monti also tried to pitch Italy alongside other European leaders demanding regulatory reform and the elimination of red tape across Europe, as shown by Francesco Stolfi in his chapter. Economists like Alberto Alesina and Francesco Giavazzi, however, criticized Monti’s policy mix for its excessive emphasis on taxation. Indeed, the evidence shows that cuts in public expenditures, if accompanied by labor market reforms and product market liberalization, cost less than a fiscal correction based for the most part on higher taxes.³

At the end of Monti’s government, taxes came back again on the political agenda as a major cleavage between Silvio Berlusconi and Monti. The former accused the government of having operated only via taxation, hitting Italians especially by taxing the house in which they live,⁴ and the Lega Nord (LN, Northern League) made an outrageous request to keep 75 percent of revenue raised in the northern regions at home. Monti responded that on taxation the Berlusconi government had been fiscally irresponsible, creating large holes in the public budget with the removal of indispensable taxes. Equally, he dismissed the demand of the League as an electoral claim with no empirical foundation.

Turning to measures for growth, Monti was in the objectively difficult position of not having any financial cushion to launch major public infrastructural programs around information technology. Looking for reforms at zero economic cost, Monti’s approach toward the way ahead was to use his technocratic legitimacy. The government was not afraid of angering special interest groups because it was not going for a second mandate. Hence, the executive could target service liberalization in domains fiercely defended by pressure groups. The rationale was to reduce rents in these sectors and generate growth through increased competition. The outcome is discussed by Liborio Mattina in his chapter. It was not a success.

Naturally, Monti needed the support of Parliament to bring about policy change, and he had a large parliamentary majority for most of his mandate. For most of the time, the government enjoyed the support of Berlusconi's *Popolo della Libertà* (PDL, People of Freedom), the *Partito Democratico* (PD, Democratic Party), and the *Unione di Centro* (UdC, Union of the Center). But parliamentary opposition to policies with diffuse benefits and concentrated costs resurfaced on more than one occasion and became overwhelming when Monti had to resign. Tellingly, in the dying hours of the Parliament, after Christmas 2012, the government suffered the humiliation of seeing the MPs pass a "reform" of the legal profession. This reform was "dictated," so to speak, by pressure groups in the profession. To approve this "non-reform," the government had to give away time that could otherwise have been dedicated to enacting temporary measures to alleviate the conditions in Italian prisons.

This episode shows that the core executive gradually lost control of the policy agenda for liberalization and structural reform as the months went by. In their chapter, Chiara Goretti and Luca Rizzuto argue that Monti's colossal attempt to revisit the Italian public expenditure in light of policy priorities was stymied by conceptual problems and political obstacles. The government also lost control of the policy agenda when Monti had to manage emergencies and mitigate local yet intense conflicts. The vicissitudes of the Ilva steel plant in Taranto (where the prosecutors stopped production) and the localized conflict in the Val di Susa (targeted for major infrastructural work for the high-speed rail between Lyon, France, and Turin) exposed the limits of the government.

But the late December episode (of caving in to the lobby of lawyers at the expense of introducing long-awaited changes in the prison regime) also reminds us of issues that were kept off the agenda. The government had a mandate limited to economic policy. In consequence, it did not act in areas such as citizens' rights (think of rights to sexual reproduction, where the current Italian Law No. 40/2004 was yet again dented and gradually torn to pieces by jurisprudence), thus staying out of a possible conflict zone created by the cleavage between Catholic and secular Italy. There was no major progress on the slow, erratic, and ultimately profoundly unfair Italian trials, the mechanisms of justice, and the condition of prisons, where approximately 68,000 detainees are amassed in establishments that should contain no more than 47,000 prisoners. An extreme hunger and thirst strike by the leader of the *Partito Radicale* (PR, Radical Party), Marco Pannella, in December 2012 did not foster any government or parliamentary action, although President Napolitano had previously called for action. Inaction was sanctioned, however. On 8 January 2013, Italy was condemned yet

again by the European Court of Human Rights under Article 3 (torture and inhumane conditions of prisoners) with a pilot sentence. The Court gave Italy a year to remedy this situation, warning that some 550 pending cases are hanging over the Italian government and will be decided at the end of 2013.

To sum up, then, there are elements of success in terms of policy change. Politically, the broad policy package was crafted to secure the support of a large parliamentary majority (see Daniela Giannetti's chapter) and the consensus of the EU and international institutions (see Stolfi's chapter). Until the last weeks of the government, when Berlusconi pulled the plug, Monti cashed in on his parliamentary support and the EU's endorsement. While during the first part of 2012 Monti was genuinely persuaded that success on the domestic front was possible to achieve, in the second part of the year he spent more time on the international and EU arenas. In any case, the economic performance of the country improved in terms of allaying the fears of financial markets about Italy's fiscal stability, and the country's international reputation improved steadily. In early 2013, Italy went to the polls with less panic and some degree of optimism about the future. At the same time, growth is still stagnating, and the structural economic conditions (competitiveness, unemployment rates, reduction of the debt, regulatory reform, quality of legislation, and so on) are still weak. The lack of reform in the domain of justice is also an important factor hindering growth, as shown by international comparisons. Lastly, as Goretti and Rizzuto make clear, the composition of public expenditure has not been revisited in light of priorities such as competitiveness and the knowledge-based economy.

Monti's Public Discourse and the Polity

To approach the polity dimension, it is useful to start from two dimensions that structure the discourse of governments in contemporary democracies when they are seeking consensus and legitimacy for policy change. One is communicative discourse, which covers the discursive strategies of leaders directed toward citizens and public opinion. Communicative discourse is used to generate legitimacy for the decisions made by the government. The other is coordinative discourse, which concerns the discursive strategies employed by political elites to coordinate policy change. Coordinative discourse is aimed at the generation of consensus among institutions.⁵

Monti encountered unique conditions and challenges. Bereft of direct electoral legitimacy, his government faced several hurdles with

regard to communicative discourse. The problem was compounded by the fact that the technocratic government needed to speak both to the citizens and to the financial markets, often with trade-offs between the social legitimacy of his decisions and their acceptability in the international political economy. There were challenges for coordinative discourse as well, since the puzzle of coordination this time was not about getting consensus among a diverse set of ministers from different political parties. Rather, this time the government was cohesive (compared with past experiences of center-right and center-left coalitions over the last two decades). It coordinated better than previous “political” governments. Yet for an executive lacking direct electoral legitimacy, there was an in-built problem of liaising with political parties and the Parliament. More importantly still, no matter how cohesive discourse might have been domestically, the international and European elites were players with veto power over every reform that Monti set out to implement in 2012. Finally, there were *liaisons dangereuses* between domestic communicative discourse and European coordinative discourse: in his chapter, Stolfi provides evidence that Monti played one against the other. After securing initial changes at home, Monti asked the European leaders to make their consensus for the new Italian policy visible and tangible; otherwise, he would not have been able to go back to the Italian public and ask them to carry on with austerity.

Having set the background, let us consider first how Monti and his government approached coordinative discourse and their style of interaction with the other institutions. The first cornerstone in this strategy was cooperation with the president of the Republic, Napolitano. Indeed, it was more than cooperation. Napolitano supported Monti throughout the life of the government, since the early day of this extraordinary tandem between a politician from the former Italian Communist Party and a professor from Bocconi University. It was Napolitano who called upon *il Professore* to enter the Senate first (the president can nominate Senators-for-Life) and, after a few days, to form a government.⁶

Monti capitalized on this support. In all major episodes of policy change, as well as in the domain of international relations, Monti presented his moves as the product of an agreement on “what had to be done” with President Napolitano. Thus, in seeking consensus for policy change, Monti’s discourse did not project to the media the notion that decisions were being made by a single actor—the prime minister. Instead, the government’s policy package was presented as the product of a joint endorsement of the prime minister and the president of the Republic (see Giannetti’s chapter). More ambiguous was Monti’s coordinative discourse toward the other major stakeholder of his government, that is, the political parties. Here, on the one hand, both Monti

and the parties that supported him crafted a message about the “exceptional role of technocracy in politics,” which was made necessary by the limited capacity of “ordinary party politics” to generate change. Yet, on the other hand, there was never a moment of total delegation to the government, since the parties were constantly being consulted and briefed, and their support was sought at least on the level of coordinative discourse. Monti said on several occasions that he knew that the parties which supported his government had to manifest certain opinions and raise some sentiments in the public arena, but he added that they behaved responsibly—up to a point, as the events of the last months of 2012 suggest—in the elite-level interactions with him and the core executive. The party leaders themselves projected the image of Monti as a loyal agent, “doing the necessary dirty work,” but ultimately accountable to the majority that supported him in Parliament. The relationship with parliamentary parties and Parliament was a mix of continuity with the previous government and some changes: at times, it seemed that the parties’ support for the government allowed institutional competition (between government and Parliament) to emerge, as Andrea Pedrazzani and Luca Pinto explain in their chapter.

All in all, we find an ambiguous coordinative discourse in the relationship with the parties supporting Monti. The newspapers portrayed a narrative of political parties subjugated to technocracy, but they also pointed to party leaders shrewdly using the government and avoiding the blame for harsh economic measures. Despite these narratives, in performing his job (dirty or not), Monti clearly matched some aspirations diffused across public opinion. His austere profile in the media arena (compared to the flamboyant Berlusconi), his image of rigor, and his insistence on religious attitudes went down well with citizens who were disgusted by blatant manifestations of corruption and mismanagement of public funding, at the national as well as the local level (see the chapter by Sergio Rizzo and Gian Antonio Stella).

On religion in particular, Monti avoided any possible tension with the Catholic Church. He inherited from the previous government the tricky issue of the Church not paying taxes on its buildings dedicated to tourism and non-religious activities (exposed in 2011 by the PR). Yet he handled this possible source of controversy by blending a discourse of basic justice—at a time of economic crisis, all parties, even the Church, are called upon to perform their civic duties—with substantial concessions to the Church. Indeed, the relationship with the Church could not have been tighter or closer. This is in line with Monti’s previous role of columnist and opinion leader, when he had attacked practically all public institutions, including the government and the Bank of Italy, but not the Vatican. In the meantime, the Catholic Church was

going through one of the most introverted periods of its political life in Italy, as argued by Alberto Melloni in his chapter on the Vatican. Benedict XVI's decision to step down from the papacy on 11 February 2013 was to confirm this in a sensational way. In the end, when Monti decided to present his own list for the 2013 elections, he received a public endorsement from the Church. Because of this, and also considering his close alliance with Pier Ferdinando Casini's UdC, he gave the impression that his coordinative discourse was geared to support and launch a sort of Christian Democratic Party 2.0.

The treatment of the unions provides a sharp contrast with what we said about the Church—and, should one follow the analogy we just mentioned, a differentiation between Christian Democracy 1.0 and 2.0. The former EU commissioner and Bocconi professor did not seek consensus for change in the areas of pensions and the labor market via any kind of corporatist coordinative discourse. Instead, as shown by Sacchi, the government's coordinative discourse was anchored to the belief that the unions had been one of the major actors bearing responsibility for the injustices, distortions, and inefficiencies of the Italian labor market and the state of pensions. As Lorenzo Mosca argues convincingly in his chapter, when an arena for concertation is suppressed, it does not disappear; rather, it often mutates into an arena of conflict. New actors enter the arena previously consecrated to corporatist coordination and activate conflict. This is one of the explanations for the location and intensity of conflict in Italy (see Mosca's chapter for other areas of conflict), which perhaps, combined with the social effects of the economic crisis, have led to the politicization of new actors such as the M5S led by the comedian Beppe Grillo.

Sacchi reminds us of the symbolic posture of Minister Elsa Fornero, who spoke to the unions as if she were giving a lecture, teaching pupils the right way of doing things. This insistence on the pedagogical components of the government's narration of the crisis is not unique to the case of pensions and labor market reforms, as we shall see below when presenting the communicative discourse. Before we do that, however, we must also mention that in the field of intergovernmental relations the overall approach was one of bringing back to the center decisions and responsibilities, often angering elected regional leaders and city mayors. As Goretti and Rizzuto show in their chapter, this recentralizing coordinative discourse was premised on the belief, widely held by economists, that strong fiscal institutions at the center can deliver on fiscal stability. In short, the message was "more power to the center" and "less money for local elected leaders."

Let us now turn to communicative discourse. In our case, what matters most is the narration of the crisis. A policy narrative follows

certain rules. It portrays the crisis as a temporal and causal sequence. Key to this sequence are the effects of the behavior of certain actors in terms of policy outcomes. The narrative matters because it somewhat explains the crisis to the two main audiences—first, the citizens and, second, the international markets and EU/international institutions. At the same time, the narrative supports a certain mode of interaction with these two publics (see Stolfi's chapter on international and EU institutions). To illustrate, a narrative that explains the crisis as a consequence of the selfish behavior of the strong countries of the Eurozone implies a relationship with Germany as the "other" and frees the Italian citizens from their responsibilities. In short, policy narratives propose their own heroes and villains, and they also provide a moral appraisal.⁷

There is indeed a stark contrast between the narration of the economic crisis and the role of Italy therein provided by the Berlusconi government and what Monti and his ministers said in public to secure broad popular consensus for policy change. Berlusconi provided a narration of international economic turmoil in which Italy was somewhat less exposed than other countries. When pressed within the Eurozone, Berlusconi put the blame on other EU partners, not on what the Italians had done. In short, he presented Italy as a relatively innocent victim of selfish international markets or as a scapegoat within the Eurozone. Monti started from an altogether different approach. He presented a model of interaction with Italian citizens based on the pedagogy of the crisis. Using his academic reputation, he acted as someone who was trying to explain the events, to persuade rather than to seduce or to allocate blame.⁸ From the outset, the government refused to separate Italy discursively from the European Union. Instead of emphasizing EU pressures on Italian economic policy (pressures that undoubtedly existed, as documented by Stolfi's chapter), Monti introduced to Italians the idea of "Europe" as "us." He argued against the separation of "us" Italians from the "other" Europeans.

The pedagogical claim is easy to grasp. At the cost of oversimplifying, Monti told the Italians that what appears to be, *prima facie*, "command and control" from Europe is instead a change in the direction of fiscal responsibility and fairness—across generations and across segments of the labor market. What the government does, it does in the common interest of all Italians. Of course, this was only the discursive presentation of the necessary policy change. The outcomes were not always in line with this presentation, as mentioned above and in the chapters by Mattina and Sacchi. Nonetheless, Monti innovated by using a tradition of Italian political discourse with its cleavage of "internal" and "external" dynamics, as shown by the literature on the *vincolo esterno* on economic policy.⁹

There is another element of the pedagogical approach to the narration of the crisis: the government presented the agenda for policy reforms as supported by a wide range of actors and institutions. Monti insisted on a very broad concept of ownership of the policy agenda of the Italian government, arguing that this was not the agenda of a group of technocrats. To begin with, the EU institutions and major EU leaders also owned the agenda, naturally. But the executive also presented the policy reform agenda as a set of policy beliefs ultimately shared with the president of the Republic, the major newspapers, the majority of economists, and international institutions such as the International Monetary Fund. By doing that, the government was seeking a sort of legitimacy *super partes*. The result was in a sense paradoxical, yet effective. Although there is no doubt that Monti and the core executive ministers had their own narration, during the early months this narration was viewed by the press and by public opinion as “impartial,” to some extent impolitic and neutral. Unsurprisingly, then, during the weeks preceding the 2013 elections, the major parties found it necessary to either pull the plug on the economic policy of the government (as was the case with the erratic but decisively negative appraisals of the government provided by Berlusconi) or to try to find room for a different narrative (as was the case with the PD, whose chief economist, Stefano Fassina, elaborated a different diagnosis and therapy for the Eurozone pains). In different ways, there was nothing “impolitic” anymore, to the point that Monti established his own political party to pursue his reform agenda.

Given the technical, supposedly “non-political” profile of the prime minister—at least up to the point when he decided to lead an electoral ticket for the 2013 elections—Monti accompanied his pedagogy with several symbolic activities that captured the attention of the media. Even technocrats are attracted to (or simply need) symbolic politics. As shown by Sacchi, Monti and Fornero targeted Article 18 of the labor code precisely because they knew that it was a sacred cow for the unions. The government sent several messages to the public about tax evasion, trying to explain pedagogically that tax evasion was a direct attack on the disposable income of those Italians who do pay taxes. But Monti also sent out the Italian tax police to jet set resorts in the Italian mountains and the high street in Milan, to show that the state knew where potential tax dodgers were spending their money. Further, the government made an effort to come to grips with the gap between income declared for tax purposes and actual income, relying on some indicators of conspicuous consumption (e.g., the type of bed linen bought for home use) to make the determination.

Politics as the Weak Link: Feckless Parties and External Challenges

At the end of 2011, the rise of a technocratic government was synonymous with the “default by the parties.”¹⁰ The change in the political game brought about by the Napolitano-Monti partnership did not, however, deprive the parties of opportunities to redeem themselves or to recover lost ground. The “strange majority” formed by the PdL, PD, and UdC turned out to be, in reality, the Italian equivalent of a *Große Koalition*. Napolitano himself moved with this perspective in mind, and his appeals brought two important new developments at the start of 2012: first, he set out a specific agenda for the PdL, PD, and UdC to introduce institutional reforms; second, he set up the “ABC summit meetings,” in which the leaders of the three parties (Angelino Alfano, Pier Luigi Bersani, Casini, respectively) took part.

Looking at the division of labor between the technocratic government and the parties that supported its work in Parliament, the latter might have gained more than one advantage. The government was making efforts to develop economic policies that would balance the public budget while also relaunching a program for growth. Meanwhile, the parties were busy carrying out a review of the electoral law and the constitutional set-up (a reduction of the number of members of Parliament and an alternative to the two-chamber system) and some real cuts to the costs of politics. As far as their own electors were concerned, they found themselves having to sell their support for Monti’s “blood, sweat, and tears” policies as proof of their sense of responsibility. At the same time, if they had come to an agreement on institutional reforms, they would have been able to draw up new rules jointly and play the card of their re-established credibility. Another incentive that might have pushed the parties in the “strange majority” to transform the quarantine in which the technocratic government had confined them into an opportunity for redeeming themselves was the potentially dangerous challenges that emerged during the course of 2012. The first of these was the challenge laid down by the media and by the prosecutors as a result of the scandals that emerged in the early part of the year. The other was the electoral battle, which, in the May council elections and the Sicilian regional elections in October, saw the greatest success for the M5S.

These challenges were certainly not new. For a number of years, the media have drawn attention to the links between money and parties and to the privileges enjoyed by the political class, continually banging away about this and systematically putting the spotlight on the initiatives taken by the magistrates.¹¹ The electoral battle, for its

part, produced successes in 2010 for the anti-establishment parties, such as the LN, M5S, and Italia dei Valori (IdV, Italy of Values), while the council elections of 2011 resulted in a heavy defeat for the center-right and poor results for the PD in spite of the gains made by the center-left.¹² The context in which the two challenges discussed above took place in 2012 was different, due to the complete loss of the already low level of trust in the political parties,¹³ the escalation of the judicial enquiries previously mentioned, and the indefensible contrast between the lifestyle and privileges of the “caste” and the widespread sacrifices connected to the austerity measures introduced by the government.

To be clear, the PdL, PD, and UdC did not succeed in any way in meeting these challenges. First of all, despite the repeated use of moral suasion by the president,¹⁴ the parties did not manage to stick to the institutional agenda that had been set for them. A clear example of this is the failure to reform the electoral law. The debate hinged on the unavoidable problems created by the electoral system in force. There was a perceived need to give back to the citizens the opportunity to choose not only the parties but also the candidates to send to Parliament and also the need to make the electoral systems similar for both houses. At the same time, the parties evaluated that a change of the overall electoral system was called for due to the failure of the coalition-based bipolarism and the rise of new competitors like the M5S.¹⁵

In February, the parties of the “strange majority” seemed close to an agreement on the following points: a German model for the choice of MPs by the electorate, through the reintroduction of single-member districts for the election of half of the MPs; a proportional share of the seats, with a minimum threshold to be achieved to gain any seats; the award of a number of seats as a bonus; and a reduction in the number of MPs to 750 (500 deputies and 250 senators).¹⁶ The discussion then came to a halt on the issue of a preference vote, which was called for by the UdC and by the ex-Alleanza Nazionale (AN, National Alliance) members of the PdL, but opposed by the PD and PdL). Other disagreements centered on the type of threshold (either national and explicit or constituency-based and implicit) and on the nature and entity of the bonus, that is, whether it should be granted to a coalition or to a party, whether it should be conditional upon exceeding the agreed-upon threshold, or whether it should be conceived with a view to building a majority or to strengthening the main party or the largest two parties. Over the course of the following months, the debate between the parties took one step forward and two steps backward, as became clear at the end of May, when the PdL relaunched the French institutional model, and then again at the end of July, when, with the

support of the LN, the PdL managed to push an amendment through the Senate in favor of a semi-presidential system. After the summer, the parties continued the search for an agreement, this time to amend the existing voting system. The debate focused on the prize for gaining a majority in the Chamber, with a proposal to award it on reaching a minimum threshold of 40–42 percent of valid votes, a measure that seemed designed above all to make it possible for the Monti-led government to continue even after the elections. However, at that point, notwithstanding Napolitano's efforts, the approaching end of the legislature, which moved closer as a result of the early dissolution of Parliament, made any further debate futile.

The results of the (in)action of the parties were just as poor when we come to consider the costs incurred by the political system. As Rizzo and Stella point out in their chapter, the issues under discussion were chiefly the cuts in the costs of running the institutions, the reduction in the number of MPs and their salaries, the rules about the reimbursement of expenses incurred by parties in election campaigns, and the elimination of the provinces. The many discussions on these issues led only to a small number of cuts in the budgets of the two branches of Parliament and to the reimbursement of electoral costs run up by the parties. When compared with the failure to introduce electoral reform, the boomerang effect caused by the gap between what was announced and what was put into effect was made worse by scandals. These scandals, also discussed by Rizzo and Stella, involved the heads of the political parties' finance divisions (Luigi Lusi of the Margherita-PD and Francesco Belsito of the LN) and political figures at a regional level (including the president of the Lombardy regional council, Roberto Formigoni, and the PdL's party leader in the Lazio region, Franco Fiorito). What emerged was a mixture of sloppiness and bad practice, consisting of forgotten reimbursements of millions of euros of electoral expenses, accounts completely out of control, and public money invested in various peculiar ways or used to cover all sorts of private expenses. This chain of events led to institutional consequences, as well as affecting public opinion, and there were also some repercussions within some of the parties. The regional presidents Renata Polverini and Formigoni (both of the PdL) resigned after some hesitation and resistance. This led to the disbanding of the regional councils and new elections, to be held in Lombardy and Lazio. Public opinion appeared to be more united than ever on an anti-caste and anti-party line, and this helped to clear the way for the electoral successes of the M5S. From the parties' point of view, the most immediate effect was the end of Umberto Bossi's leadership and the decline of the League, as outlined in the chapter by Anna Cento Bull.

The May 2012 elections involved around 8 million voters and about 1,000 local governments, of which 28 were located in major cities and 159 represented populations of over 15,000 inhabitants. These elections rocked the foundations of Italian politics to the core.¹⁷ In spite of the partial and localized nature of the elections, the result was so clear and overwhelming that it took on an obvious national significance, so much so that some observers drew similarities between the local elections of 2012 and the 1993 elections that marked the definitive crisis of the parties of the First Republic.¹⁸ For the center-right parties, particularly the PdL, the defeat was a resounding one. The PD and the center-left gained many town halls, but they did not manage to secure any new votes. The center parties also failed to live up to expectations, although the UdC had hoped to gain some advantage from the crisis in bipolarism. There was, however, a significant increase in abstentions, as well as in the M5S vote.

As Rinaldo Vignati points out in his chapter, the result for Grillo's movement was important, both in terms of the votes received, which were sufficient to win the town hall of the city of Parma outright, and in terms of its ability to place lists and candidates over the entire national territory, even in the South, where the M5S had hitherto enjoyed only sporadic success. In his analysis, Vignati points to three main areas from which these votes came: from the League, from the IdV (whose votes were nearly all lost to the M5S), and from the PD, particularly in the councils within the "red" belt. This electoral success for the M5S brought two main consequences. Firstly, there was an immediate surge in popularity: in June the M5S had around 20 percent support in opinion polls, just below the PD and PdL, and in the Sicilian regional elections in October they managed to gain more votes than any other party with just under 15 percent.¹⁹ Secondly, the M5S's electoral success saw the emergence of disagreements over the party's internal decision-making processes. Although the movement's (non-)statute is based on the principle that "each member has equal value" and on the practice of "electronic democracy," in reality the M5S is founded on the unrivaled personal leadership of Grillo and his henchman Gianroberto Casaleggio, with a strongly verticalized structure. These features resemble those of many of the new parties that have emerged in Italy over the last 20 years.²⁰

Game Over? Monti's Resignation and the Parties' Electoral Choices

The local election held in May also had negative implications for the relationship between the parties and the government. The *défaillances*

of the executive began to appear in the Chamber halfway through the year, as Pedrazzani and Pinto point out in their chapter examining the activity of Parliament. The early successes of the government in terms of restoring public finances and reducing the spread in the interest rate on Italian and German bonds induced parties to support the government. The electoral results made them uneasy, and they began to distance themselves from the executive. As Pedrazzani and Pinto explain, this was apparent in the PdL parliamentary group's behavior. For example, in the confidence vote on the "anti-corruption" decree (14 June), as many as 72 deputies from the PdL did not take part. When the bill went to the Senate, the PdL slowed down its approval until October. In the period immediately before the local elections, the government's popularity fell in public opinion, even though—as Giannetti points out in her chapter—the prime minister's ratings dropped less than the ratings for the ministers' team. In any event, despite the sacrifices being requested, the government still remained far more popular than the parties—as Monti himself stated, not without irony, in Brussels in October.²¹

For sure, after the local elections held in May, and even more markedly after a summer break shorter than usual, the parties' "animal spirits" switched their attention to the forthcoming national election and to their coalition strategies. Although they kept supporting the government, the two main parties distanced themselves from the executive in their rhetoric: the PdL dubbed it the "government of taxes," arguing that it had failed to revive the country's economic growth; the PD criticized it for its alleged anti-union position and its lack of attention to the working people and rising unemployment. Only the UdC and the "third pole"—that is, the members of Parliament belonging to *Futuro e Libertà per l'Italia* (FLI, Future and Freedom for Italy), the party of the president of the Chamber, Gianfranco Fini, and *Alleanza per l'Italia* (ApI, Alliance for Italy), the party of the ex-leader of the Margherita, Francesco Rutelli—remained aligned with Monti. It was against this background, during the autumn months, that electoral alliances emerged and the choice of their leaders took place. The process occurred in four stages: coalition primaries for the choice of the center-left candidate for the prime ministership, set into motion by the PD's secretary, Bersani, as early as June; an inquiry on Berlusconi's possible return; Monti's resignation and the early dissolution of the chambers by Napolitano; and finally, Monti's decision to "ascend" into politics.

As Gianfranco Pasquino and Marco Valbruzzi point out in their chapter, the decision of the young mayor of Florence, Matteo Renzi, to stand for election made the center-left primaries a real competition

with an unpredictable outcome. The primary elections attracted wide media attention, and the support for the PD increased five points in the surveys on voting intentions. At the same time, the primaries soaked up the party's nervous energy and opened up wounds that the early end of legislature had not helped to heal.²² Furthermore, Bersani's victory eliminated the candidate who was considered to have the greatest chance of success in the national elections.²³ Had Renzi been chosen to stand for the left as leader and designated prime minister, Berlusconi probably would not have stood as a candidate.²⁴ And this, in turn, would have implied that the contrasting pro-/anti-Berlusconi positions, traditionally unhelpful for the center-left, would have come to an end. This would also have forced the center-right to renew itself and helped the country to distance itself from its recent past. Berlusconi, however, was ready to play the game for a sixth time. He announced this intention to the PdL's youth members in June, but this was not officially confirmed until 5 December, after a series of alternative scenarios were put forward. In the early part of October, Berlusconi said that he was ready to take a step back if this would help to "unite the center-right," and he threw in the name of Monti as the possible "man to bring together the moderates." At the end of October, having come to an agreement with Alfano, he announced that he would not run again, and he would have called primary elections to be held in December, following the center-left primaries. At the beginning of November, however, Berlusconi changed his mind, declaring that primaries were "pointless," and, even though candidacies had already been announced, he canceled the election.²⁵

With the PdL increasingly divided between the anti-Europe, anti-Monti faction (Guido Crosetto and Giorgia Meloni) and more moderate positions that were closer to Monti (Franco Frattini and Gianni Alemanno), Berlusconi was successful in keeping the party united and in convincing party members that he was the only viable option for the center-right. In so doing, Berlusconi succeeded in a maneuver that many considered hopeless. He returned to the stage, championing an anti-taxation, anti-Germany, and anti-euro platform and launching himself into a "come back" campaign like the one in 2006 in an effort to ensure that he would have had influence and veto power in the post-electoral bargaining.²⁶ With this purpose in mind, Berlusconi even managed to patch up the alliance with the League. As Cento Bull recalls in her chapter, the League chose to support the PdL in the national elections in exchange for an agreement on the choice of Roberto Maroni as the center-right candidate in the regional elections in Lombardy.

On 7 December, two days after Berlusconi announced his decision to run again, the PdL's secretary, Alfano, declared in the Chamber that his party believed that the government had come to an end. This led Monti to communicate to Napolitano his intention to resign after the approval of the financial stability bill. On 22 December, Napolitano dissolved the Parliament. Meanwhile, Monti decided to put forward his own list, *Scelta Civica con Monti* (Civic Choice with Monti), and to stand as the leader of a group inspired by the so-called Monti Agenda, that is, the continuation of policies implemented by his government. This announcement came on 23 December, two days after the resignation of the government, and it immediately received the backing of the *L'Osservatore Romano*, the Vatican's newspaper. The UdC, FLI, Luca Cordero di Montezemolo's association known as Italia Futura, and the minister of cooperation, Andrea Riccardi, all declared their intention to stand alongside Monti.

By the end of December, the range of options for the coming February ballot was already clear. The competition would no longer be between two poles; instead, different poles materialized. In this political climate, it was immediately obvious that it would be unclear for the voters to know what they would be settling for when choosing between the alternatives on offer. After winning the center-left primaries, Bersani drew on the tradition established by the Partito Comunista Italiano (PCI, Italian Communist Party), Partito Democratico della Sinistra (PdS, Democratic Party of the Left), and Democratici di Sinistra (DS, Left Democrats), leaving the key elements of the program, such as taxation, employment, and welfare, to be set by the Fassina-Susanna Camusso-Nichi Vendola axis, thereby moving the coalition toward the left. For his part, Berlusconi based his campaign on factors such as the irrelevance of the spread and the abolition and reimbursement of the IMU tax and spoke out against anti-Italian plots hatched in international circles. Monti's offer was more ambiguous. Civic Choice formed an alliance with Casini's UdC, but it refused to present itself as a center party. In fact, it gambled on new forms of competition, above all the pro-/anti-Europe dimension, without, however, succeeding in communicating clearly enough the meaning of this different perspective. Grillo's M5S party, which in December held online primary elections for the choice of its candidates, launched an electoral campaign on clear but simplistic lines ("everybody at home"). Finally, on 29 December, Rivoluzione Civile (Civil Revolution), an extreme left group headed by the anti-Mafia prosecutor Antonio Ingroia, formally entered the race with the support of the parties that in 2008 had formed the Sinistra Arcobaleno (SA, Rainbow Left), plus the IdV faction led by its former leader Antonio Di Pietro.

Conclusion: A Year of Pointless Sacrifices?

The 2012 political year will undoubtedly be remembered because of Monti and his technocratic government. Despite ups and downs, his work achieved two important objectives: recovering international credibility and gaining time (and thus room for maneuvering) in order to face the dramatic financial emergency of the autumn of 2011. These were limited gains because there were no concrete results as far as growth and employment are concerned, and because policy reforms undertaken by the government did not lead to any structural change. It should be said that, as it became apparent in the second half of the year, despite the strong institutional guidance of President Napolitano, the political parties were incapable of doing better. They failed in bolstering both the economic and social reforms launched by the government and the institutional reforms (changing the electoral law and the bicameral system and cutting the costs and privileges of politics) that they had undertaken. This ineffectiveness was exacerbated by the emergence of considerable financial waste and malpractice, which brought the reputation of parties and politicians down to the lowest point, thereby paving the way for the electoral success of movements like the M5S, which were able to foment protest and take advantage of increasing discontent of voters.

In the early months of its mandate, during which it succeeded in taking full control of the policy agenda, the Monti government's discourse made frequent use of the metaphor of the diligent student working hard to "do his homework." After a year, that image could be brought up to date by making it clear that, notwithstanding all the hard work, there is a risk of getting a failing grade in the final exams. Indeed, we should not rule out the possibility that the efforts made by the government toward a recovery, whatever their cost, may soon prove to be worthless. A return to party politics and the tone adopted by some politicians in the early stages of the election campaign have been far from reassuring. Now that the experience of the technocratic government is over, political stalemate and decision-making incapacity are still a possibility, and this could plunge the country back into the dramatic situation that, in the autumn of 2011, preceded the arrival of the "external *podestà*" government.

Acknowledgments

We wish to thank the participants and the local organizers of the seminar at the Johns Hopkins University SAIS Bologna Center that led to the publication of this volume. We are grateful to Filippo Tronconi for his suggestions and to Valentina Sartori for her editorial support. Claudio Radaelli would like to express his gratitude to Roberto Baldoli and Jonathan Kamkhaji for their comments on an early draft of this introduction. The usual disclaimers apply.

— Translated by David Bull

Aldo Di Virgilio is an Associate Professor at the University of Bologna where he teaches Political Science and the Italian Political System in the Department of Political and Social Sciences.

Claudio M. Radaelli is a Professor of Political Science and the Director of the Centre for European Governance at the University of Exeter.

Notes

1. M. Monti, “Il podestà forestiero,” *Corriere della Sera*, 7 August 2011. Two days earlier, the European Central Bank (ECB) had sent a letter to the Italian government, signed by the ECB’s president, Jean-Claude Trichet, and by his designated successor, Mario Draghi, urging the Italian authorities to take a series of necessary measures.
2. See A. Bosco and D. McDonnell, “Introduzione. Da Berlusconi a Monti: Default dei partiti?” in *Politica in Italia 2012*, ed. A. Bosco and D. McDonnell (Bologna: Il Mulino, 2012), 44–59.
3. See A. Alesina and F. Giavazzi, “Spendere meno non è impossibile,” *Corriere della Sera*, 30 January 2012; A. Alesina and F. Giavazzi, “Essere prudenti è poco saggio,” *Corriere della Sera*, 20 February 2012; and A. Alesina and F. Giavazzi, “Ora date un taglio alle spese,” *Corriere della Sera*, 11 April 2012. On 1 May 2012, Giavazzi was appointed by Monti as adviser for public contributions to companies.
4. This is a reference to the IMU (municipal property tax), which applies to real estate properties.
5. See C. M. Radaelli and V. A. Schmidt, eds., *Policy Change and Discourse in Europe* (London: Routledge, 2005), and V. Schmidt, “Taking Ideas and Discourse Seriously: Explaining Change through Discursive Institutionalism

- as the Fourth 'New Institutionalism,'" *European Political Science Review* 2, no. 1 (2010): 1–25.
6. On the role of Napolitano and Monti as game changers, see Bosco and McDonnell, "Introduzione."
 7. See K. Dyson and K. Featherstone, "Italy and EMU as 'Vincolo Esterno': Empowering the Technocrats, Transforming the State," *South European Society and Politics* 1, no. 2 (1996): 272–299.
 8. Again, see Bosco and McDonnell, "Introduzione."
 9. See Dyson and Featherstone, "Italy and EMU as 'Vincolo Esterno.'"
 10. See Bosco and McDonnell, "Introduzione."
 11. The investigations carried out by Gian Antonio Stella and Sergio Rizzo in the *Corriere della Sera* and the publication by Rizzo and Stella of *La Casta* (Milan: Rizzoli, 2007) opened the way for the establishment of a new literary genre, not always produced by such reliable muckrakers.
 12. See G. Legnante, "Berlusconi ha perso: Ma chi ha vinto? Le elezioni comunali di maggio," in Bosco and McDonnell, *Politica in Italia 2012*, 124–140.
 13. See R. Mannheimer, "Fiducia nei partiti, dopo il caso Lusi crolla all' 8% E il 56% degli elettori vuole cambiamenti radicali," *Corriere della Sera*, 5 February 2012, and R. Mannheimer, "La fiducia nei partiti crolla al 2%: E l'80% dice no ai finanziamenti," *Corriere della Sera*, 22 April 2012.
 14. During the course of the year, Napolitano made a number of speeches regarding institutional reforms, particularly electoral reform. The president said that the reforms "could no longer be delayed" (May). He also expressed his personal sense of disappointment with the parties (30 July), urging them to take action (10 August) and reminding them of the commitments that they had made (29 November).
 15. See R. D'Alimonte, "La nuova legge sarà scelta sulla base delle alleanze," *Il Sole 24 Ore*, 13 January 2012.
 16. Luciano Violante (PD), Gaetano Quagliariello (Pdl), Ferdinando Adornato (UdC), Italo Bocchino (FLI), and Pino Pisicchio (Apl) all contributed to the preparation of the draft document. See R. D'Alimonte, "Non solo riforma elettorale," *Il Sole 24 Ore*, 19 February 2012.
 17. See L. De Sio and A. Paparo, eds., *Le elezioni comunali 2012* (Rome: Cise, 2012).
 18. See R. D'Alimonte, "Il voto misura gli effetti di due anni di crisi," *Il Sole 24 Ore*, 4 May 2012.
 19. After the vote in Sicily, another high point was reached in the statistics on voting intentions, and in November Grillo's blog made the following triumphant announcement: "We are the second party."
 20. See P. Corbetta, "Conclusioni: Un web-populismo dal destino incerto," in *Il partito di Grillo*, ed. P. Corbetta and E. Gualmini (Bologna: Il Mulino, 2013), 204–206.
 21. L. Offeddu, "L'orgoglio di Monti: 'Più popolare dei partiti nonostante i sacrifici,'" *Corriere della Sera*, 12 October 2012.
 22. The apparatus and many leading figures in the party showed a strong aversion toward Renzi. For the opinion of Massimo D'Alema, see R. Zuccolini, "D'Alema: 'Agenda Monti ora irrinunciabile. Renzi? Sostenuto da

- chi non ci vuole al governo;” *Corriere della Sera*, 6 September 2012). For the opinion of Rosy Bindi, see “Bindi: ‘Renzi è figlio di Berlusconi. Vendola: Se vince Matteo mollo il Pd;” *Libero*, 21 November 2012, and “Rivolta comunista contro Renzi: ‘Le liste le facciamo noi;” *Libero*, 26 November 2012.
23. See R. D’Alimonte, “Bersani avanti su Renzi di 10 punti,” *Il Sole 24 Ore*, 22 November 2012.
 24. See “Berlusconi: ‘Non mi candido se vince Renzi;” *La Nazione*, 18 September 2012.
 25. S. Merlo, “Pdl splash: ‘Ci vorrebbe un altro come me;” *Il Foglio*, 9 November 2012. The six candidates who collected signatures and confirmed their intention to stand in the election were Alfano, Michaela Biancofiore, Alessandro Cattaneo, Crosetto, Meloni, and Daniela Santanchè.
 26. See R. D’Alimonte, “Il Cavaliere sogna il 2006,” *Il Sole 24 Ore*, 7 December 2012.