## Renzi's referendum defeat is part of the legitimacy crisis plaguing left wing parties in Europe

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The rejection of Matteo Renzi's constitutional reform occurred in the context of a highly personalised referendum, hinting at a wider rebuff of his policies. **lacopo Mugnai** argues that the outcome of the referendum was not a victory for the populists, but a defeat of an electoral machine without political vision.



## Check out EUROPP's full coverage of Italy's constitutional referendum.

On Sunday 4th December 59 per cent of Italians rejected Matteo Renzi's constitutional reform. Considering the high turnout (65 per cent of eligible voters) the result is particularly significant. Although it is tempting to argue that the referendum result was an anti-EU vote or a victory of the populists, this interpretation seems exaggerated. To understand such wide rejection of the constitutional reform, one must look at more systemic factors.

There is no doubt that Renzi was the victim of his own plot. He decided to politicise the referendum, transforming it into an unnecessary political vote on himself despite clear signals warning against such choice. However, the story is more complex. Renzi's defeat at the referendum is part of the legitimacy crisis plaguing traditional left wing parties in Europe. This is not to say that Renzi has no responsibility, being at the wrong time in the wrong place. On the contrary, the key point is that Renzi, his ministers, party colleagues and advisers were not (and still are not) aware of the causes and implications behind the decline of left-wing parties and rise of populist forces in Europe.

Instead of addressing issues like rising inequality or precarious work conditions, Renzi's government implemented a labour market reform (the "Jobs Act") enhancing business' capacity to fire employees and extended indiscriminately the use of vouchers, institutionalising precarious labour relations. The rhetoric used by the government in support of the constitutional reform added fuel to fire. Given the Italian economic situation, arguing that the reform would bring better health care, public transports and education, turning Italy into the Promised Land, was complete folly.

The 2013 political elections and the 2016 administrative elections showed that citizens are fed up with slogans and easy promises. Last June, the Five Star Movement won almost every municipality, whilst the PD lost as many cities as it could. Although that electoral disaster signalled wide dissatisfaction with the policies of the executive, party members and academics close to the Prime Minister argued that such outcome was the fault of local candidates and too timid leadership from Renzi. The prime minister followed that approach, polarised the referendum and committed political self-suicide.

It is not a coincidence that in those areas where unemployment rate was high the No vote prevailed, whilst where unemployment was lower it was the other way around. It is not a coincidence that the No vote came also from those groups that this government decided to ignore and leave behind: the declining middle class, the unemployed, the bottom 30 per cent of income distribution. Hence, arguing that it was a populist vote to defeat Renzi is simply not correct.

What can be learned from this referendum? I see two crucial lessons that go beyond the Italian borders.

First, if one analyses the 1115 days of the Renzi government it becomes evident that there was no political vision behind the different policies and reforms implemented, including the constitutional reform itself. There was, at least in some policies (e.g. the Jobs Act), the intention to modernise Italy making it converge towards the Anglo-Saxon neoliberal model. One could question whether this is the most appropriate model for modernisation, and whether it

is sensible for Italy to become more like England whilst being in a monetary union with Germany. But that would go beyond the scope of this contribution. The crucial point is that, despite his rhetoric of innovation and change, Renzi did not articulate and did not offer any new political project. Instead, echoing Blair's New Labour, he put in place a formidable electoral machine which, in the end, conducted him to a disastrous defeat.

However, this is not an Italian peculiarity. The rise of right-wing populist parties in Europe is the consequence of two factors. On the one hand, it is the legacy of 30 years of unregulated capitalism characterised by high inequality, stagnating wages and public bailouts of troubling financial institutions. On the other hand, populist parties are filling a political vacuum left available by social democrats' movement towards centrist politics. Given that today's European social democracy stands for no values and has no political alternative project to offer, it comes as no surprise that social democrats' traditional constituencies vote for Alternative für Deutschland, Marine Le Pen or the Austrian Freedom Party. Given Renzi's policy agenda and the narrative put in place in support of the government and the constitutional reform, neither the Prime Minister nor those academics close to him understood what was (and still is) at stake.

The second lesson is that, for the social democrats, playing centrist politics is self-defeating. Since he overthrew his party colleague Enrico Letta as prime minister, Renzi engaged in an unnecessary fight against trade unions, repealed the Article 18 of the labour code (a symbol of the Italian Left) to secure business support, and abolished (on paper) the public agency "Equitalia" to gain confidence of tax evaders. Nevertheless, none of those groups supported him in the referendum.

The geography of votes is very interesting in this regard. On the one hand, Renzi lost much support within left-wing traditional constituencies. The case of traditional social democratic regions like Emilia-Romagna, Toscana, Piemonte and Marche is self-revealing. The Yes vote prevailed in the first two by a tiny margin: 50.4 per cent and 52.5 per cent respectively. In the last two, the No vote won significantly: 56.5 per cent and 55 per cent respectively. In both cases the turnout was higher than 70 per cent. This becomes more evident if one considers that at least 15 out of the 21 Italian regions are governed by the centre-left and only in three of them the constitutional reform was approved.

On the other hand, Renzi did not secure enough support from centre-right voters. The case of regions like Veneto and Lombardia, and cities like Padova, Venezia, Mantova and Milano is straightforward. Veneto and Lombardia are traditionally governed by the centre-right and the reform was rejected by 62 per cent and 55 per cent of the population respectively (turn-out higher than 70 per cent). The cities I mentioned used to be left-wing fortresses in these right-wing regions. With the exception of Milano and Mantova, where the Yes prevailed at a narrow 51 per cent and 52 per cent respectively, in the other cities the No won by safe margins. Hence, Renzi's ambition of shaping the Democratic Party into a centrist, 40 per cent strong "Party of the Nation" was self-defeating. Thus, I would argue that playing centrist politics is, for the Italian social democrats, political suicide.

When people vote on crucial reforms they do not do so as if they were isolated in an ivory tower. On the contrary, right or wrong, the context matters. Southern Europe is stuck in its sixth year of recession. Reforms and decisions are taken by parliaments and governments. If the political elite is not credible, reforms lose credibility as well. With the side effect that, in difficult times, this paves the way to populist right-wing parties. From dubious politicians someone cannot expect too much. From academics "borrowed to politics", and from a Prime Minister so eager to present himself as the last chance for Italy, someone would have expected more analytical lucidity, a less confrontational tone, and a broader vision. It must be noticed with regret that these qualities have been missing not only in those academics close to the Prime Minister, but also in the Prime Minister himself.

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