# New Parties in Government in Italy:

# **Comparing Lega Nord and Forza Italia**

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To be presented to workshop on 'New Parties in Government', 2004 ECPR Joint

Sessions, Uppsala, 13-18 April.

Preliminary draft, comments welcome.

## Introduction

After a long period of relative stability in Western European party systems (Bartolini and Mair 1990), the 1990s have seen a dramatic increase in the presence of new political parties in national governments. Party system cartels (Katz and Mair 1995) have come under severe pressure, as new parties have forced their way into government coalitions (Mair 2002). Left-libertarian parties (Kitschelt 1988, 1989), such as the French, Italian and German Greens, have won power as junior partners in broad left or centre-left alliances, a development which has generally caused little disruption to normal patterns of Western European party politics. More troubling is the success of extreme-right or right-wing populist parties (Betz 1994), which have enjoyed strong electoral support in countries such as France and Belgium, and have managed to win pivotal positions in government formation in Austria, Denmark, the Netherlands, Norway and Italy. Serious comparative research on new parties in government is therefore imperative.

This paper examines this problem through the prism of an extreme case of new party penetration into the government structures: Italy since the early 1990s. The Italian case differs from all the other Western European cases in at least two respects. First, the emergence of new parties was in part a response to the collapse of the existing party system in 1992-3. Whereas in other West European countries new parties had to push hard to open a door which the establish parties had sought to keep locked, in Italy the door was left wide open and unattended, and the new parties found themselves in the unique position of having to govern themselves with little help from the previous governing elites. The second important difference is that, unlike in many other Western European cases where new parties were 'prophets' (to use Lucardie's [2000] terminology)<sup>1</sup> articulating new political demands unmet by the existing party system, in Italy the new parties had, at least in part, to represent a large constituency of voters who had little interest in 'new' issues and hankered after a degree of stability and continuity. There is also a further feature of the Italian case which deserves attention: the importance of the territorial dimension in the emergence and development of new parties. The Northern League, unlike most other populist right parties in Western Europe, bases its political message on its territorial identity; *Forza Italia*, the other new party examined here, emerged with the express purpose of articulating the conservative electorate throughout the national territory and preventing a territorial fragmentation of the anti-left vote. This raises important questions about the role of non-statewide parties in unitary political systems, and the impact of the current trend towards political decentralization for the functioning of party systems and governments at the national level.

These differences may cause some problems in generalizing from the Italian experience, and it is not our intention here to present a grand theory of new parties in government. However, it may also be the case that the performance of new parties in government in rather exceptional circumstances brings out with particular clarity some of the dynamics which are present in other cases. This paper will seek to illustrate the key features of the Italian case in terms which facilitate broader comparative enquiry.

The paper takes the following form. First, it will present a little historical background, giving a brief account of the collapse of the Italian party system in the early 1990s which created the conditions for the emergence to prominence of the new parties studied here. Then it will examine in more detail the origins and characteristics of the two new parties on which the paper will focus: the Northern League (*Lega* 

*Nord*) and *Forza Italia*. The rest of the paper will look at the two governing experiences of these parties, and seek to draw some broad conclusions.

## Changes in Italian party system: Crisis and Collapse 1992-94

The 1990s have been an exceptional decade in the history of Western European electoral politics, with unprecedented levels of party system and electoral instability, and corresponding changes to the map of party politics in a number of countries. A few numbers (taken from Mair 2002) bear this out. Electoral volatility in 15 West European democracies<sup>2</sup>, which averaged 8.9% in both the 1970s and 1990s, rose to 12.6% in the 1990s. Neither was this increased instability simply a function of growing flows of votes between established parties: the mean total vote for new parties<sup>3</sup> grew from 9.7% in the 1970s, to 15.3% in the 1980s, and reached 23.7% in the 1990s. Most of this shift can be accounted for in terms of the increased vote for Green parties, which doubled from 2.5% to 5% on average between the 1980s and 1990s, and extreme right parties, which more than doubled from 2.8% to 6.7% in the same period. Although developments in Italy were quite exceptional even by these standards, growing instability and disruption to the existing party cartels was a common characteristic of most Western European countries.

This is not the place for an extensive analysis of the transformation of the Italian party system in the early 1990s (the curious reader can consult, amongst others, Bardi and Morlino 1994, Morlino 1995, Gundle and Parker 1996, Bufacchi and Burgess 2001). For our present purposes, it is sufficient to note that a range of pressures became irresistible for the Christian Democratic(DC)-dominated centrist coalition which, in a variety of forms, had governed Italy since 1948. These pressures

included: the end of the cold war, which undermined the Christian Democrats' role as a bulwark against communism; the financial and currency crisis caused by years of loose fiscal policies and brought to a head by the Maastricht treaty and the crisis of the ERM; the emergence of the Northern League as a challenger to the DC in its Northern heartlands; and in the shorter term, the judicial campaign against corruption launched in Milan on the one hand, and the successful campaign for a majoritarian electoral reform on the other. Between the 1992 and 1994 elections, dozens of Christian Democrat and Socialist parliamentarians were placed under judicial investigation for a range of misdemeanors relating to corruption and illicit party funding, whilst the reform of the electoral system left a discredited governing class uniquely exposed to the wrath of a dissatisfied electorate. A mafia bombing campaign added to the political turbulence.

These developments made a change in governing coalitions appear inevitable, particularly in view of the territorial divisions within the centre-right electorate. The beneficiaries of electoral change were most likely to be, on the right, the Northern League in the North, and in the South and Centre the National Alliance (AN) – a 'new' party built on the remnants of the old Fascist-inspired MSI; and on the left, the reformed Italian Communist Party, which had renounced its communist identity and now called itself the Left Democrats (PDS, later DS). Given the territorial divide on the right of the party system, and the antagonistic relations between the League and AN, the most likely successor to the DC as main governing party appeared to be the DS, still viewed with extreme suspicion by many conservative voters and elites. This diagnosis became even more compelling with left victories in mayoral elections in major cities such as Rome, Naples and Venice at the end of 1993. The fragmentation of the DC (which split into two, and later several more, parties in 1993) and the

practical organizational collapse of its main coalition partner the Italian Socialist Party, appeared likely to hand over the reins of power to a party which had until recently identified itself formally with the communist tradition.

In fact, an alternative conservative political force was already being secretly constructed throughout the second half of 1993. Media magnate Silvio Berlusconi used his financial clout and the organizational resources and nationwide presence of his own business empire (*Fininvest*) to build a new party, named *Forza Italia*, which recruited largely political novices to stand, under Berlusconi's leadership, as candidates in constituencies throughout Italy. *Forza Italia* became the pivot of a broad right electoral coalition which included both the Northern League and AN: the 'Pole of Liberty and Good Government' (*Polo delle Libertà e del Buongoverno*)<sup>4</sup>. This hastily formed coalition, which had the clear purpose of averting a left-dominated government, won the elections of March 1994. The inevitably fractious parliamentary majority it produced collapsed after only nine months, but was reconstituted in almost identical form for the 2001 elections (this time as the House of Liberties [*Casa delle Libertà*]). This time the coalition won even more decisively, and has governed with perhaps surprising cohesion since 2001 until the time of writing.

In a loose sense, just about all of the parties currently represented in the Italian parliament can claim to be 'new', such has been the degree of turbulence in the party system since 1992. However, there are degrees of newness which allow us to make some distinctions. On the right, the National Alliance (AN) shows a considerable continuity with the MSI, with most of its leading figures having been MSI activists previously. It has certainly undergone an important ideological shift in a short space of time, but this is a characteristic shared with many established parties in Western Europe. A similar argument could be made for the Left Democrats (DS), most of

whose leadership and activist base were previously members of the Italian Communist Party (PCI), although it too has ostentatiously abandoned its ideological roots. Here we consider both these parties to be, in essence, identifiable with their predecessor parties. The same could be said of a number of other smaller parties in the Italian parliament.

The League and *Forza Italia* (FI), on the other hand, are recognizably 'new'. Their leaderships (with a few exceptions in FI), and in good part their memberships, had not been formally affiliated with any of the established parties, although with their electoral successes they have subsequently acquired some of the personnel of those parties. Neither has built on pre-existing party organizations in any direct sense. Furthermore, they are both quite distinct from the parties they replaced in terms of ideology, discourse and organization, although they have both clearly inherited a substantial part of the electorate of the Christian Democrat-dominated governing coalitions. These two parties between them currently hold just short of 35% of the seats in the Lower House, and the majority of ministerial posts.

Though both on the right of the political spectrum, and coalition partners in the present Italian government, these two parties have very different origins, and their presence in government has had very different effects. The next two sections will examine the formation of the two parties, and a subsequent section will look at how these origins have translated into a very different response to the government experience.

# The Northern League: Regionalism, Populism and Protest

The emergence of the Northern League has to be understood in terms of the parallel decline of the Italian Christian Democrats, the main governing party in Italy from 1948-94. Although the DC became notorious for its clientelistic channeling of funds to the South of Italy and even its ties with Southern organized crime, it is less well understood outside Italy that its key electoral heartland was in fact the North-East (the regions of the Veneto, Trentino-Alto Adige and Friuli-Venezia-Giulia, and some Eastern provinces of Lombardy) (Diamanti 2003). The growth of the League in the late 1980s and early 1990s was the main reason for the collapse of the DC, since it ate at this support base and thus eroded its ability to use the national government to sustain its rather more fragile political support in the South. The emergence of the League was a direct challenge to the DC, and the League articulated a range of social demands that the DC proved incapable of delivering on (Newell 2000: Ch.4, Gold 2003).

The League has its origin in several independent movements which expressed sentiments of cultural, linguistic and ethnoregional identity (see Diamanti 1993: Ch.3). Most prominent of these was the Liga Veneta, which built on a long tradition of Venetian historical and linguistic identity. As the movements grew, it was recognized that such particularist claims would be a brake on electoral growth, and under the leadership of Umberto Bossi of the Lombardy League, a process of unification took place leading to the formation of the Northern League. This unification diluted the ethnic and linguistic identity of the Leagues, and replaced it with a much broader identification with the 'North'<sup>5</sup> (later christened *Padania*) which made little sense in terms of any ethnic identity. As a result, the League cannot be considered a genuine 'peripheral nationalist' movement along the lines of the Basque or Catalan parties in Spain.

The League is rather clearer about the social groups it aims to represent, and the broad political and economic grievances it expresses. The slogan Roma ladrona (thieving Rome) captures the essence of the League's message it its simplest. Rome, the capital city and seat of the national government, steals and wastes the money of ordinary hard-working citizens. The use of Rome as a symbol of the inequities of the Italian tax system serves a dual purpose: it also identifies the state, responsible for extorting and then wasting taxpayers' money, with the territorial south of Italy (Rome, whilst located in what is usually called the Centre of Italy, is geographically very close to where the South (Campania and Abruzzo downwards) begins. The social groups the League seeks to represent are those most intolerant of the burden of taxation placed on productive activity in Italy: the owners and employees of small and medium sized businesses (which are disproportionately numerous in the North-East), and the self-employed. The League articulates the frustration felt by these sectors at what they perceived to be an onerous burden of taxation, and at the waste of public money, which had undeniably in part been used by political leaders – either through patronage and clientelism, or through outright corruption – to buy electoral support and sustain expensive electoral machines. The economically stagnant South was identified by the League as the main, and undeserved, recipient of the resources 'extorted' from hard-working Northerners through the tax system. Intolerance of the South extended to Southern immigrants living in the North (and indeed to all other immigrant groups too).

The League's political discourse contains therefore a slightly inchoate and potentially contradictory mix of demands, which place it in a difficult position once it finds itself in government. On the one hand, it is a party of protest. The slogan *Roma ladrona* is just one example of the crude, divisive and oppositional language the

League has systematically employed; it has also regularly insulted the all of the other Italian political parties, including its current coalition partners<sup>6</sup>. Its anti-state and antiparty rhetoric sits uncomfortably, therefore, with its choice to participate in the state institutions in Rome (receiving, of course, public funding for the party organization), and take part in government coalitions with parties based largely in the South (AN) and which identify themselves with the legacy of the DC (CCD-UDC, and indeed to an extent Forza Italia). On the other hand, it is also a party which represents the particularistic demands of one particular territory within the state – the North -, without developing a clear idea of the contours, identity or interests of that territory. As a result, the League has regularly changed its position on the response to Northern grievances – from a 'tripartite' federalism, to outright secession, through to 'devolution'. In particular, there is a clear tension between the demands for regional autonomy in some sub-regions of the North – especially the Veneto –, and the League's appeal to *Padania*, a macro-region (with uncertain boundaries) which could secede from the Italian state, or remain in a confederal arrangement with two other macro-regions (Centre and South). This vagueness has often been 'resolved' by turning attention to what the North is not: in other words, attention has been directed to immigration, and particularly non-European immigration, as a threat to Northern identity. In short, the League's identity as a protest party, and its appeal to territorial particularism, are both difficult to translate into a coherent and concrete programme of government action.

Where the League faces fewer contradictions is in its defence of the socioeconomic interests of a particular social class: the lower-middle income groups working in the private sector of the economy, especially in small and medium sized businesses exposed to international competition. Here its emphasis on lower taxes,

whilst still often using populistic language, is not dissimilar to the positions adopted by many mainstream centre-right parties, and is easier to translate into concrete government policies (although Italy's debt problems make large-scale tax cuts a difficult operation to pull off). Where the League parts company with mainstream conservatism is its demagogic approach to the international economy: whilst in the early 1990s the League mobilized support around the need to reform economic policy in order to help Italy meet the Maastricht criteria, once the Euro was actually adopted the League began to adopt a clearly Eurosceptic discourse, and more recently it has begun to advocate protectionist measures to safeguard Italian business against Chinese competition. So even though the League has an identifiable social base with reasonably coherent economic interests, this has not prevented frequent recourse to an essentially oppositional and demagogical political message, in part anti-statist in its appeal for lower taxes and less regulation, in part statist in its demands for protectionism.

In sum, the League is essentially a populistic protest party by nature, and despite having a clearly defined social base, lacks a coherent and realizable set of political proposals for government action. It has been relatively successful in switching its discourse, sometimes quite fundamentally, to maintain its electoral appeal (even though its vote declined in the late 1990s, in 2001 it still won just short of 4% of the national vote, which amounted to 8.1 % of the vote in the North). However the inconsistencies in its political message make the governing experience dangerous for the League's survival. Moreover, governing inevitably means bridging the very same territorial divides which the League has sought to mobilize and accentuate, since there is no possible centre-right majority in Italy which does not

draw a large share of its electoral support from the South. For the League, governing means collaboration with its explicitly defined territorial and political enemies.

## Forza Italia: The Business Firm Party

*Forza Italia* (FI) is a very different party from the League in a number of ways, although it shares with the League a strong populistic, even demagogical, tendency in its political discourse. Its origins and organization are very different and the governing experience presents FI with as many opportunities as constraints.

Whereas the League was the product of the growing dissatisfaction and anger with the existing political system amongst well defined social groups in Northern Italy, FI was only founded *after* the collapse of the DC-dominated party system. FI is therefore neither a 'mobilizer' nor a 'challenger' (Rochon 1985); instead it is in many respects a 'substitute' party for the DC and PSI. However, the discrediting of the DC-PSI political class places FI in an ambiguous position: on the one hand it claims (sometimes openly) to represent a certain continuity with the DC-PSI, on the other it claims to represent a departure: in 1994 it made frequent appeals to the concept of 'il nuovo' – identifying itself as a new, pristine, political force capable of resolving the problems left by the old party system. This ambiguity is inevitable, given the position of FI's founder and leader: Berlusconi had no formal party affiliation or elective experience before 1994, but he was also a very close ally of the DC-PSI governing system, and in particular of PSI leader Bettino Craxi, who after 1992 became the symbol of the corruption and misgovernment of the DC-PSI coalition.

The formation of FI was therefore an emergency response to the collapse of the DC-PSI governing arrangement. The strong showing of the DS and its left-wing

allies in the mayoral elections of 1993 suggested a serious risk that the former communists could win power at the national level for the first time. This was a prospect which alarmed many on the centre and right in Italy, and the effective disappearance of the DC and PSI left the conservative electorate without a strong antileft alternative for which to vote. The prospect alarmed Silvio Berlusconi even more. His business interests were heavily dependent on the political backing of the DC and PSI elites, and their disappearance left him exposed at a particularly difficult juncture for his Fininvest corporation (it had very high debt levels, and its solvency was sufficiently under threat for its creditors to impose a caretaker manager to sort out its accounts). One of Fininvest's key sectors was television broadcasting, in which it had acquired a dominant position through a selective application of broadcasting rules by the Craxi government, later institutionalized by a TV regulation law (Legge Mammi) passed by the Andreotti government, which retrospectively legitimized the Fininvest private TV monopoly. Without the protection of these political sponsors, Berlusconi ran the risk that his political adversaries would pass an anti-trust law which would result in expropriation of some of his TV interests, which would have serious ramifications for Fininvest as a whole.

The nature of the party organization Berlusconi built could hardly have been more different from that of the League. Whereas the League built a relatively strong and dynamic organization based on highly committed voluntary activists (Cento Bull and Gilbert 2001: 12-13), FI had no mass base at all to speak of when it won the 1994 elections. Instead FI was articulated by the territorial offices of Berlusconi's business empire, in particular, his TV advertising company Publitalia 80 (Farrell 1995). Regional Publitalia bosses screened and chose the party candidates and coordinated their election campaigns. Although a move was made to develop a kind of mass organization – in the form of the *Forza Italia* 'clubs' – this organization was kept formally separate from the party itself, and hastily abandoned after the 1994 elections. Although the party's disastrous showing in its first local elections convinced Berlusconi that some kind of mass organization was needed (Paolucci 1999), the mass membership has no formal capacity to influence central party policy, which remains in the hands of an unelected clique of Berlusconi's closest allies (for an account of the party statutes, Poli 2001 Ch.6). The party's political campaigning rests very heavily on the use of Fininvest resources, most importantly its TV stations, but also its marketing and advertising arms.

These characteristics have led to descriptions of FI as a *partito-azienda* 'business firm party' (Diamanti 1995, Hopkin and Paolucci 1999). In its initial phase, there was not a clear dividing line between *Forza Italia* the party and Fininvest the corporation. Regional managers of Publitalia become regional organizers of FI (some of them remaining in position for several years); Fininvest TV channels faithfully broadcast the party's electoral propaganda even in the most unlikely formats (game shows etc.); and of course, the head of Fininvest was the undisputed leader of the party. Realization that some kind of more solid territorial presence was necessary has led to an attenuation of these characteristics over the decade of the party's existence. To a considerable extent, this has involved the 'recycling' of local elite groups previously to be found within the DC and PSI; this is the case for areas such as Sicily (where a clientelistically mobilized 'captive' vote allowed the right alliance to win all 61 constituency seats in the 2001 elections) or Liguria. However in other areas where FI has a weaker electoral base (such as Emilia-Romagna) the party organization is almost non-existent.

The implications of this organizational history and development for FI's role as a governing party are complex. On the one hand, to the extent that Berlusconi's political adventure was - at the very least - in part motivated by very pressing private concerns, government power allows those concerns to be met. To this extent, FI is very much a party that seeks to govern, and does not suffer the temptation to retreat to the opposition that can affect a movement such as the League. Moreover, given the weakness of the party apparatus, government power also represents an opportunity to strengthen the party organization by attracting new members through patronage. However being in government also poses difficulties. FI's political message to mobilize the vote has been dominated by a negative message – anti-communism – which is of little use in guiding government policy. To the extent that FI has a positive message, it is a set of unrealistic promises on valence issues: a 'new Italian miracle'. Such a message is much easier to sell in opposition than in government.

#### The 'House of Liberties' Coalition in Office: New Parties, Old Problems

Our account of the history and organization of the Northern League and FI has suggested differing, but equally difficult, responses to the challenge of governing a complex country such as Italy. For the League, the greatest problem is to reconcile its populistic and often incoherent political message with the range of possible policies and institutional reforms, given the constraints of coalition government. For *Forza Italia*, the difficulty resides in reconciling the prosaic private priorities of the party leader with the extraordinarily ambitious and incoherent set of promises the party 'sold' to its electorate. To this must be added the inevitable difficulties involved in managing a government coalition of several different parties in a period in which Italy

has faced a number of pressing, and not easily soluble, political, economic and social problems. These difficulties have been very apparent during the coalition's two periods in office, which we shall now look at in turn.

#### From Victory to Collapse in 9 months: The First Berlusconi Government

The first Berlusconi government was a remarkable illustration of the problems facing new parties during their first government experiences. Formed after the election victory in March 1994, 'Berlusconi I' fell in December 1994 after the League withdrew its parliamentary support. In that brief period the contradictions facing the two parties were made very clear. The League was extremely uncomfortable sharing government office with AN, which, as well as having an openly fascist past (the League has always predicated anti-fascism), also won most of its votes in the South. The League was also placed in a difficult position by Berlusconi's early attempts to 'resolve' the 'judicial question' – in other words to hinder the zealous anti-corruption drive of the Milanese magistrates, which the League had initially supported (in the name of defeating Roma ladrona). In June 1994 - less than a month after the government was formed - Berlusconi's Justice Minister Biondi introduced a decree which, amongst other things, stopped magistrates from using preventive detention for white-collar crimes. When the Milanese magistrates protested, the League's ministers immediately disassociated themselves from the move, and the decree was withdrawn. These events demonstrated the difficulties faced by a populist, anti-establishment party which joined a government led by a product of the very establishment they had been opposing. These difficulties also had a territorial dimension, as the former Christian Democrats and AN, and indeed FI itself, all significant shares of their votes

in the South, and could not therefore sympathize with the particularistic demands on which the League had built its electoral support.

Berlusconi himself also faced a number of intractable difficulties. In particular, the economic programme he presented to the electorate was hopelessly unrealistic, promising deregulation and low taxes without any clarity about the savings which would finance a low-tax regime, or the regulations (and their beneficiaries) which would be affected. In the climate of the early 1990s, in which government deficits were out of control and the Italian currency was free-floating and lacking in credibility, this wishful thinking was quickly exposed. The deficit ran wild, placing the currency under pressure and threatening to destroy whatever chances Italy had of entering the Euro. Berlusconi's response was to propose cuts in pensions entitlements, leading to a series of imposing strikes and demonstrations which the government seemed too weak to override. The League, well aware that most pensioners lived in the North, was not prepared to associate itself with unpopular spending cuts, nor with a government whose economic policy lacked credibility in business circles and in the markets. This economic failure, a direct consequence of Berlusconi's inability to develop a realistic and coherent economic programme, can be regarded as the main reason for the government falling so quickly.

One short-term reason for the League pulling the rug from under Berlusconi was that the Milan anti-corruption investigations finally reached the Prime Minister himself. Berlusconi's difficulties with the magistrates were, arguably (see Barbacetto, Gomez and Travaglio 2002; cf Burnett and Mantovani 1998), one of the main reasons he decided to enter politics. In either case, Berlusconi's own undoubted vulnerability on the corruption issue highlighted the contradictions in his ambiguous project of saving the 'old guard' of Italian politics whilst presenting himself as a force for renewal. Whilst the League was unable to govern in 1994 because it was incapable of moving beyond its oppositional populism and its regional electoral base, *Forza Italia* was too closely tied to the personal interests of its founder to have a coherent economic programme or a genuine project for political innovation and change.

## Surviving without Governing? Berlusconi II (2001-4)

After 1994, Berlusconi and his coalition allies spent a period of over six years in opposition. Berlusconi I was replaced by a caretaker administration supported by the centre-left, and in the 1996 elections, the Northern League stood alone, causing the defeat of the *Polo delle Libertà*. The League did extraordinarily well in these elections, winning 10.1% of the national vote (20.5% in the North), and the remaining centre-right parties also did well, but their divisions were heavily penalized by the electoral system. The two parties reacted to this difficult period in different ways. Berlusconi sought to use his opposition role to influence and condition the behaviour of the centre-left government, exploiting the enthusiasm of DS leader Massimo D'Alema for constitutional reform to win policy concessions. In exchange for promoting a set of institutional changes with D'Alema through a bicameral commission, Berlusconi won a commitment on the part of the government not to intervene to curb his media interests (Bufacchi and Burgess 2001). This proved an astute move, since Berlusconi later withdrew his support for the reforms, meaning that the deal cost him nothing. The League, on the other hand, reverted to protest, adopting an increasingly demagogical discourse, going so far as to demand the secession of the North (which bits of the North was less clear) from the Italian Republic, organizing a private referendum on seccession, and offering support to a small group of 'Venetian

nationalists' who staged a bizarre armed occupation of the bell tower of San Marco in 1997. The League was concerned that, in a coalition with Berlusconi, *Forza Italia* could win over much of the League's less committed electorate, and the exit from Berlusconi's government and the subsequent radicalization of the party's discourse responded to this diagnosis (Biorcio 2002: 91). The electoral success of 1996 provided some vindication for this strategy, but the party's resulting isolation led to an electoral decline, and a consequential reversion to a strategy of alliances. A deal was struck for the regional elections of 2000, and in 2001 the League once again allied with *Forza Italia* and AN in the *Casa delle Libertà*.

The substance of this deal is subject to some controversy (see for example Loiero 2003: Ch.3). The published version (see Vespa 2001) indicates the exchange of a federalizing reform which would allow the North to keep the bulk of its resources for itself, in return for the League's agreement to join the *Casa delle Libertà* and unite the centre-right vote throughout the North of Italy. Other motivations (such as financial help for the League's party organization) have also been suggested (Loiero 2003: 981-2). Either way, what has become clear in the three years of the second Berlusconi government is that the League and *Forza Italia* have established a very stable pattern of cooperation, and that the internal difficulties faced by the government coalition have involved these two parties' relations with their other coalition partners, AN and the small Christian Democrat party UDC. These difficulties likely reflect the fact that the Berlusconi-Bossi deal, if indeed it does imply a reallocation of state resources away from the South, clearly damages AN and UDC's largely Southern-based electorate. The Berlusconi-Bossi deal has held so far because the League can present a credible threat to leave the coalition and retreat to a position of opposition, a

move which would, like in 1994-2001, probably bring about the collapse of the Berlusconi government and the resulting electoral victory of the centre-left.

The contradictions inherent in this arrangement are revealing of the special position occupied by new parties in the party system. The League is essentially an opposition party, and frequently resorts to very 'unstately' behaviour; for instance, the recent 'occupation' of the Chamber of Deputies by League parliamentarians in protest at a disciplinary decision made by an AN parliamentary vicepresident<sup>7</sup>, or Bossi's suggestion that illegal immigrants approaching the coast in boats should be fired upon by the Italian Navy. The frequent use of demagogical language and threatrical stunts (carefully orchestrated for maximum TV exposure) indicates the League is well aware of the risks involved in government participation, and therefore seeks to remind its voters of its essentially anti-government attitude whenever possible. The League's public attitude to government participation – sharing power with the 'Fascists' of AN and the corrupt, pro-South UDC - is that it is a necessary evil, the only way to achieve a federal reform which will give the North to power to govern itself. A frequent invocation is 'devolution straight away, or the government falls'<sup>8</sup>, even though the devolution reform being promoted by the government is making painfully slow progress through parliament, and on some readings adds little to the provisions already contained in the centre-left's 2001 constitutional reform (see Vandelli 2002: Ch. 2). However, this public face contrasts with another side of the League's government activity, which it tries very hard to conceal from its electorate: its unfailing support for Berlusconi's ad personam legislation (see below), and its enthusiastic participation in the clientelistic mechanisms of the state which it had long condemned under the broad term of Roma ladrona (the most obvious examples of which are its control of the recruitment of personnel at Milan Malpensa airport, and its part-control of the spoils system at the creaking state air company *Alitalia*).

*Forza Italia* is in a very different position. Unlike the League, *Forza Italia* was created with the clear intention of governing the state, and does not have the 'exit option' of retreating to the sidelines as a radical 'anti-system' party. Instead, FI's problem is the contradiction between two sets of political objectives: on the one hand, the publicly professed goal of a 'new Italian miracle', an economic and social modernization of Italy around broadly liberal principles, and on the other Berlusconi's rather more exclusive set of political priorities: curbing the prosecuting magistrates investigating his business affairs, and protecting (even promoting) these business affairs, and in particular his media interests. After ten years of political activity, and close to three years of uninterrupted government power, it can be concluded that *Forza Italia* has demonstrably failed to produce an economic miracle, but has been relatively successful in promoting the private interests of the Prime Minister and his companies. We shall look at these two fronts in turn.

From the point of view of its ostensible political programme, *Forza Italia*'s failure is in large part characteristic of the difficulties faced by all populistic parties once they reach government. FI differs from parties such as the League, or the extreme-right parties in many other Western European countries, in that it does not claim to provide a simple (and usually unrealistic) solution to a particular policy problem such as fiscal transfers from rich to poor regions, or the consequences of non-EU immigration. However its failure to deliver an economic 'miracle' bears a close resemblance to the difficulties faced by populists such as Haider or the followers of Fortuyn when they won power: like them, FI promised a quick solution to a much broader, and therefore all the more intractable, problem.

There are two reasons why FI's programme was bound to disappoint. First, in order to ensure electoral success, it was hyperbolic in its promises. Instead of promising specific economic reforms which might help Italy to grow, Berlusconi committed himself explicitly to swingeing tax cuts which in the current European economic context cannot possibly be sustainable, and also (here more imprecisely) promised a transformation of Italy's economic performance analogous with the country's remarkable development in the immediate post-war period. In short, whilst in opposition FI garnered support by blaming all of Italy's many and well-entrenched problems on the ineptness of his political opponents and assuring voters that Berlusconi's managerial talent would succeed where others failed. Once in government, Berlusconi's inability to live up to these high expectations destroys his credibility. The second reason is that, to the extent that Forza Italia does have a concrete set of policy proposals, these proposals are actually politically high-risk. FI has, with varying degrees of clarity, promised liberalizing reforms, such as labour market flexibility, cuts to state pensions, deregulation and privatization. Many of these proposed reforms have easily identifiable losers, and the heterogeneity of the governing coalition has made them almost impossible to pursue: on both labour market and pensions reforms the government has beaten a hasty retreat in the face of union mobilization and broad public opposition. The broad result is a failure to develop any coherent economic strategy, and a high degree of disillusionment amongst voters who had believed Berlusconi's promises.

However this broad failure contrasts with Berlusconi's private successes (see Hopkin 2003). On the media front, the 'Gasparri Law' currently making its way through parliament (with the solid support of all the coalition partners, and in particular of the League) will not only ensure that Berlusconi's Mediaset company

will not have to divest itself of one of its three nationwide TV channels (as various Constitutional Court sentences had ordered), but will also allow it to expand in new areas of media activity<sup>9</sup>. On the judicial front, 'ad hoc' laws on judicial access to Swiss bank documentation, on the depenalization of false accounting (both 2001), on requests for trials to be moved on the grounds of judicial 'bias' against defendants ('Cirami law' 2002), on the immunity from prosecution of the holders of the main offices of state ('lodo Schifani' 2003), as well as the proposed general reform of the judicial system recently announced by the government, have all contributed to obstructing the work of prosecuting magistrates in the various trials Berlusconi and his Fininvest colleagues are involved in. Even the abolition of inheritance tax (2002) – worth hundreds of millions of euros to the Berlusconi family – could be interpreted in terms of the Prime Minister's personal payoff. In short, it is not difficult to make the case that Berlusconi, and his closest family and allies, have made significant private gains out of his political adventure.

This very mixed record – failure in terms of the national interest, success in terms of the private interest – points to the essential unsustainability of the *Forza Italia* project (as the author has argued elsewhere; Hopkin and Paolucci 1999). FI's success in 'selling' a set of barely credible promises to an electorate still inexperienced in bipolar, majoritarian politics is necessarily a temporary phenomenon, even if we allow for Berlusconi's extraordinary advantage in terms of media exposure. The Italian electorate has been very indulgent towards Berlusconi's ill-disguised pursuit of personal advantage whilst in office, but is unlikely to extend its line of credit much further if the promised economic 'miracle' and attendant tax cuts fail to materialize. Furthermore, unlike the League, which has the option of reverting

to anti-government protest from its Alpine heartlands, *Forza Italia* makes little sense as a protest party alone.

The most likely option for FI's survival is suggested by organizational developments on the ground. Although only patchily, the party has developed a genuine grassroots presence in some parts of Italy, where it has tended to rely on 'recycled' political personnel from the pre-1994 governing parties (mainly the DC and PSI) (Diamanti 2003). This territorial presence has often drawn on the 'traditional' clientelistic practices of electoral mobilization, most obviously in Sicily. This suggests that the party could institutionalize along the lines of a modernized clientelist party model, distributing 'club goods' to identifiable electoral clienteles. One example of this kind of strategy is the Berlusconi II government's generous distribution of informal and ad hoc tax breaks to traditional centre-right constituencies such as the self-employed, small business and small retailers<sup>10</sup>, a group which is much larger as a proportion of the working population than in other Western countries. Although this kind of strategy is increasingly difficult in an age of 'permanent austerity' (Pierson 1998) and external budgetary constraints, in combination with Berlusconi's media resources it could offer FI a prospects of institutionalizing itself as a durable governing party.

## Conclusions

In very different ways, the League and *Forza Italia* provide clear indications of the difficulties facing new parties in government. These difficulties, for the most part, stem from the essentially oppositional, and usually populistic, strategies for electoral mobilization that new parties adopt. Such messages play well in opposition,

but are quickly exposed as unrealistic and impracticable once these parties are called to take up government responsibilities. As a result, 'success in opposition, failure in government' (Heinisch 2003) is a common pattern.

Certainly, these difficulties are not unique to the new parties which have emerged in Western Europe in the last couple of decades. Similar arguments could be made about the workerist parties which began to win political power in the early part of the twentieth century, and which were quickly forced to downplay the utopian side of their programme of social transformation in favour of more limited policy objectives such as the expansion of welfare programmes or favourable legislation for trade unions (although these parties did have very strong organizations, unlike today's new parties). All parties, especially in multi-party systems such as Italy, are obliged to negotiate and compromise when in government, and can therefore persuade some or even most of their voters that they are doing what they can in difficult circumstances. Whether the League and FI are able to pull this off will depend on their electorate's willingness to accept a tame version of fiscal federalism rather than an independent 'Padania', or a set of 'smoke and mirrors' tax cuts rather than a 'new Italian miracle'. In the absence of obvious alternatives for centre-right voters, this downgrading of expectations may allow the parties to survive.

From the comparative point of view, one of the most interesting aspects of the governing coalition established by the League and *Forza Italia* is its approach to managing the territorial issue. FI was in large part created in order to bridge the territorial divide between conservative voters in the North, pressing for devolution and federalism, and conservative voters in the South, generally less keen on decentralization because of the threat it poses to government transfers to the poorer regions. It has been able to do so relatively successfully because its own electoral

success threatens the position of both the League and AN, since the voters of both parties are more likely to defect to FI than to other political forces. However, once in government, this obliges to FI to carry out an uncomfortable role as buffer between the 'Northern' and 'Southern' elements of the coalition, whose interests are basically diametrically opposed. An interesting example of how this has been resolved up to now can be found in the constitutional reforms currently making their way through parliament. On the one hand, the reform promises 'devolution', through which the existing Italian regions (not macro-regions) will win exclusive responsibility in the areas of health, education and local policing; a reform which potentially allows the North to finance higher standards of provision in its own regions, and in the longer term seek genuine fiscal autonomy. On the other, the reform contains a - largelysymbolic – reference to the 'national interest', to placate AN and the UDC. Further, AN is also offered a strengthening of the executive function, and in particular the powers of the Prime Minister, a move which fits neatly with the party's emphasis on 'strong government'. In short, FI plays a role of broker, allowing both its main coalition partners to claim some 'victories' in the reform package, whilst limiting itself to less visible gains (although FI in fact shares AN's interest in a strong premiership).

This kind of strategy has been adopted on a number of issues, and the effect has been to allow both AN and the League to depart from collective responsibility (still not a guiding principle of Italian government) in order to score often symbolic points with their own electorates. The difficulty is that, ultimately, the territorial question is in many ways a zero-sum game. If 'devolution' does allow the North to spend more of its resources close to home, the South will necessarily lose out. Alternatively, if AN and UDC win a substantial package of interterritorial transfers to maintain the levels of public spending in the South, then the League will have failed in its effort to keep Northern money in the North. In a climate of low growth which appears likely to persist, these contradictions cannot be finessed away. New parties in government will ultimately be judged against their policy commitments, and the ambitious and unrealistic nature of many of these commitments places a question mark over their sustainability as parties of government.

## Notes

Romagna and Tuscany implies that the 'North' stops more or less at the river Po itself. This vagueness over boundaries confirms that the League lacks a clear idea of the confines of its ethnic and territorial identity.

<sup>6</sup> To get an idea, Bossi once described Berlusconi as the 'mafioso di Arcore' (Arcore, near Milan, is where Berlusconi lives).

<sup>7</sup> 'La Lega occupa la Camera', *La Repubblica*, 1 April 2004, p.1.

<sup>8</sup> 'Devolution ora, o torniamo tutti a casa', *Corriere della Sera* 16 November 2001; an injunction still being repeated regularly two and a half years later (see Vandelli 2002: 78-80).

<sup>9</sup> The law, as one Mediaset manager cheerfully admitted, is estimated to be worth around two billion euros a year to the company.

<sup>10</sup> Marcello De Cecco, 'L'economia italiana e la tempesta perfetta', *La Repubblica Affari e Finanza*, 22 March 2004, p.7.

<sup>&</sup>lt;sup>1</sup> Or, alternatively, most new parties in Western Europe have been 'mobilizers' rather than 'challengers' (Rochon 1985).

<sup>&</sup>lt;sup>2</sup> EU-15 plus Iceland and Norway; excludes Greece, Spain and Portugal.

<sup>&</sup>lt;sup>3</sup> Defined as parties which did not contest elections before 1960. Although in a sense this date may cause problems for the concept of 'newness' – since such parties may now be more than 40 years old – it does allow us to capture genuine newcomers to institutionalized party systems rather more accurately than the alternatives (such as counting all parties formed after the founding elections [Willey 1998], which is not discriminatory enough, or a moving cut-ff date which would likely discriminate too much).

<sup>&</sup>lt;sup>4</sup> To be more precise, FI and the League stood together in the North as the *Polo delle Libertà*, whilst FI and AN stood together in the Centre and South as the *Polo del Buongoverno*. The coalition also included other smaller parties, most notably a group of conservative Christian Democrats, the CCD. <sup>5</sup> The 'North' includes all the regions from the Po valley upwards: the original North-Eastern regions, plus the North-West (Val d'Aosta, Lombardy, Piedmont and Liguria), and the central-Northern region of Emilia-Romagna (where the League's support is minimal). At some points in its development the League also won a little support in Tuscany. However, the League's inability to penetrate Emilia-

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