

# Mapping Italy: scenario and political risks

No. 2 March 2021



## Table of contents

<b>1. Scenario and risks</b>	<b>3</b>
1.1. Scenario	3
1.2. Mapping risks	4

## 1. Scenario and risks

### 1.1. Scenario

The last few weeks have been characterised by the internal political crisis in the Democratic Party (Partito Democratico or PD). The secretary Nicola Zingaretti, after having staked everything on the Conte 2 government and on the alliance with the 5 Star Movement (Movimento 5 Stelle), resigned a few days after Mario Draghi took office at Palazzo Chigi. For Zingaretti, the government led by the former president of the ECB is the sign of a political defeat: the majority formed by the centre-left and the 5 Star Movement, which had the Democratic Party as a pivot, failed to survive the difficulties caused by the pandemic and the need to carry out structural reforms to implement the National Recovery and Resilience Plan. The return to the governing majority of the League (Lega) and Go Italy (Forza Italia), as well as the breaking of the previous alliance by Matteo Renzi, led to the failure of Zingaretti's leadership.

As on the right, a process of convergence towards the centre induced by Draghi has begun on the left. Zingaretti's successor, while we wait to see if he will be the electoral frontman or just a caretaker, is former PM Enrico Letta. Letta is a figure who fits perfectly into the new scenario: centrist, Catholic, with solid international and European ties, he led a broad coalition government in 2013-2014. His is the best profile to lead the Democratic Party in the era of the *Pax draghiana* and of transversal collaboration among political forces.

The Five Star Movement is also trying to manage its internal crisis, after the split last month as a consequence of the new Draghi government. At the moment, there is only one option on the table for the leadership: Giuseppe Conte. The former PM, *de facto*, has accepted to become the new Five Star leader as suggested by the founder Beppe Grillo. With Conte, the Five Star Movement continues its transformation into a moderate, centrist party. Conte is still today one of the most appreciated leaders in Italy according to the polls. However, with the arrival of Letta as PD Secretary, the project of Conte to build a strategic and structural alliance with PD is temporarily blocked. Conte and Letta are competitors more than possible partners.

The majority today has two sides: the left, where the Five Star Movement has undergone a split and the Democratic Party is in the midst of a crisis, and the right, where both Go Italy and the League seem to be solid at the moment. This scenario puts the government at the centre of the political spectrum, without any imbalance in favour of the old PD-5 Star majority. An advantage above all for the League, which will be able to assert its political weight, especially in terms of economic measures.

In any case, each party has been moderated by the Draghi experiment: the 5 Star Movement still sees at its head Di Maio and Conte, two politicians who have proven their ability to mediate with allies and to adapt to new contexts; the Democratic Party with Letta abandons its more socialist impulses and moves towards the centre; Berlusconi has been a prudent and centrist politician for years now; the League is normalised by participation in the national unity government and by Giorgetti's shadow leadership. After the brief era of national populism, we have entered the phase of great moderation that will survive until the pandemic is behind us or the economic landscape changes again.

In this scenario, the success of the Draghi government will be fundamental both in terms of vaccination and economics. The PM's method is beginning to take shape: if in the appointment of ministers he maintained continuity with the previous executives and he satisfied the parties, he was instead very clear in the removal and appointment process of administrative heads. Draghi fired the Covid-19 emergency commissioner, the manager Domenico Arcuri, and the Head of Civil Protection, Angelo Borrelli, replacing them with men he trusted, General Figliuolo as Commissioner and Fabrizio Curcio as Head of Civil Protection. The goal is to increase the breadth and efficiency of the vaccination rollout through a large organisational operation involving health facilities, military personnel, public administrations and the private sector. Draghi knows that a successful vaccination system can trigger a great collective moment of national recovery as well as end the series of lockdowns within a few months.

Economically, the government has started with public administration reform. A sign that, in this case too, the set-up and organisation phase of the Recovery Plan is considered fundamental for its implementation. A more technical, trained and digitalised public administration is what the government aims to build as a foundation on which to graft other reforms.

## 1.2. Mapping risks

There are three major risks at this moment concerning the Italian political system:

- a) **The eternal conflict within the parties.** In this phase, the PD and the 5 Star Movement are going through a moment of internal reckoning. Having parties involved in a sort of "permanent congress" could become a problem for the Draghi government. The more the factions are opposed, the greater are the frictions and pressures with respect to the government program. It could be objected that with weak parties and leaders the executive should be stronger, but the government relies on parties and their collapse is not an advantage for anyone.
- b) **The patchy vaccination program.** The government must face two problems: the push of some professional categories to be vaccinated before others and, above all, coordination with the regions. The latter have in fact autonomy in establishing vaccination policies. An attempt at centralisation and coordination is necessary but not simple. The risk is that there are uneven policies in the vaccination plan between one region and another.

- c) **The exasperation over the lockdown.** Until the vaccination takes a leap forward, the government is forced to continue with lockdowns. A tough situation for much of the population, after more than a year of restrictions. The political protest could mount if within a few months the Draghi government does not find a way to reopen the country.

**Luiss**

School of Government

Via di Villa Emiliani 14  
00197 Rome  
T +39 06 8522 5052-5065  
F +39 06 8522 5056  
sog@luiss.it