

N O V E

ITALIAN ELECTION REVIEW

BACKGROUND

This note describes and analyses the outcome of the Italian legislative elections that were held on March 4 2018.

For the past 5 years the Italian government was supported by a large coalition between the Matteo Renzi-led centre-left Democratic Party (PD) and the New Centre-Right (NCD), led by Angelino Alfano. This was the result of legislative elections held in 2013, which resulted in a hung parliament and had already seen the 5-Star Movement (5SM) become the largest party in Italy. This government was also initially supported by Silvio Berlusconi's party (Forza Italia), but this support was later withdrawn, due mostly to the controversy surrounding criminal proceedings against Berlusconi. The electoral campaign effectively began on 4 December 2017, when Italian voters rejected constitutional reforms proposed by Renzi, who at the time was Prime Minister. This led to the latter's resignation, and replacement (as Prime Minister but not as party leader) by PD colleague and former Foreign Minister Paolo Gentiloni.

In November 2017, regional elections in Sicily were used by the parties as a "testing ground" for potential coalition formation in view of the upcoming national elections. The outcome of the Sicilian election pointed towards a face-off between the 5SM and Berlusconi's right-wing coalition in the national elections, as the PD managed only 18.6% of the vote.

THE OUTCOME

Voter turnout (73%) was the lowest ever recorded in Italy for a general election. An even lower turnout was considered by some to have been avoided by successful voter mobilisation by the Lega and the 5SM. For a more detailed exploration of the success of both parties, please refer to the Annex.

The results for the House of Representatives (Camera) and the Senate (Senato) were as follows (though numbers of parliamentary representation are not final, and the result for Italians living abroad is still pending):

- **Right-wing coalition: Camera (37% - 260 MPs) – Senato (37.49% - 135 MPs)**
 - Forza Italia (Silvio Berlusconi): Camera (14.01%) – Senato (14.42%)
 - La Lega (Matteo Salvini): Camera (17.37%) – Senato (17.62%)
 - Fratelli d'Italia (Giorgia Meloni): Camera (4.35%) – Senato (4.27%)
 - Noi con l'Italia (Raffaele Fitto): did not reach 3% (Camera 1.3% - Senato 1.19%)
- **Centre-left Coalition: Camera (22.85% - 112 MPs) – Senato (22.99% - 57 MPs)**
 - Partito Democratico (Matteo Renzi): Camera (18.72%) – Senato (19.12%)
 - Piu Europa (Emma Bonnino): did not reach 3% (Camera 2.55% - Senato 2.36%)
 - Insieme (Romano Prodi): did not reach 3% (Camera 0.60% - Senato 0.54%)
 - Civica Popolare (Beatrice Lorenzin): did not reach 3% (Camera 0.54% - Senato 0.52%)
- **5-Star Movement (Luigi di Maio): Camera (32.68% - 229 MPs) – Senato (32.21% - 112 MPs)**
- **Liberi e Uguali (Pietro Grasso): Camera (3.38% - 14 MPs) – Senato (3.27% - 4MPs)**

Parties that have not reached the 3% barrier still managed to elect some MPs through the majoritarian section of the electoral system (see Annex), examples include Piu Europa (led by Emma Bonnino) and Noi con l'Italia (led by MEP Raffaele Fitto).

GOVERNMENT FORMATION

The numbers needed to form a government are 315 MPs in the Camera and 158 seats in the Senato. Thus, there are now a number of different possibilities for government formation. The picture will become clearer in the coming weeks, as newly elected MPs will take office on 23 March. The meetings to form a majority - held with the President of the Republic Sergio Mattarella - will start as soon as the deputies take office.

1. **Center-right coalition with PD support** (Camera – 372, Senato – 192): This is the most probable outcome, and would see the [Lega claim the Prime Minister position](#) as it received the most votes in the winning coalition. However, since the support of the PD will be needed to form a majority, there are reports that Salvini may be forced give up the PM position to his closest collaborator, Giancarlo Giorgetti. It is also possible that Salvini could claim the PM position in exchange for one or two ministries for the PD. In view of the large majority, this coalition could work even if some MPs from the PD refuse to join it. It is thought that the PD will probably push for such an outcome, as a means to exclude the 5SM from government.
2. **5SM and PD** (Camera – 341, Senato – 169): The minority of the PD that would refuse an alliance with the Lega would prefer to support a 5SM-led government. This is however improbable because the numbers at the Senate would be very tight (just 11 seats over the majority needed) and it is likely that many PD senators would not support the 5SM.
3. **5SM and Lega** (Camera – 353, Senato – 169): This is the only political government that could be formed, however, the differences between Lega and 5SM are considerable mainly on issues like the relationship with the EU and the fiscal system. This government would not have an extended life-span since the differences would arise fast and the members of the two parties are not known to be the most calm and experienced negotiators.
4. **No new government is formed**, and the state would be managed by the so-called “Government of the President” which means that the actual Prime Minister (Gentiloni) would stay in office and his activity would focus on preparing another electoral law and the budget for 2019. In this case, elections could potentially be held in the same period as the 2019 European elections and potentially under a new system.

THE EUROPEAN PERSPECTIVE

The EU will certainly push for the centre-right/PD option, because despite a likely Lega Prime Minister, the government would be heavily influenced by pro-European parties (Forza Italia and PD) and thus would most probably have a constructive approach on European issues. European Commission spokesperson Margaritis Schinas stated that “we have confidence in President Matarrella’s abilities to facilitate the formation of a stable government in Italy, and in the meantime Italy has a government led by Gentiloni, with whom we are working closely.”

Needless to say, regardless of the composition of the next government, the European elections of next year may well see Forza Italia’s MEPs losing seats to Lega representatives, and the 5SM increasing its seats, again at the expense of the PD. This would result in the large majority of Italian MEPs being fiercely opposed to trade agreements, hostile to private sector participation in the European legislative process, and in a strong opposition to European energy and transport projects.

MEP INVOLVEMENT

Had Berlusconi’s Forza Italia secured more votes than the Lega, European Parliament President, and European People’s Party (EPP) member, **Antonio Tajani** may have been named Prime Minister due to Berlusconi’s ineligibility. However, this is now highly unlikely to occur.

Gianni Pittella, the former President of the Socialist and Democrats (S&D) group in the European Parliament, got elected in Campania’s proportional lists despite losing his majoritarian constituency in his native region of Basilicata. He resigned the group presidency three days after the Italian election, on 7 March.

Vice-chair of the European Conservatives and Reformists (ECR) group **Raffaele Fitto**. Fitto is the leader of “Noi con l’Italia”, the fourth party in the right-wing coalition. He stood in his home region of Puglia, where he lost the majoritarian constituency to the 5SM. Unlike Pittella, Fitto did not have the possibility to enter the parliament through the proportional vote since his party did not reach the 3% threshold.

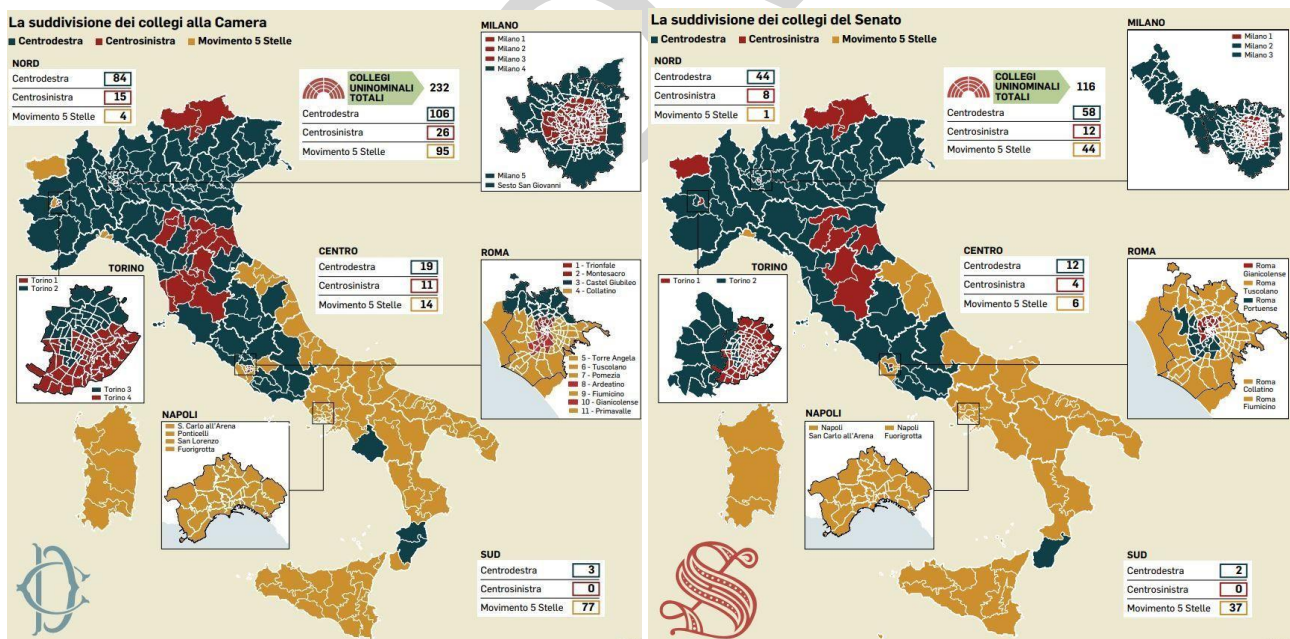
2017 ELECTORAL REFORM

In October 2017, the Italian parliament [approved](#) the new electoral law (Rosatellum), this law was the result of a compromise between the parties of the right-wing coalition and PD. The electoral reform had one principal objective: to avoid an absolute majority for the 5SM if they were to be the largest party the day after the general election. To achieve this, a complex system was put in place. First of all, there would be two different ballots, one for the Senate (Senato) and one for the House of Representatives (Camera dei Deputati). Secondly, the election of the two chambers was divided into a majoritarian system (for 1/3 of the representatives) and a proportional system (for the remaining 2/3 of the representatives). These two systems are interconnected, as the proportional votes count also for the election of the majoritarian candidate. The majoritarian system is very difficult to win for a candidate that is not supported by a coalition. The system also allows a candidate in the majoritarian system to be included in the lists of the proportional system, thus allowing a candidate who fails to be elected at the constituency level to nonetheless gain a seat through the proportional vote. Additionally, the majority “bonus” (which saw an increase in the number of MPs), that was usually granted to the winning coalition or party (in the proportional system), was eliminated. Any party gaining under 3% of the proportional vote will not see representation in Parliament - however, if that party is in a coalition and gains over 1%, the votes will be transferred to the largest party in the coalition.

On a more general note, it is also important to remember that the Italian constitution foresees a perfectly bi-cameral system, meaning that every law must be approved in both the Camera and the Senato.

POLITICAL, SOCIAL, AND ECONOMIC EXPLANATIONS

To understand why the vote went in this direction it is important to analyse the dynamics that led to the victory of the 5SM and the Lega. These two parties are the clear winners of the general election, but putting them together in the same category would be a mistake – one that is unfortunately made quite frequently at EU level. It is essential to underline that the parties are distinct in terms of policy and voter base.



The two figures above show the geographical distribution of votes in the majoritarian system for the Camera (left) and the Senato (right). The picture is clear: the 5SM has made significant gains in the economically and socially fragile south with large victories in Rome and Naples (though one also notes a surprising success in the wealthy northern Val d'Aosta region). The right-wing coalition, in contrast, controls the center-north of Italy which is traditionally wealthier and is the economic engine of the country. The left-wing coalition only managed to top the race in a few areas in Tuscany and Emilia (Center-north) which are historically leftist strongholds, and also managed a decent result in parts of Milan, Turin and Rome.

LA LEGA

Leader Matteo Salvini has achieved a remarkable political transformation of his party. La Lega was formed in the 1990s as the Lega Nord, a separatist party campaigning for the independence of “Padania” (a proposed region that would comprise most of northern Italy). The Lega Nord based its electoral campaigns on the refusal to redistribute revenue to aid the development of the south of Italy, whose people were variously characterised as lazy or criminal (or both). After taking over the party in 2013, when Lega Nord had fallen to an historic low of 4%, Salvini rebranded the party and gave it a nationwide orientation. Exploiting the migration crisis to replace southerners with foreigners as the party’s primary target, the word Nord was removed from the party’s symbol and name, and campaigning began to focus on the south, where the impact of the migration crisis is most keenly felt. This transformation coupled with an ageing and thus less campaign-ready Silvio Berlusconi, enabled him to increase Lega’s vote by 13% nationally, achieving results of 5-15% in the very regions which his party demonised just 5 years ago.

Regarding its position on the EU, the Lega refuses to respect the fiscal compact, blames the EU for the migration crisis, and supports closer links with Russia. However, unlike Marine le Pen of France’s Front National – which could otherwise be considered equivalent - Salvini has never stated in this electoral campaign that Italy should leave the Eurozone or the EU, but rather reform it towards an inter-governmental institution where Italy’s needs can be met while retaining total independence on all policies - for example, Salvini wants to have the possibility of applying duties to certain imports, currently illegal under EU law.

5-STAR MOVEMENT

The 5-Star Movement under Luigi Di Maio has managed to grow by almost 10%, going from 25.5% in 2013 to 32.7% in 2018. The movement was created in 2009 by Beppe Grillo with the stated objective of overhauling a supposedly dishonest and inefficient political class. Matteo Renzi’s PD was perhaps the biggest victim of the 5SM success - by choosing a leftist economic policy and becoming increasingly moderate towards the EU, the 5SM managed to attract many traditionally PD voters. In the south of Italy, which continues to suffer from corruption, administrative inefficiency, and unemployment, the movement achieved – unsurprisingly – impressive growth. For example, in the region of Campania (the third most populated region in the country) the movement gained over 50% of the votes. A main concern about the 5SM is how its newly elected MPs will behave and perform in office – the party went from 163 MPs in 2013 to 341 in 2018 and the large majority of them is totally unknown in the Italian political scene.

The movement’s official position on the EU remains difficult to define. In its early days, the 5SM established itself as a Eurosceptic party, blaming Brussels for the economic fallout of the 2011 public debt crisis. However, in subsequent years blame was shifted towards the national administration. Despite being a member of the Europe of Freedom and Direct Democracy (EFDD) faction in the European Parliament – which also counts the UK Independence Party as a member – the 5SM MEPs have shown increasingly constructive participation in parliamentary work, and [increased enthusiasm for the EU as a whole](#). Its main criticism on the EU focuses on the negotiation of free trade agreements, the attitude of the EU towards large corporations, management of the migration crisis, and the rejection of large energy and transport projects like the TAP (Trans-Adriatic Pipeline) and the TAV (the high-speed train between France and Italy) . All in all, although the party appears to be abandoning its Eurosceptic and anti-establishment positions, the path that an eventual 5SM-led government would take remains unclear.

ITALIANS IN EUROPE

It is worth noting that the vote of Italians living in the European continent showed significant variation to national trends. The PD topped the race with 31.68% with the right-wing coalition getting just over 25.5% of the votes. The 5SM scored a relatively low 24% while the European federalist party (Piu Europa) reached a satisfying 8.1% and the leftist Liberi e Uguali 5.44%.