

Chapter Ten

Italy – A Strong and Enduring Market for Populism

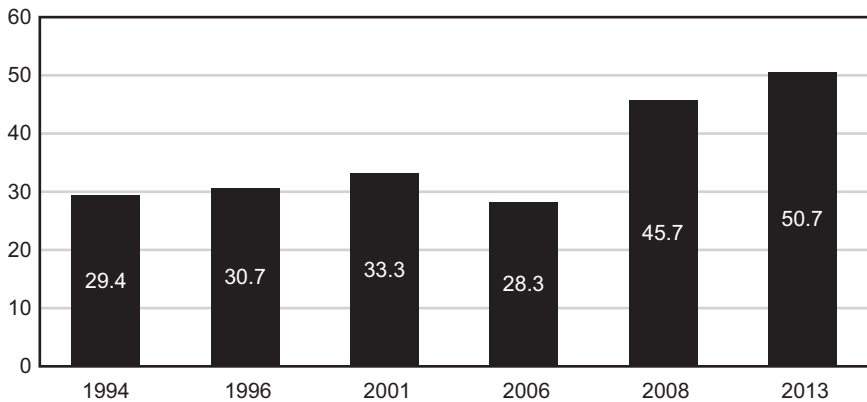
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Introduction

Over the past two decades, Italy has been one of the strongest and most enduring markets for populist parties in Western Europe. The characteristics of this market derive, firstly, from the favourable structural conditions which have presented on different occasions for the emergence and success of populist parties and, secondly, from the astute agency of these parties in exploiting those structural conditions. The political and economic crises of the late 1980s and early 1990s saw the rise of *Forza Italia* (FI) and the *Lega Nord* (LN – Northern League), while the political and economic crises since 2008 have facilitated the ascent of the *Movimento Cinque Stelle* (M5S – Five-Star Movement). This latter addition to the market resulted in the combined total vote for populist parties in Italy exceeding 50 per cent for the first time at the 2013 general election, after having oscillated between a low of 28.3 per cent (2006) and a high of 45.7 per cent (2008) in the previous five elections (see Figure 10.1). Italy thus presents a case of strong and multifaceted populism. Moreover, since the two main parties in the Italian government from May 2008 to November 2011 were populist – FI’s successor party, the *Popolo della Libertà* (PDL – People of Freedom) and LN – Italy also provides a case of populist resilience in office (from this perspective it offers an interesting comparison with Greece – see the chapter by Takis Pappas and Paris Aslanidis).

Our chapter is organised as follows: in the first section, we discuss the two main populist parties in Italy before 2008 – FI/PDL and the LN – and note how the idea of ‘crisis’ has always been central to their message (whether in or out of power). In section two, we consider a series of economic and political indicators in order to assess how and when the recent economic and political crises affected Italy. As we explain, the economic crisis in Italy is best thought of as having occurred in two waves – the first being that which struck globally in September 2008 and the second being the more specific financial crisis which hit the country in mid-2011. This latter wave in turn fuelled – and interacted with – a fast-growing political crisis. In the third section, we look at how the PDL and LN discussed the economic crisis while in power. For the former, the reaction strategy was largely one of denial while the latter sought simply to not talk about the economy and to focus instead on its key issues of federal reform and immigration. We also note that both parties continued to use strongly populist messages while in power.

Figure 10.1: Total populist vote in Italian general elections (1994–2013)



Note: General election results refer to the proportional part of the elections for the lower house of parliament, the *Camera dei deputati* (Chamber of Deputies). For the elections between 1994 and 2006, the totals are the sum of the FI and LN vote shares. For the 2008 election, the sum of the PDL and LN vote shares is used. For 2013, the sum of the PDL, LN and M5S vote shares is used.
Source: Electoral archive of the Italian Interior Ministry, <http://www.elezionistorico.interno.it>.

Section four discusses how the post-2011 period also saw the emergence of a new populist actor, the M5S, which blamed the crisis on Italian and European elites (including the pre-existing populist parties, the PDL and the LN). Indeed, as we show in section five, the M5S rise culminated in the most spectacular debut election result in recent decades in Europe, with the movement taking just over a quarter of the vote – a result which meant that over half of Italians now supported populist parties (see Figure 10.1).

Populism in Italy before 2008: From one crisis to another

As Figure 10.1 shows, populism was already very strong in Italy before the 2008 crisis thanks to the rise of FI and the LN amidst the political and economic crises which struck the country in the early 1990s and the sustained electoral success of both parties thereafter. Although different in terms of their specific ideologies, FI (along with its successor, the PDL) and the LN have long been treated by scholars as populist (e.g. Taggart 2000; Mudde 2007). We consider the LN to be best understood as an ‘ethnoregionalist’ populist party (Spektorowski 2003; McDonnell 2006). While it switched between federalist and secessionist positions in the 1990s, and back to a federalist one after 2000, the party has remained constant in appealing to a specific territorial area and northern ‘people’, along with opposing immigration and strongly criticising national and supranational elites. In terms of its election results and institutional roles occupied, the LN has been one of Europe’s most successful regionalist parties,

serving in several governing coalitions led by FI/PDL's Silvio Berlusconi – briefly and acrimoniously in 1994, and then far more harmoniously from 2001–06 (Albertazzi and McDonnell 2005) and from 2008–11 (Albertazzi and McDonnell 2010). Berlusconi's personal parties (McDonnell 2013) – first FI and, after 2008, the PDL – have generally been Italy's most electorally successful during the two decades since the beginning of the 'Second Republic' and have been the largest members of coalition governments in 1994, 2001–06 and 2008–11. FI has been viewed within the literature on populism as more moderate than the LN, with the party termed 'liberal-populist' (Taguieff 2003: 104) and 'neoliberal populist' (Mudde 2007: 47). Although the lack of a strongly emphasised anti-immigrant and nativist stance means that we are certainly not dealing with a radical right populist party, the 'liberal' label is also problematic given that both FI and the PDL have often adopted strongly illiberal positions regarding the checks and balances of Italian democracy (such as media freedom, the judiciary, the Constitution, and the President of the Republic). For our purposes in this chapter, however, it is sufficient to say that FI and the PDL are safely classifiable as populist parties which have been broadly located ideologically on the centre-right/right.

Crisis and populism tend to go together – at least rhetorically – and both the LN and FI/PDL provide good examples of this. As Benjamin Moffitt (2014: 2–3) argues, we should see crisis as 'an internal feature of populism' rather than something which is 'purely external'. In other words, crisis – whether real, alleged, or perceived – is an ever-present element of populist mobilisation given that 'populist actors actively perform and perpetuate a sense of crisis, rather than simply reacting to external crisis' (Moffitt 2014: 7). FI/PDL and the LN have each presented themselves as saviours on a mission to restore sovereignty and prosperity to a 'people' cast as victims of a series of elites and faced with a multi-faceted and ongoing situation of crisis. The presence of crisis has been a fixed component of these parties' appeals. In the early 1990s, the (objective) crisis in Italy was both economic and political – the country was under enormous pressure due to its large public debt and the pressures created by the need to fulfil the Maastricht criteria for eventual entry into the euro. At the same time, the exposure of widespread corruption among the main parties which had governed Italy for decades (in particular, the Christian Democrats and the Socialists), along with the collapse of the former Communist Party, created a political crisis and a vacuum of representation which both FI and the LN sought to fill.

Born out of political and economic crisis, the two parties continued to base their key messages for the following fifteen years on the idea of persistent, unresolved crises (and the warning that these were set to get much worse). In LN discourse, the democratic rights and economic wellbeing of its 'people' (hard-working northern Italians attached to their local traditions) were said to be menaced, from above, by corrupt elites in Rome and Brussels and, from below, by southern Italians (although this was toned down after 2000) and immigrants (with Islamic immigrants in particular being the focus of LN attention after 9/11). For FI/PDL, its people (decent, ordinary, family-oriented Italians) were depicted as under threat from the undemocratic and immoral elites of the left, the *intelligentsia*,

the judiciary, and those parts of the media not owned by Berlusconi, all of whom were also said to have combined to impede economic growth due to their supposed continuing attachment to communist and ‘anti-Italian’ values. For both populist parties, the solutions proposed were simple: FI/PDL promised in successive campaigns to usher in a new Italian ‘economic miracle’ (harking back to the boom years of the late 1950s) by reducing taxes, cutting bureaucracy and promoting public works, while the LN urged the introduction of regional autonomy and a clamping-down on immigration. Even during their years in power, the presence of ‘crisis’ and its alleged effects continued to play a key role in the discourse of both parties. In particular, external crises were used as explanations both in the 2001–06 and 2008–11 periods for why they were unable to achieve their aims in government and why the promised economic boom had failed to materialise. Hence, after taking office in 2001, Berlusconi regularly referred to 9/11, the wars in Afghanistan and Iraq, the effects of the allegedly mismanaged introduction of the euro and the unfair competition deriving from India and China’s entry into the World Trade Organization (WTO) as unforeseen events which had created crises preventing his government from delivering on its campaign pledges and forcing it into a ‘fire-fighting’ role.¹ Consequently, in FI’s 2006 election manifesto, readers were told that the government had presided over ‘five extremely difficult years due to the continual crises that emerged’, both due to internal factors (the legacy of the left’s time in office between 1996 and 2001) and external ones such as those mentioned above (FI, 2006). Faced with such adverse circumstances, so the argument of both FI and the LN ran, they had in fact done a very good job of ‘crisis management’.

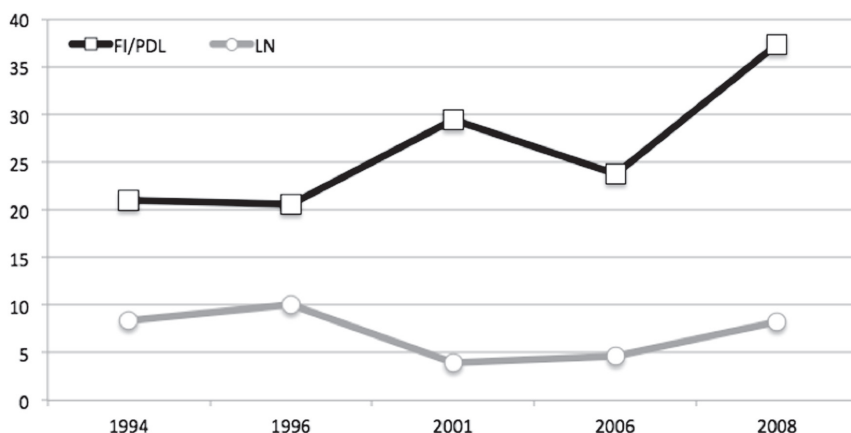
Although the centre-right alliance narrowly failed to remain in government at the 2006 election, a slimmed-down version of it (consisting almost entirely of the newly-created PDL and the LN, alongside a couple of miniscule parties) returned to office just two years later after the fall of Romano Prodi’s centre-left administration. The April 2008 election was a successful one for both populist parties. As we see in Figure 10.2, the LN increased its share from 4.6 per cent in 2006 to 8.3 per cent, while the PDL took 37.4 per cent of the vote – the highest general election result to date for any Berlusconi-led party.

Economic and political crisis in Italy after 2008

As we have noted already, it is best to think of the crisis as having hit Italy in two waves, the first in September 2008 and the second in mid-2011 (Jones 2012). While the first did have discernible effects on the Italian economy, it was the second which had by far the greater political impact, with the events of 2011 increasing the pressure on an already-beleaguered Berlusconi government that had seen its

1. See, for instance, the comments by Berlusconi about India and China’s entry into the WTO and the effects of globalisation on the Italian economy in his 2006 general election campaign speech in Genoa on 21 March. Available at: <http://www.radioradicale.it/scheda/254146/politiche-2006-comizio-di-silvio-berlusconi>.

Figure 10.2: FI/PDL and LN in general elections (1994–2008)



Note: General election results refer to the proportional part of the elections for the *Camera dei deputati* (Chamber of Deputies). In all elections except 1996, the two parties ran together as part of the same coalition. The PDL was created by a merger between FI and other parties in 2008 – hence the apparent sudden rise in the FI line at the 2008 general election.

Source: Electoral archive of the Italian Interior Ministry, <http://www.elezionistorico.interno.it>.

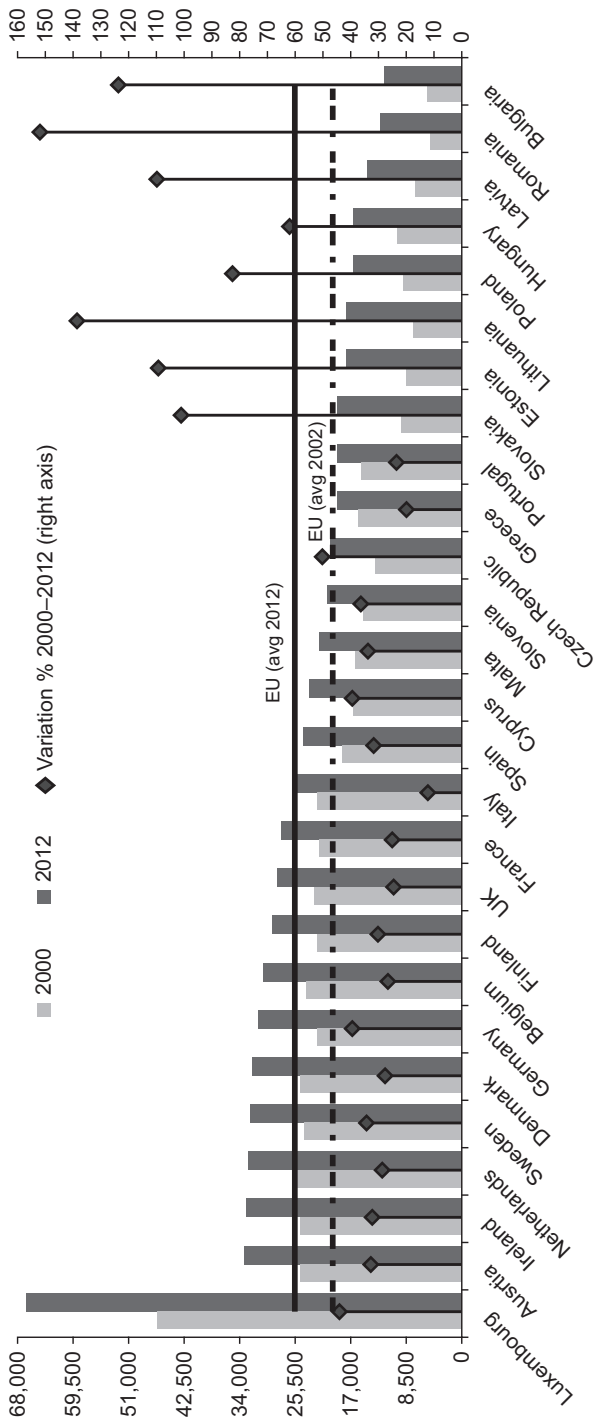
parliamentary majority dwindle since mid-2010 due to a series of expulsions and defections from the PDL.

When we look at the data regarding the Italian economy over the last decade, we can clearly see that Berlusconi's eight years in power neither ushered in the promised era of prosperity nor improved Italy's position compared to its European partners. As Figure 1.3 in the introductory chapter to this volume shows and Figure 10.3 presents in further detail, Italian GDP per capita went from above the European average in 2002 to just below it in 2012. At just 12.5 per cent, Italy also had by far the lowest growth over these ten years of any EU-27 member state – far less than Germany's 39.7 per cent, France's 25.6 per cent and even Greece's 20 per cent.

As shown by the data on the trend of GDP and public debt presented in the introductory chapter (Figures 1.1 and 1.3), Italian GDP noticeably declined after 2008, while the level of public debt went up in the same period by almost twenty-one points (reaching 127 per cent of GDP in 2012). The available data on changes in the workforce also highlights the effects of the crisis. Unemployment in Italy increased from 7.8 per cent in 2009 to 12.2 per cent in 2013 – an increase of 4.4 percentage points (well above the average EU-27 rise of 1.9 points).² Even more revealing, however, is the data from Italy's 'wage guarantee fund' which subsidises workers on permanent contracts (particularly in medium-large

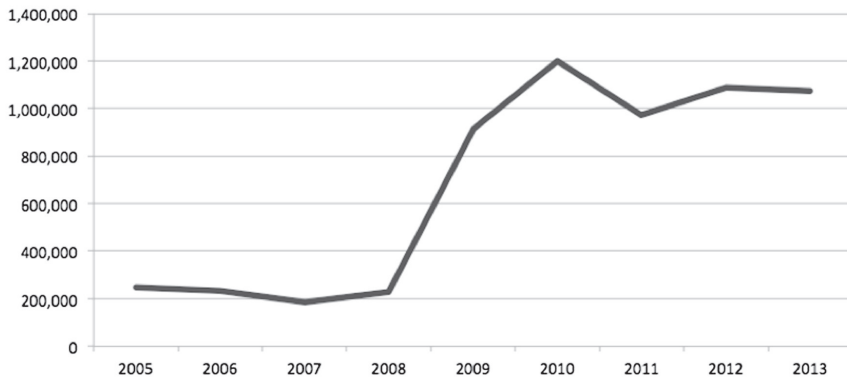
2. All Eurostat data is taken from epp.eurostat.ec.europa.eu.

Figure 10.3: Gross domestic product per capita in EU-27 (2002–12)



Source: Eurostat, <http://epp.eurostat.ec.europa.eu>.

Figure 10.4: Wage Guarantee Fund (2005–13) (thousands of hours)



Source: INPS (<http://www.inps.it>).

companies), when their employment hours are cut. It is therefore a very good indicator of how such companies are faring generally.³ As we can see clearly from Figure 10.4, the number of hours for which payments were made rose extremely sharply from around 227,660,000 hours in 2008 to circa 914,035,000 hours in 2009 and 1,197,816 hours in 2010. Although these numbers declined slightly in the years thereafter, they nonetheless remained at levels far higher than prior to 2008.

While the Italian economy therefore clearly felt the effects of the Great Recession in the post-2008 period, it was also hit by a second ‘wave of crisis’ in the summer of 2011 when the markets began to lose confidence in the ability of the PDL/LN government to introduce key reforms and bring down Italy’s large public debt. In the space of just a few weeks, the stock market in Milan suffered a series of heavy losses and, most worryingly for Italy’s prospects of managing its debt obligations, the spread between Italian and German ten year government bonds widened rapidly from 268 points on 17 August 2011 to 575 on 9 November. Although faced with repeated (and very specific) requests from its European partners, the European Central Bank (ECB) and business leaders within Italy, the Berlusconi government only passed weak measures. Whether through inability or unwillingness, this failure to respond convincingly to the crisis in turn fuelled a growing lack of faith in the country’s economic outlook, with several rating agencies downgrading Italian debt in the early autumn and successive emergency European Council summits in late October calling on Italy

3. The Wages Guarantee Fund (*Cassa Integrazione Guadagni*) is ‘a special public fund used to protect workers’ income, financed by companies and the state and administered by the National Institute of Social Insurance (INPS). In cases laid down by law, the Wages Guarantee Fund makes up the pay of employees affected by lay-offs or short-time working, up to 80 per cent of the lost pay’. (<http://www.eurofound.europa.eu/emire/italy/wagesguaranteefundcig-it.htm>)

to provide formal assurances that it would indeed pass tough measures to bring down the debt and promote growth (Bosco and McDonnell 2013: 41–43). With his parliamentary majority slipping away, his party plummeting in the polls and his government unable to tackle the crisis, Berlusconi resigned on 12th November 2011 and was replaced by President Giorgio Napolitano's nominee, Mario Monti, who led a technocratic executive (containing no MPs or party representatives) which swiftly set about introducing the austerity measures desired by Europe and the markets.

The year 2011 also saw the deepening of a political crisis in Italy. Of course, there has usually been some degree of real or potential political crisis bubbling away in Italy since the early 1990s.⁴ Nonetheless, we can clearly see the escalation of political crisis following the economic crisis – and the 2011 financial crisis – if we look at indicators such as electoral volatility, and public trust in parliament and in the functioning of democracy (see Figure 1.4 in the introductory chapter). As far as electoral volatility is concerned – Italy is second only to Greece – but this is largely explained by the spectacular success of the M5S at the 2013 general election. The growing distrust of citizens in politics is more evident, however, if we look at the data regarding dissatisfaction with democracy and public trust in political institutions. In addition to the failures of the parties to provide solutions to the problems facing Italian society, the numerous scandals during this period involving elected representatives at all levels (both local and national), along with the effects of the economic crisis, produced an unprecedented distance between the political elites and the public in Italy.⁵ Trust in political institutions, taken as a whole, fell from 41 per cent in 2005 to 24 per cent in 2013, while for parliament alone it dropped dramatically from 22.5 to just 7.1 per cent.⁶ Similarly, after a period of relative stability, dissatisfaction with democracy as expressed in Eurobarometer surveys also began to grow noticeably from 2009 onwards, rising to 69 per cent in 2013.⁷

The data discussed here confirm that a strong economic crisis in 2011 was accompanied by a strong political crisis. Of course, this combination was also the product of long-term trends: the frequent governmental crises of previous years along with the persistently high levels of public debt were clear indicators that all was not well either economically or politically in Italy. However, what we can safely say is that both types of crisis – economic and political – degenerated severely in 2011, with one feeding off the other.

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4. For example, no single government has lasted for an entire legislature since 1994 and only in one case (2001–06) has the same Prime Minister (Berlusconi) remained in power for a full five years.
 5. Since the outbreak of the economic crisis in 2008, the major political scandals in Italy have been: the sexual scandals involving Berlusconi, the misappropriation of public funding for parties involving Bossi, corruption scandals involving several high-profile members of the PDL, along with a series of expenses scandals involving politicians at regional and local levels.
 6. See *Gli Italiani e lo Stato – Rapporto 2013*, available at: <http://www.demos.it/a00935.php>.
 7. See Eurobarometer 63, 72, and 79: http://ec.europa.eu/public_opinion/archives/eb_arch_en.htm

Governing in crisis, by crisis

In this section, we consider how the PDL/LN government reacted rhetorically to the economic crisis after September 2008. Here we find a division of roles between the two populist parties: while Berlusconi's party, as in the 2001–06 period, stressed the presence of external crises or internal ones (created by others) and emphasised its success in managing these crises, LN for most of the period spoke little about the economic crisis, focusing instead on its key issues of federal reform and immigration/law and order (on which it achieved several significant results during its first two years in office).

Berlusconi's strategy when discussing his government's handling of the crisis was to claim that Italy was in fact doing better than other EU member states thanks to the PDL-LN administration's careful management of a crisis which it had found itself forced to deal with. In a speech to the Chamber of Deputies on 29 September 2010, he said:

We did not get caught unprepared as the crisis escalated. Although nobody could have envisaged it would be so serious and so profound. I have said many times and I repeat it again today: even though Italy was in a difficult starting position due to its enormous public debt, it has tackled this crisis with measures judged effective by all international organizations. In fact, I could even say that Italy has tackled the crisis better than other countries.

In November of the same year, at the PDL's national executive meeting, Berlusconi returned to this theme, again lauding the ability of his government since 2008 and blaming internal factors (the economic mismanagement of the left) and external ones (the global economic downturn) for not having been able to deliver on all his pre-electoral pledges. Beginning by rejecting criticism from the left and the media, he said:

They falsely accuse us of not doing anything so that they can play down our achievements in government. It is a battle with no quarter given, which we are fighting from a position of strength and confidence in what we have done, against their poison and their indefatigable factories of lies and smear. What we have done is indisputable. First of all we faced numerous crises inherited from the previous Left government and solved them quickly. We also faced a global crisis, the worst since 1929. We have faced this and overcome it thanks also to the work ethic and capacity for savings of the Italians[...]in the whole history of the Republic, our government has done more than any other, and we have done so in objectively difficult circumstances given the international economic crisis.

Even during its last year in office, the PDL stuck to its claim that 'the worst is over' and repeatedly stressed that – despite the crisis – it had been able to combine responsibility with responsiveness by keeping its 2008 election promise of 'not putting our hands in the pockets of Italians' (i.e. raising taxes). Once again

pointing to Italy as having fared comparatively well, Berlusconi announced in December 2010 that ‘Italy is no longer part of the economic problems in Europe, but has become part of the solution’ and then, in February 2011, asserted that ‘we have tackled the economic crisis well and have avoided the worst consequences’.

As mentioned, for most of the 2008–11 period, the LN avoided discussing the economy, preferring to delegate this to the PDL. Instead, it focused on those areas over which it held issue ownership and could claim to have achieved important results – notably, federal reform and immigration/law and order (Albertazzi and McDonnell 2010). On those occasions when the party did talk about the crisis, this occurred almost exclusively within the frame of a critique of globalisation and unfair competition from countries such as China or those in Eastern Europe. For example, in its manifesto for the 2009 European Parliament (EP) elections, the LN committed itself to ‘combating the passage of measures – based on the pretext of the free market – which lead to unfair competition, thus hurting production and employment’. When the second wave of the crisis in 2011 made it impossible for the Lega to avoid the subject, the party focused on its role within government of opposing the reforms requested by Europe, such as those on pensions. For example, in a speech in September 2011, Bossi said that ‘it was unjust and so we opposed it and there was no stopping us. They tried to get it through by all means possible, we had everyone against us: the powers-that-be and *Confindustria* [the employers’ association]. But in the end we won the battle’. In this way, the party sought to differentiate itself from the PDL and present itself as the sole defender of ‘the people’ against the elites of Rome, Brussels and the financial markets amidst a situation of crisis.

The 2008–11 period in Italy is also interesting because it gives us a chance to see how populists communicate when in power. While answering such a question definitively would require a type and breadth of analysis beyond the scope of this chapter, we can say that both the PDL and the LN continued to issue strongly populist messages (and in similar tones) to those they used in opposition. Hence, we find that Berlusconi and those close to him persisted in attributing blame for Italy’s problems to ‘the communists’ and railed against bureaucrats, the state and ‘undemocratic’ judicial elites. For example, in his ‘*Forza Silvio*’ newsletter on 24 June 2010, Berlusconi complained about the difficulties facing businesses because ‘Italian politics has been dominated by a certain culture (communist and catholic-communist), according to which someone who takes on the responsibility and risk of setting up a business is a potential exploiter, tax dodger and swindler’. He added that business people were also faced by a bureaucratic culture that expressed itself in ‘the language of a totalitarian state which conceives of its citizens as subjects’. Such claims were by no means exceptional: in another ‘*Forza Silvio*’ newsletter on 16 January 2011, he focused his ire on the country’s judges and claimed that ‘a country is not free when there is a caste of privileged and unaccountable people who can commit all sorts of abuses against other citizens’.

Likewise, the LN did not tone down its anti-elite or anti-immigrant populist rhetoric after entering government. For example, in a speech in Padua on 20 July

2008,⁸ Umberto Bossi announced ‘Either we obtain reforms, or else there will be a battle and we will attain our liberty. We have to fight against this fascist state. The moment has arrived, brothers, to put an end to things’.

New crisis, new populists

As pointed out earlier, trust in political institutions hit a new low in 2011 and Italy found itself in a situation of both economic and political crisis – with the latter reinforced by the presence of a technocratic government, put in place to do what the parties could not (or would not) do themselves. By early 2012, almost half of respondents in different opinion polls were saying that they were either undecided or not planning to vote.⁹ An ISPO/*Corriere della Sera* survey at the beginning of February 2012 produced similar results to the public trust figures cited above, with 91 per cent of respondents saying they had ‘little’ or ‘very little’ faith in political parties.¹⁰ In the ensuing months, however, many Italians began to turn towards a new political actor and, as had happened in 1994, the presence of objective economic and political crisis again led to an increase of populism in the system. This occurred in the shape of the M5S, which began a startling rise in opinion polls from 5.6 per cent in April 2012 to 18.6 per cent by June 2012.¹¹

The M5S is hard to classify ideologically due to its short history, its eclectic mix of policies and its unique organisational characteristics. The movement was founded in October 2009, building on the success of Beppe Grillo’s political blog and the ‘Beppe Grillo meet-up’ groups which came into existence in 2005 and 2006 respectively (Bartlett, Froio and McDonnell 2013: 21–22). Nonetheless, there has already been broad agreement among scholars that the M5S discourse – and particularly the statements of its founder, Beppe Grillo, both before and after the movement’s foundation – is classifiable as populist (Bordignon and Ceccarini 2013; Corbetta and Gualmini 2013; Fabbrini and Lazar 2013). Certainly, Grillo’s exaltation of ‘good’ citizens (i.e. ‘the people’) whose wellbeing and democratic rights are oppressed by all political elites – along with his framing of this as a perilous crisis – fits the key elements for the definition of populism as discussed in the introductory chapter. The M5S is not, however, a case of right-wing populism: in its policies it combines a range of themes from different ideologies (left, right,

8. Northern League online post, 20 July 2008. Available at: <http://www.leganord.org/notizie2/6992-Bossi-mai-più-schiavi-di-Roma-Gobbo-rietto-alla-guida-della-Liga.html>

9. See, for example, the surveys by ISPO/*Corriere della Sera*, ‘*Liberalizzazioni, d’accordo 6 italiani su 10*’, http://www.sondaggipoliticoelettorali.it/asp/visualizza_sondaggio.asp?idsondaggio=5159, and by Ipsos/RAI–Ballarò, ‘*I cento giorni di cura Monti*’, http://www.sondaggipoliticoelettorali.it/asp/visualizza_sondaggio.asp?idsondaggio=5221.

10. See the ISPO/*Corriere della Sera* survey, ‘*Fiducia nei partiti, dopo il caso Lusi giù all’8% e il 56% degli elettori vuole cambiamenti radicali*’, http://www.sondaggipoliticoelettorali.it/asp/visualizza_sondaggio.asp?idsondaggio=5193.

11. These figures are based on the averages of pooled monthly opinion poll data. See Figure 10.6 later in the chapter.

environmental) and there is no clear identification – and denigration – of ‘the other’ in its discourse (Bartlett, Froio and McDonnell 2013: 25–27).

As regards the M5S response to the crisis, Grillo laid the blame for this firmly on the shoulders of Italy’s entire ruling class (comprising all existing parties, the media, business leaders, President Napolitano and the technocrats of Monti’s government) and European elites, which were said to have caused democracy to malfunction and the economy to decline. As he explained in a statement on his blog in September 2012:

The media, the parties, *Confindustria* and the banks are all one. They support each other in defence of their economic interests. Meanwhile, unemployment grows to levels never seen before, small and medium enterprises (the only ones keeping this country going) have to close, lay off staff or move abroad. Tax revenues will plummet [...] and Italy will find itself bankrupt, having saved the banking system and propped up an absurdly-organized state.

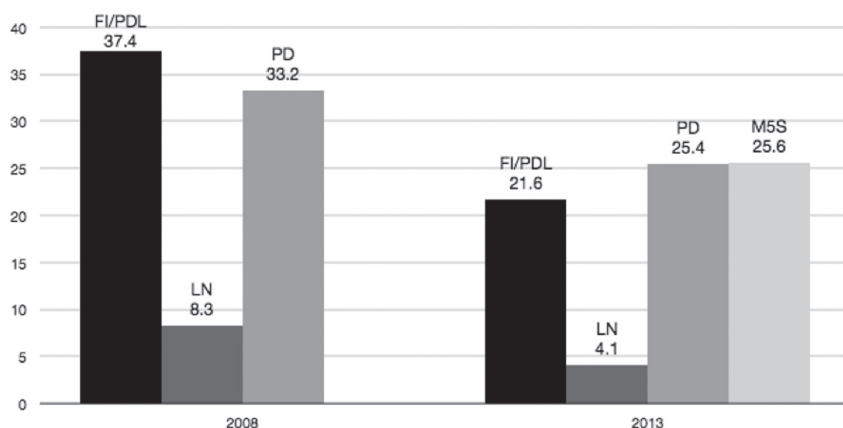
The M5S thus spares none of the other Italian political actors – whether partisan or not – from blame. In its ‘political *communiqué* no. 51’ on 28 June 2012, the movement says that ‘Monti’s remedy has made the public debt increase and the spread continue to rise. As a consequence, the interest we pay has also risen’. However, ‘the debt was created by the parties, the PDL and the PD first and foremost, and now the citizens are being made to pay with tax increases, unemployment and cuts to services’. Of course, in the M5S view of Italian politics, elites misbehaving and usurping the sovereignty that ought to belong to the citizens is nothing new. As the ‘political *communiqué* no. 50’ on 6 May 2012 says: ‘we have never had democracy in Italy. We went from a monarchy to fascism to partyocracy’. For the M5S, citizens in Italy are therefore ‘servants of an extended group which holds power’.

As we shall discuss in the next section, this new populist force would prove to be more than a mere blip in mid-2012, as some commentators had predicted. Rather, not only would it sustain its support levels in the polls up until the February 2013 general election, but it would produce a stunning general election result which went beyond all expectations.

The populist majority

The 2013 election campaign saw the PDL, LN and M5S all blaming external forces for the crisis and promising to return sovereignty and prosperity to the people. As noted earlier, the M5S cast the citizens of Italy as the victims of a system dominated by corrupt and incapable elites at national and supranational levels. The solutions it proposed were rather vague in terms of policy specifics, but involved overturning the system entirely, removing the current elites and restoring power to the Italian citizen by online direct democracy. The PDL copied the M5S to some extent, in particular by adopting a Eurosceptic stance and blaming Germany for Italy’s economic condition. For example, in its election manifesto,

Figure 10.5: PDL, LN, PD and M5S results in the 2008 and 2013 Italian general elections



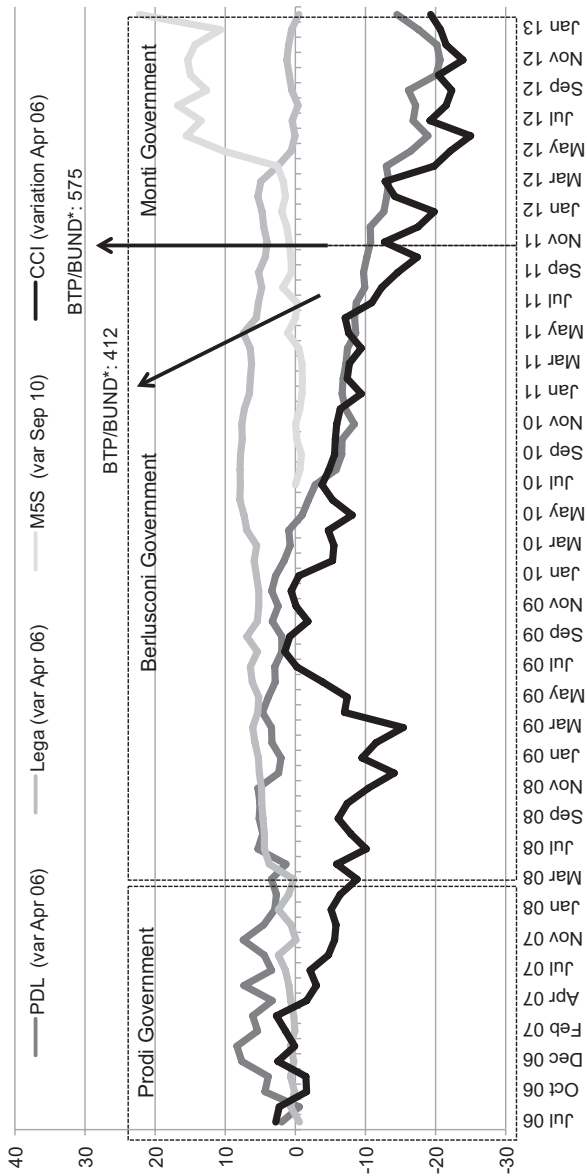
Source: Electoral service of the Italian Interior Ministry (<http://elezioni.interno.it/>).

the party claimed that the technocratic government had wrongly ‘chosen to follow the politics of austerity imposed by a Germanocentric Europe and the depressing results are there for everyone to see’. Again distancing itself from measures taken by Monti, the PDL also promised to abolish the property tax which Monti had introduced (and the party had voted for in parliament). Finally, the LN repeated its denunciation of elites and said it would strive to free northerners from the tyranny of Rome and Brussels by allowing regions to retain 75 per cent of the taxes collected within their territory.

The election on 24–25 February 2013 was the second-most volatile general election of recent decades in Western Europe.¹² According to Pederson’s index of electoral volatility, there was an increase from 9.5 and 9.7 at the 2006 and 2008 Italian general elections to 41.3 in 2013 (Chiaromonte and Emanuele 2013; Pedersen 1979). As Figure 10.5 shows, the PDL dropped 15.8 percentage points compared to 2008, slumping to 21.6 per cent, while its main centre-left opponent, the *Partito Democratico* (PD – Democratic Party) declined by almost eight points from 33.2 to 25.4 per cent (although the centre-left coalition as a whole obtained 29.6 per cent and so received the majority bonus of seats in the lower house of parliament, awarded to the largest coalition). The LN also did very poorly, slipping from 8.3 to 4.1 per cent. By contrast, the M5S performed extraordinarily well, taking 25.6 per cent. As noted in the introduction, this meant that – although the PDL and LN both declined – the total populist vote in Italy exceeded 50 per cent for the first time.

12. The analysis of the 2013 election is based in part on a fuller account of the LN and PDL’s performances in the general election, available in Albertazzi and McDonnell (2015).

Figure 10.6: PDL, LN and M5S voting intentions and consumer confidence monthly trends (July 2006–February 2013) (variation on April 2006)



Note: All points in the graph display the averages of voting intention surveys for particular months, with the exception of February 2013, when the general election was held (we use the actual election data for this month). All points regarding party support display the variation from the April 2006 general election results. The CCI line shows the variation from its value in April 2006. * stands for Italian-German Long-Term Interest Rate Differentials.
Source: Data concerning the parties are calculated using the averages of voting intention surveys conducted by the main Italian polling houses (Cfi, Crespi, Datamonitor, Demopolis, Demos, Digis, Emg, Euromedia, Fullresearch, Ipr, Ipsos, Ispo, Lorient, Piepoli, Swg, Tecne). These can be accessed at sondaggipoliticoelettorali.it. The data for the Consumer Confidence Indicator (seasonally adjusted data) are taken from Eurostat: epp.eurostat.ec.europa.eu.

While, at first glance, it might seem that the LN had been punished for its performance in government (*see* Figure 10.5), in fact the roots of this result can be traced back to the news in April 2012 that the party's founder and leader, Umberto Bossi, was under investigation for misappropriation of party funds. Although he duly resigned and was replaced as leader in July 2012 by Roberto Maroni (who had previously been an extremely popular Minister of the Interior in the PDL-LN government), the party never recovered from this blow. We can see this quite clearly in Figure 10.6, which presents the variation from April 2006 onwards of our three Italian populist parties in pooled monthly opinion poll data – as the data shows, the LN in fact improved slightly during its first months back in opposition after November 2011. Once the scandal about Bossi became public, however, the party quickly dropped in the polls over the course of just a few months and did not recover in time for the general election.

Given FI-PDL's focus on the economy, we also investigated the relationship between the parties' average poll figures and monthly consumer confidence trends. As Figure 10.6 again shows, after the end of a long 'honeymoon period' in 2010, the PDL's poll results mirrored the drop in consumer confidence fairly closely. By contrast – and in line with that party's 'delegation' of the economy to the PDL and concentration on its key issues – the LN's results seem to be much less affected by consumer confidence trends. While it is impossible to demonstrate conclusively, we believe it very likely that the PDL decline is linked to the fact that it had stuck its colours so strongly to the flag of economic revival. As Van der Brug, *et al.* (2007) have shown, bad economic conditions tend to hurt larger parties in coalitions more than junior ones, especially when responsibility for economic policy is clear – something which was most certainly the case in the PDL-LN government.

As regards the M5S result: the movement took votes from both left and right at the 2013 election. ITANES data shows that 29.8 per cent of its voters had supported the PD in 2008, but 30.4 per cent of them had backed the PDL and 6 per cent had cast their ballots for the LN.¹³ Grillo was able to exploit the combination of economic and political crisis – along with the discontent these produced – better than the other populist actors present in the Italian party system. Or, to put it another way, he was able to exploit the same structural conditions as the PDL and LN had done in the past, but using fresh contents.

Finally, although they fall beyond the formal remit of this chapter, it is worth briefly noting the results of the May 2014 EP elections. These were a triumph for Matteo Renzi who, in his first major test at the ballot box as party leader and Prime Minister, led the PD to an unexpected 40.8 per cent – the largest vote share achieved by any Italian party in a national election in the past fifty years.¹⁴ While these elections also saw a decline in the M5S vote to 21.2 per cent, we believe this

13. *See* ITANES Rolling Cross Section Survey 2013. Available at: www.itanes.org/en/data/.

14. Renzi was elected leader of the PD in primaries held in December 2013. He then replaced Enrico Letta of the PD as Prime Minister in February 2014.

was still a good result which showed that the movement – at least so far – is not a ‘flash-in-the-pan’. As for Berlusconi’s party, the 16.8 per cent it received was down on its already very poor 21.6 per cent at the general election. However, this needs to be put into context: the PDL suffered a split in late 2013 when the more moderate wing chose to form a new party led by Angelino Alfano called *Nuovo Centrodestra* (NCD – New Centre-right) and remained in coalition government with the PD while Berlusconi led the majority of the PDL into opposition and changed the party’s name back to FI. That caveat aside, the EP result was still below expectations. Indeed, perhaps only in a personal party like Berlusconi’s could a leader stay on after losing so many votes at two consecutive elections (McDonnell 2013). Meanwhile, the LN in its first election under new leader Matteo Salvini obtained 6.2 per cent and thus began to reverse the steep drop in its vote suffered at the 2013 general election.

Conclusion

As occurred in the early 1990s, the combined presence of economic and political crisis in recent years has again seen an increase of populism within the Italian party system. While two decades ago, those crises led to the emergence and success of FI and the LN, this time the M5S rose swiftly from under five per cent in the polls in February 2012 to over 25 per cent in the general election just a year later. The M5S did so both by exploiting the economic and political crisis present in Italy from 2011 onwards and by casting itself as the only force willing and able to act responsively for the people and against the corrupt elites. In this sense, they gave the existing populist parties – the PDL and the LN – a taste of their own medicine. However, the experience of Italy since 2008 not only points to the importance of crisis (and especially the combination of economic and political crises) for the initial success of new populist parties. It also offers us a rare case of how populist parties in government fare during situations of objective crisis. To put it in the terms used by Peter Mair (2009), the PDL was unable to be either responsive (it failed to deliver the economic growth it had promised in 2008) or responsible (it also failed to introduce the measures requested by Europe and others at the height of the 2011 crisis). Hence, despite quite a long honeymoon in the polls, its support declined steadily after the first quarter in 2010 and the party’s attempt to re-cast itself as ‘responsive’ in the 2013 election campaign failed to generate a recovery. While the case of the LN seems similar to the PDL if one looks just at general election results, in fact – as Figure 10.6 showed – the party was able to serve in government during the crisis without seeing its support levels slip at all. It thus offers us an important example of how populist parties can indeed serve in government without losing support, even during a crisis which has seen incumbent parties across the continent haemorrhage votes (Albertazzi and McDonnell 2015).

So, overall, how has populism interacted with economic and political crisis in Italy? As we have explained, the timing of events is crucial: the key moment in Italy for economic and political crisis and, by consequence, for an increase in

populism, is from 2011 onwards, not September 2008. While the first two years in office were generally good for the PDL and LN, the country's long-standing debt problem triggered – with the help of jittery markets – a financial crisis in 2011 that in turn fuelled an already-growing political crisis. This latter political crisis, for its part, mushroomed and manifested most notably in a crisis of representation through which neither the leading populist party of the time (the PDL) nor the principal mainstream party (the PD) was willing to take on the responsibility of government in November 2011 and so Italy found itself with a technocratic administration consisting solely of non-elected, non-party ministers. And it was on the back of this period of combined economic and political crisis that we saw the subsequent rise of the most electorally successful new populist actor in Western Europe: the M5S. Whether that party is able to overcome the many organisational (and ideological) difficulties its sudden success has aggravated and laid bare remains an open question. However, what we can say is that, despite the media attention on the country's new – and so far, electorally successful – Prime Minister, Matteo Renzi of the PD, Italy continues to offer excellent market conditions for populism.

Chapter Eleven

Greek Populism: A Political Drama in Five Acts

*Takis S. Pappas and Paris Aslanidis**

Contemporary Greece presents arguably the most intriguing case of populist development among all European nations. Emerging strong shortly after the country's 1974 transition into democracy, populism was initially represented by the Panhellenic Socialist Movement (PASOK), a nominally radical socialist party founded by rabble-rouser Andreas Papandreou. So successful was the new party that, already by 1981, it was able to win power by landslide, and thus become postwar Europe's first populist party in office. That however was only the beginning of Greece's populist saga, since PASOK, through a paradigmatic use of populist tactics, held power firmly throughout the 1980s, during which time it undertook to forge a solid electoral majority allegedly representing the authentic Greek 'people'. PASOK's successes made a large impression on New Democracy (ND), the other large party in Greece's two-party system, so that, in the early 1990s, it also decided to imitate its rival's vote-catching populist methods. Eventually, populism permeated the entire political system as it became the main parties' only rational strategy for winning 'the people' in a race of polarisation and overpromising at the expense of liberal institutions, political moderation, and social compromise. For many years thereafter, and as long as the international political and economic environment was favourable, Greece's populist democracy seemed to work relatively well. But in the late 2000s, when the global economic and financial crisis hit Europe, with Greece its earliest and most prominent victim, the old government parties, now under tight international control, realised that they could no longer serve their electoral constituencies. Then something remarkable occurred: 'the people' largely abandoned the old populist parties, PASOK and ND, fleeing to the support of any contender promising to continue serving them as if nothing had changed. Populism rebounded magnificently on both the left and the right of the political spectrum. With the populist constituency having dispensed with its old loyalties and already up for grabs, new parties took advantage of the situation by both revamping the discursive-symbolic groundwork laid by populism's early pioneers and arousing the biased beliefs it had created in society. Theirs, as this chapter is going to show, was an almost instant and remarkably impressive feat with long-term consequences for the country.

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Evidently, then, contemporary Greek politics offers perfect, near-laboratory conditions for the study of populist development over a considerably long time span, which moreover culminated in major polity failure. The chapter sections that follow correspond to what we identify as the main five ‘Acts’ in Greece’s populist drama.¹ ‘Act I’ describes how in post-authoritarian Greece, PASOK, through the oratory of its leader, forged ‘the people’ as a distinct community sharing similar emotional and ideological beliefs, and turned it into a powerful electoral constituency. ‘Act II’ is about PASOK in power during the 1980s and how that party used the state for serving its own constituency while at the same time crowding out the opposition. ‘Act III’ covers the 1990s and 2000s and shows how populism became entrenched in Greek politics after the erstwhile liberal ND also began tapping into the constituency of ‘the people’ thus effectively turning into another populist contender. ‘Act IV’ is about populism during the Great Recession and explains the stampede of the populist constituency from the traditional government parties and their transfer of loyalties to newly emergent populist actors. ‘Act V’ focuses specifically on the narratives of the new populist contenders who emerged strong during the crisis, examines similarities with old populist themes, and explains their success in capturing the disenchanting ‘people’. In a last section, the chapter concludes by addressing the hypotheses put forward in the introduction of this volume.

Act I. Populism in opposition, 1974–81: Forging ‘the people’

Contemporary Greek populism evolved directly out of Andreas Papandreou’s specific narrative about the country, its history and its politics. As his own son describes him, PASOK’s leader was a storyteller *par excellence*, a *virtuoso* of simile and metaphor full of powerful emotional undertones, a great inventor of compelling slogans. ‘He has a knack for words’, writes the son about the father, ‘he re-defines the out-of-daily-usage word “establishment” [*katestimeno*] to mean just that, [...]calls government changes a “re-structuring” [*anadomisi*], a new relationship with Turkey acquires the status of “no-war”. He draws his metaphors from the WWII [Greek] liberation movement and labels his political enemy a “collaborator” or “national betrayer”’ (Papandreou 2014: 20). This is a splendid case study of how ‘the people’ is built.

As effectively explained by Rogers Smith (2003), building ‘the people’ hinges on narratives that promise citizens a better and more prosperous future while also seeking to define their identities and worth. In examining the creation, maintenance, and transformations of such community-building, Smith argues that ‘political leaders engage in such “people-forming” or “people-building” endeavours to a greater or lesser degree all the time’ (*ibid.*: 4) but, of course, few of them succeed. In the context of post-authoritarian Greek politics, Papandreou managed to build a

1. Given both space constraints and this volume’s time-specific focus, Acts I-III are herein presented in brief while Acts IV and V will receive a more thorough treatment. For a comprehensive analysis of populism in Greece *see* Pappas (2014b), from which the present chapter freely draws.

resonant and timely narrative, the symbolisms of which operated as a mechanism for achieving several ends: a novel interpretation of the world as being divided by binary oppositions; the amalgamation of disparate social demands into a single collective unit, ‘the people’, with a communal consciousness; and the urge for radical political action on a promise of a better and fairer society which relies on national sovereignty. Papandreou claimed to represent many classes of people, ‘particularly the “wronged” and non-privileged, the ones who have the right to come to power but who have been left out so far’ (Nick Papandreou 2014: 21). He continues:

Leaving aside generalities, [Andreas Papandreou] addressed the specific problems affecting small craftspeople, pensioners, and farmers – problems like irrigation, the lack of local government autonomy, the hydra-headed central administration. Yet everything was encompassed in the broader vision of a new Greece – a vision summarised in a manner accessible in the mid-1970s to every voter by PASOK’s key slogans: national independence, popular sovereignty, social liberation, and democratic processes. (*ibid.*: 21)

Papandreou presented reality as a dense historical drama which revolves around the endless battle between good and evil, weak and strong, moral and corrupt, fair and unjust. In the end, firmly siding with and assuming the representation of the weak and moral, the narrator promised the final victory of the righteous people over the immoral and degenerate foes. His narrative was built around two main pillars. A self-proclaimed Marxist, having been greatly influenced by dependency theory in the early 1970s, he proceeded to build the first pillar as dividing the world between countries of a dominant imperialist ‘centre’ and those of a dependent underdeveloped ‘periphery’, presenting Greece as having undergone a process similar to colonisation by the Great Powers. The second pillar represented the alleged conflict between an exploiting ‘establishment’, both foreign and domestic, and the so-termed ‘underprivileged’ Greeks. This story was based on the theoretical construction of a grossly unfair system of exploitation that extended from the global centres of capitalism down to the smallest Greek village.² PASOK was a strongly anti-European party those days, presenting the imminent accession of the country to the European Community as an abolition of national sovereignty, and promising to cancel any such actions upon its coming to power (Verney 2011).

In sum, Papandreou’s narrative was the following: Greece’s continuing dependence on foreign powers had caused the inevitable conflict between two irreconcilable camps – one wishing to preserve dependence and another set to fight for its abolition. If the second camp wanted to win over the first, there was only one available option: the establishment of popular sovereignty in Greece. Through the symbolic articulation of diverse social categories, which had been marginalised in the years of the repressive reign of ‘the right’, Andreas Papandreou

2. On the construction of ‘enemies’ through the symbolic discourse of political leaders, *see* Edelman (1988: esp. 66–89); for the construction of ‘the people’ through a similar process, *see* Laclau (2005a: esp. 65–172).

was thus able to forge a single and seemingly unified political entity, ‘the people’. What remained was to capture state power by effectively turning the people into an electoral majority.

Act II. Populism in power, 1981–89: Serving ‘the people’

Papandreou fought the 1981 electoral campaign on the promise of *‘allage’* (change), a rather neutral word, which however encapsulated PASOK’s all other main slogans about national independence and popular sovereignty. When the ballots were counted, PASOK was found to have won a stunning 48.2 per cent of the national vote and be in control of 172 out of 300 seats in parliament. Papandreou’s populist strategy had triumphed and his other campaign motto ‘PASOK in office – the people in power’ was realised. The two would now rule in tandem.

Once installed in the premiership, Papandreou had to face an altogether different task – from forging the people, he now had to serve them. This practically amounted to satisfying the multitude of demands and claims raised by PASOK’s electoral constituency, let alone providing them with material and other rewards. But in 1981, PASOK had no clear programme for reforming the country. Instead, enjoying tight and unrestrained control over the state, it fell back to traditional patronage politics and, indeed, perfected it. PASOK offered its constituency two types of state-related goods. The first type included tangible benefits such as real incomes from state employment or pensions. It has been calculated that total public sector employment in Greece increased during the 1980s ‘at an average annual rate of about 4 per cent – around four times as fast as in the private sector’ (OECD 2001: 50). Pensions and other social expenditure increased at a similar, if not higher, pace. In addition to such tangibles, however, the Greek people also became recipients of a host of intangible benefits ranging from the selective protection by the state to several professions against market hazards to widespread impunity from violating the law (as in the cases of tax evasion, illegal construction or squatting on state property).

With regard to internal political struggles, PASOK routinely employed acute polarisation since it constituted the most efficient strategy for both crowding out the opposition from state-related benefits and retaining office. The ruling party did not realise its threats – while in opposition – to withdraw from the European economic community, and also reneged on its promise to discontinue the use of Greek territory for NATO military bases and operations. However, PASOK kept bashing the domestic enemy that was now in the opposition with the same fervor as before. The idea was that more time was needed to bring PASOK’s agenda to completion and safeguard the sovereignty of the people; a return of the right would reverse this progressive course, and should thus be avoided at all costs.

No less significant from a macro-political point of view, were the repercussions produced by PASOK’s populist record in power on two other major matters – liberal institutions and popular sovereignty. As Papandreou himself famously fused them in dictum form during a broadly televised party rally, ‘There are no

institutions – only the people rule this country’. Successive PASOK governments developed an ever-growing disrespect for political liberalism and its institutions, which, as the current logic went, could be compromised, impaired, or otherwise twisted as long as it was in favour of realising popular supremacy. Following that logic, institution building ceased to be a priority, and an understanding of institutions as means of achieving the gratification of the people was put firmly in place.

The major consequence of Papandreou’s populist discourse and political tactics while in office was the creation in large parts of Greek society of biased beliefs about politics and economics, which would swiftly become systematised and, crucially, come to determine the voters’ future behaviour. Such biased beliefs – based as they were on strong social biases against the market mechanism, immigrants and immigration, liberal institutions and the need for social compromise (more on this in Pappas 2014b: 33–40) – would in turn create a constant demand for populist appeals that, even after Papandreou was past and gone, no power-aspiring politician could afford to neglect.

Act III. Populism entrenched, 1990–2009: Tapping into ‘the people’

In 1990, ND regained office and, under the leadership of Constantine Mitsotakis, proceeded to shift away from populism and reinstate political liberalism by introducing appropriate institutions and reinvigorating the market economy through privatisations and other reforms. As the new government was soon to find out, however, it not only had to fight against the populist PASOK opposition; it was also undermined by a populist (*and* nationalist) streak that had developed strongly inside its own party. Intraparty contention culminated in 1993 with the overthrow of ND from power, thus once again opening the way for Papandreou and his populist party to return to power.

For ND, that was a particularly shocking defeat and the major lesson it drew was that, given the circumstances, when it comes to vote-decision, populism trumps liberal reformism. As the electorate had largely become accustomed to identifying itself with the category of ‘the people’, and was already driven by the irrational biases cultivated during the previous decade, interest groups used their power to divert the flow of state spoils towards their way while resisting reforms. Thus, following its instinct for survival in a world that had changed for good, ND decided to take the well-trodden populist path. It discarded Mitsotakis from the party helm in favour of populist Miltiades Evert, who promptly rebranded ND as a ‘people’s party’ and set out to outbid PASOK’s already excessive promises. From there on, populism contaminated Greece’s two-party system as both of the country’s major political forces had understood that it consisted of the best strategy to win ‘the people’ and achieve electoral majority. In the next two decades, Greece’s political system (herein dubbed ‘populist democracy’) reached a comfortable balance, during which PASOK and ND would alternate in power with a combined performance averaging well over 80 per cent of the total vote (and over 90 per cent of parliamentary seats).

Nowhere was the predominance of populism more evident than in the crucial area of reform implementation in key sectors of state policy such as health, pensions, and education. Reform-minded politicians (including reformist Prime Minister Kostas Simitis) did, of course, exist during that period, but their efforts to reinforce liberal institutions invariably failed. Greeks, now highly averse to losing benefits already received (or expected) through patronage and populist politics, stood firmly against any reform. In the context of Greece's populist democracy, then, most politicians became intent on outperforming the electoral market by giving 'the people' the policies they asked for. And on occasions where those were bold – or careless – enough to introduce a reform agenda aimed at promoting the general public welfare rather than the satisfaction of specific social interests, they were punished at the polls.

Another development that was underway during the second half of the 1990s and the 2000s was the emergence of populist spinoffs from both PASOK and ND. One such party was the leftist Democratic Social Movement (DIKKI) under former PASOK Minister of Finance, Dimitris Tsouvolas, which garnered almost 9 per cent of the vote in 1999 before it went into irreversible decline.³ Perhaps more noteworthy is the case of the radical right-wing Popular Orthodox Rally (LAOS), which was founded in 2000 by George Karatzaferis, a former ND deputy. In typical populist fashion, Karatzaferis invested in standard themes, such as anti-Americanism, anti-semitism, and various conspiracy theories, much like in the manner of Le Pen's *Front National*, with which LAOS had established close links. In a speech at his party's first convention in 2002, he elaborated on the distinction between people and elites in the following way:

On the one side it is we, with our souls, with our hearts dedicated to Power; with our lungs with which we breathe, dedicated to the grandeur of ancient Greece. And on the other side it is all the others – those who yield, who compromise, who get sold; those who, for a pat on the back from the Americans, sell off the Greeks' [true] ideals, prospects, dreams, and visions. (quoted in Tsiras 2012: 357)

Regarding its own concept of 'the people', LAOS employed the ethnic and religious identity of the Orthodox Christian Greek, alluding to historical themes ranging from ancient Greece to recent wars against Turkey. And, like most populists, Karatzaferis also stressed the direct link between party and people: 'We originate from you. We fight like you [...] We are one with you. You are one with us' (*ibid.*: 375). But in this version of populism, 'the people' identify with the nation: 'Societies move forward – they do not retreat; they do not bend. They must move forward as an indivisible force: one People, one Nation – without divisions and abstractions' (*ibid.*: 412).

Although at the time both DIKKI and LAOS remained small and politically insignificant, those parties were a portent of the new populist forces that were to

3. DIKKI lingers on to this day as a component of SYRIZA.

rise during the Great Recession. Irrespective of their different brands of populism, both were based on the idea of ‘the people’ and echoed themes that had already been developed by PASOK and ND, and which, as we are going to see next, would be reiterated by the new populist forces to emerge during the Great Recession.

Act IV. Populism in the wake of crisis, 2009–12: Revolt of ‘the people’

After our brief analysis in Acts I–III of the evolution of populism in the Greek political system until the Great Recession, and having already identified its main agents as well as discursive and symbolic tenets, we are now ready to examine how the crisis influenced the populist framework that had been erected until then.

When the global financial and economic downturn hit Europe in 2008, Greece still seemed to enjoy relative political stability and, according to official statistics, even some economic fitness. And, despite a bout of intense social unrest between December 2008 and January 2009,⁴ the old populist behemoths of PASOK and ND could still control together about 80 per cent of the national vote. In October 2009, PASOK’s leader George Papandreou, son of the party founder, won by a landslide after a bitter campaign dominated by his slogan ‘The money exists; it is only that [the ND government] prefers to give it to the few and powerful’. After that, everything in Greece went downhill. In November, as the European Commission had started an investigation over the reliability of Greek statistical figures, the state’s new Minister of Finance publicly revealed that the books had been ‘cooked’ by the ND administration and deficit actually stood as high as 12.7 per cent of GDP (Eurostat later updated this figure to 15.7 per cent). In early December, Fitch downgraded Greek debt. The risk premium of Greek bonds soared to more than 500 basis points over the German ten-year bund, and the country was effectively locked out of the global financial markets. In May 2010, the Greek government signed with the foreign creditors of the Troika (EU, ECB and the IMF) its first bailout agreement for 110 billion euros in exchange for strict austerity measures. The ‘Greek crisis’ was making headlines across the globe.

The economic crisis evolved into a full-fledged social and political crisis once it became evident that the state coffers were empty and that governments could no longer serve society. The majority of voters, having resisted partial reforms in the past, were anything but prepared to bear the weight of the more general and more onerous reforms now demanded by the Troika. Indignant and guided by already dyed-in-the-wool biased beliefs, various social groups began manifesting their opposition to the austerity bills, withdrawing their loyalty to the government, and, above all, severing their allegiance with the old populist democratic system. During the period beginning with the first bailout (May 2010) and ending with the general elections of June 2012, Greece experienced mass social unrest that

4. In December 2008 an insurrection against the state was prompted by the shooting of a teenager student by a policeman and featured riots that soon spread throughout most Greek cities, with massive participation and unprecedented violence.

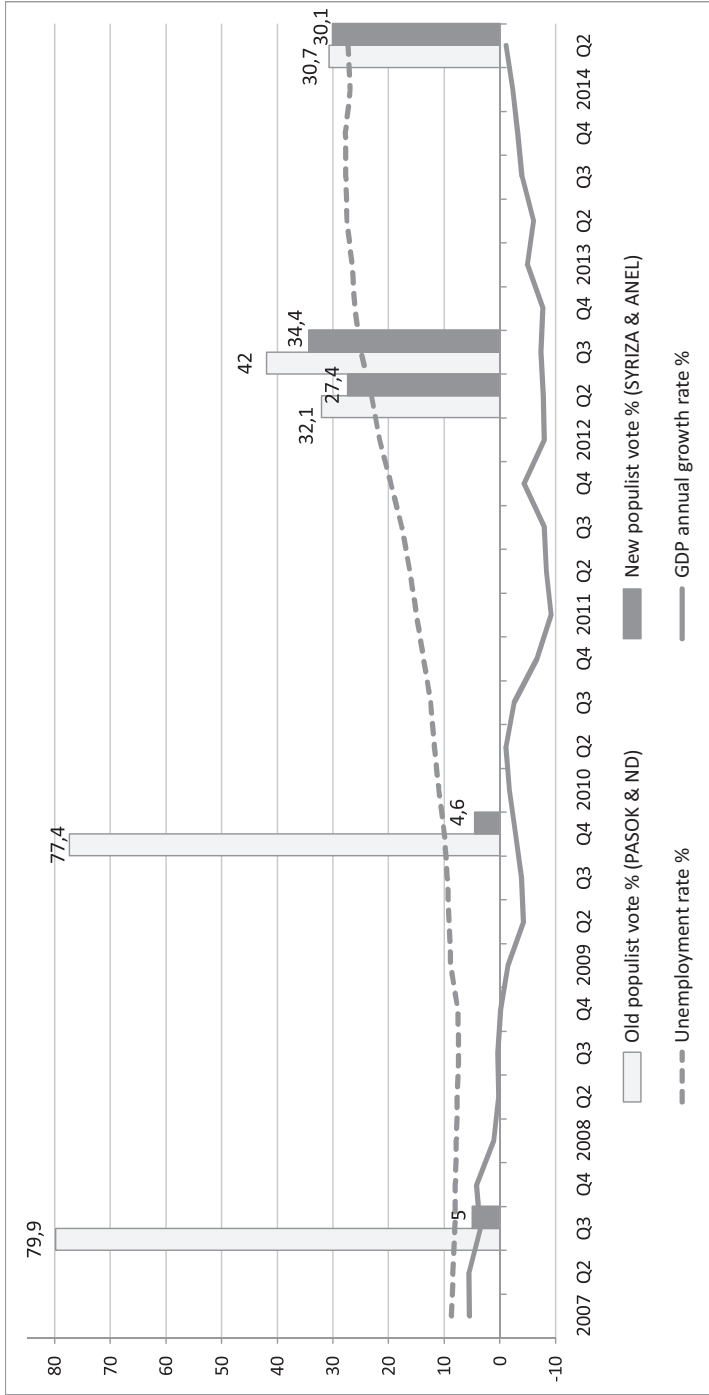
involved strikes, demonstrations, sit-ins, arson attacks against public buildings and widespread destruction of private properties, verbal and physical attacks against MPs and parliament, and terrorist attacks, many of which were directed towards immigrants. The radicalisation of the Greek electorate culminated with the advent of the Greek *indignados* who, for many weeks during the tumultuous summer of 2011, filled the country's city squares.⁵ The element that united the revolting society was a common desire to punish both the old government parties and political class for having let them down and, by means of newly emergent populist forces, reclaim the sovereignty of 'the people'.

Meanwhile, under the combined pressure of social protest and his European peers, but also due to his own inability to provide solutions, Prime Minister Papandreou resigned in November 2011, thus allowing the formation of a caretaker coalition government headed by technocrat economist Lukas Papademos, consisting of the two mainstream parties, PASOK and ND, and the smaller rightist populist LAOS. The new government would ratify 80 per cent of privately held debt, as well as a new loan agreement of 130 billion euros. It was not enough. Amid rumours of an imminent default and the exit of Greece from the euro a real probability, Greeks hastened to withdraw their life savings, either to send them over to foreign banks or to keep them safe 'under the mattress' in the hope of better days. A huge bank run had already unfolded since 2010, forcing the Greek central bank to fly more than five billion euros in new bills into the country from the central banks of Italy and Austria, in order to cover outstanding demand (Bank of Greece 2014: 177). Greek banks effectively went bust in early 2012, once the haircut on their sovereign bonds took place and their books lost most of their value.

The Greek crisis was the most severe in Europe in both economic and political terms. From the general election in crisis-free 2007 to the contest of nearing-crisis 2009 elections and from there to the dramatic election in crisis-thick 2012, all indicators had worsened (*see* Figure 11.1). Annual growth rates began declining sharply in 2008 and since then have remained negative. In fact, between 2008 and 2013 Greece lost more than 25 per cent of its GDP. Unemployment rose from about 8 per cent in 2007 to a stunning 25 per cent by the third quarter of 2012 with increasing tendency. Gross public debt skyrocketed from 107.4 per cent of GDP in 2007 to 156.9 per cent of GDP in 2012. Political indicators were no less dispiriting. The Greeks' satisfaction with democracy dived from an already gloomy 46 per cent in 2007 to a menacing 14 per cent in 2012 – the lowest in Europe. Distrust in parliament increased during the same period from 45 per cent to 86 per cent and distrust in government increased from 59 per cent to no less than 91 per cent. Within this picture, the two elections of May and June 2012 election were the

5. It is worth noting that the initial reaction of ND to the crisis of legitimation that followed the first bailout programme in early 2010 was a hands-on critique of it as a 'mistake' and a 'wrong approach' that would not achieve growth. Using typical populist language, ND leader Antonis Samaras invested in polarisation, accused the PASOK government of political timidity against its creditors, and demanded immediate elections and a renegotiation of the loan agreement. For those tactics, there was a high price that ND would soon pay.

Figure 11.1: The fortunes of electoral populism amid Greece's economic crisis



Sources: Eurostat (GDP growth); National Statistical Service of Greece (unemployment); Greek Ministry of Interior (electoral results).

Table 11.1: Greek national election results (2009 and 2012)

	7 October 2009		6 May 2012		17 June 2012	
	% of votes	N of seats	% of votes	N of seats	% of votes	N of seats
ND	33.5	91	18.9	108	29.7	129
PASOK	43.9	160	13.2	41	12.3	33
SYRIZA	4.6	13	16.8	52	26.9	71
ANEL	–	–	10.6	33	7.5	20
GD	–	–	7.0	21	6.9	18
DIMAR	–	–	6.1	19	6.3	17
KKE	7.5	21	8.5	26	4.5	12
LAOS	5.6	15	2.9	–	1.6	–
Others	4.9	0	16.0	0	4.3	0
Total	100	300	100	300	100	300

Source: Greek Ministry of Interior.

most volatile in Europe's postwar electoral history (see Figure 1.4 in this volume's introductory chapter). They had important political consequences, as well.

First and foremost, the elections of 2012 caused the collapse of the country's time-honored two-party system (Pappas 2003) (see Table 11.1). By the second of those contests (June 2012), formerly formidable PASOK plummeted more than 30 per cent compared to 2009, now standing at a paltry 12.3 per cent, having lost more than 2.25 million voters. ND scored below 30 per cent, having at least recovered from a shameful 18.9 per cent in May, its worst performance ever. ND had invested in the polarisation of the electoral constituency in the heydays of the *indignados* in order to win over the disgruntled PASOK voters, fuelling the anti-bailout zeitgeist, only to perform a U-turn in face of imminent financial disaster, and support the technocratic Papademos cabinet. The constant pressure that the party leader, Antonis Samaras, had to endure from his peers in the European People's Party towards supporting a coalition government seems to have been crucial to persuade him to perform this U-turn. However, ND's 'betrayed' constituents did not follow along, turning their backs on their party in search of something more radical.

Two new populist parties, one on the left the other on the right, emerged particularly strong as a consequence.⁶ On the left, the new champion of populism

6. Besides the populist parties of SYRIZA and ANEL, which are the main focus of this chapter, the other great winner during the crisis in Greece was the neo-Nazi Golden Dawn (GD). This party also made wide use of several populist themes that resonated with the constituency of 'the people' but, unlike its other populist competitors, it is openly *not* democratic. In consequence, and in contrast to populist parties that are distinct species of the democratic-party genus, GD belongs to an altogether different genus – that of the nondemocratic parties. This is not an innocent remark. It urgently calls for setting more clear boundaries for the concept of populism, thus allowing distinguishing it, not only against non-populism, but also against nondemocratic populism.

was the coalition of the Radical Left (SYRIZA), a merger of a dozen organisations ranging from the radical-reformist to the communist left, under the leadership of young Alexis Tsipras. Support for SYRIZA, which had first appeared in this configuration just before the national elections of 2004, when it garnered a paltry 3.3 per cent of the vote, now, having won the lion's share of the populist constituency that used to side with PASOK, jumped to almost 27 per cent, making it the major opposition force. According to one source (Metron Analysis 2012), from the one million of its May 2012 voters, an impressive 39 per cent originated from PASOK, 12 per cent came over from ND, and 26 per cent from other sources. On the right, the Independent Greeks (ANEL), led by Panos Kammenos, a recent defector from ND, rose as another potent representative of new populism. With 7.5 per cent of votes in June 2012, somewhat lower than the 10.6 per cent his party had gathered in May, and with fiery speeches in the parliament that became viral on YouTube, Kammenos retained a strong grip on that part of the former ND conservative electorate that did not drift so far to the right as to land in the ranks of the neo-Nazi Golden Dawn. According to the exit polls of the May election, 15 per cent of former ND voters chose to cast their ballot for ANEL, with the party being overrepresented among young voters, women, and private sector wage earners (Metron Analysis 2012).

What was moreover remarkable about the 2012 elections in Greece was the fact that, with the exception of the Democratic Left (DIMAR), a moderate social-democratic force sitting uneasily between PASOK and SYRIZA, no self-professing liberal party (as had been the Democratic Alliance; Creation Again; Action; and the Green Ecologists) succeeded to enter parliament. As in the pre-crisis past, populism still trumped liberalism.

In sum, during a long political crisis centred upon the failure of the traditional Greek political class to deliver as in the past, a sizeable part of 'the people' decided to sever their old political attachments and became free-floating voters. And while the former paragons of populism were now forced by the Troika to reluctantly turn reformist, strengthen liberal institutions, and pursue further European integration, a new breed of radical populists emerged, forcefully represented by SYRIZA on the left and ANEL on the right, both standing firmly for a large, protecting and over-spending state, as well as the distancing from the EU and growing nationalism. In the next section, we examine the populist discourse articulated by these two parties, which to a large extent explains their continuing electoral success, as verified by more recent results of the May 2014 elections for the European parliament (*see* Figure 11.1).

Act V: Populist discourse during crisis: 'The peoples' turnabout

Why did the new populist parties, whether on the left or on the right, become so successful during the Great Recession at the expense of both the old populists, who were now forced to turn into reluctant reformers, and a host of purely liberal parties, which in the 2012 elections invariably failed to pass the electoral threshold and enter parliament? The answer, as we shall try to show, lies in the adroit use

of old themes and the exploitation of biased beliefs that were first developed in the 1970s, became hegemonic in the 1980s, and eventually became diffuse in Greece's party and political systems. We begin with the rightist ANEL and then move on to leftist SYRIZA.

The electoral success of ANEL was a severe defeat for ND, driving another nail in the coffin of the two-party system. Panos Kammenos skillfully managed to produce a populist party from scratch and present himself as an outsider even though he had been serving as a loyal MP of ND since 1993. Obviously, Kammenos rode upon the populist anti-bailout wave that was partly produced by Samaras's own actions in the early days of the crisis, yet, in order to see how populist tactics enabled his spectacular emergence into the political scene, we need to analyse his discourse.

ANEL is a typical case of a populist radical right-wing party (Mudde 2007), which, however, far from being a voice of moderation, is not characterised by extremist violent tendencies. The people are constructed mainly in ethnic terms, a language familiar to the average conservative right-wing voter, while at the same time racist oratory is avoided, and Golden Dawn is considered a purely fascist party. Apart from the ethnic definition of the people, ANEL stresses other traditional themes of the conservative right agenda, such as the role of the family and Greek Orthodox religion. On the organisational side, Kammenos never misses a chance to claim that ANEL is a movement, rather than a party, born from within the popular mobilisations of 2011 and organised via Facebook and Twitter. Yet, the party remains strongly personalistic. ANEL's leader employs a rhetoric which is broadly based on two main pillars: anticorruption, and the conspiracy of the New World Order. As an MP of ND, he had always been famous for conducting research and producing documents that allegedly pointed to conspiracies or severe cases of mishandling of public finances, and had a habit of appearing in court to either defend himself in litigations against his person, or to accuse others as sycophants. With the onset of the crisis, this aggressive rhetoric became highly resonant with the public, since it provided an explanatory narrative for the troubles of the country, produced as they were by a small minority of corrupt elites who burdened the country with excessive debt and enslaved the people.

While corruption is a recurrent theme, evidence of a purported decades-old sinister pact among members of the political caste, Kammenos manages to link this theme with the onset of the Troika and the current financial toils of the country. He holds that foreign powers and their domestic lackeys artificially induced the crisis by bringing Greece to her knees and take advantage of her riches. 'The story of the introduction of our country into the Stability Mechanism, the memorandums, and the surrender of national sovereignty', he further explains, 'is a rigged game, set up by specific bankers in order to acquire profit' (Kammenos 2014). According to Kammenos, Prime Minister Papandreou, acting as a conscious broker for international banking interests, signed Greece into the bailouts while there was no real need for such an action; the deficit figures had after all been mischievously bloated by his cabinet upon assuming power.

For ANEL, behind all the toiling and suffering of the Greek people lie the forces of the New World Order and their scheme for global domination. Even though the members of this evil network are not always named, all the governing coalitions after 2011 are accused of being collaborators. This plot has three stages: first, to deprive Greeks from their private property, then to do the same with public property, and finally, to undermine and disband the armed forces, thus dissolving the Greek state into a European federation which acknowledges no nations, and no flags, all under German rule. Since current rulers are nothing but collaborators in this scheme, Kammenos declares the government as a product of German occupation, a mere ‘regime’, refusing to acknowledge its democratic legitimacy. This modern occupation is termed ‘the 4th Reich’, a continuation and a reminiscence of the Nazi assault and subsequent occupation of Greece during the Second World War, a legacy which still rings strongly in the collective consciousness of contemporary Greeks. ‘We are not dealing with a democratic process’, he claimed right before the 2012 election, ‘we are dealing with occupation troops which violate democracy, which violate the Constitution, which violate the laws’ (Kammenos 2012).

The discourse of the ANEL is typically anchored in the traditional themes of the populist radical right. The attack by foreign forces aims at the Greek nation and Christian Orthodox traditions, while immigrants are seen as a weapon in the hands of the New World Order. For this reason, the programme of the ANEL supplies a quota for immigrants, up to a maximum of 2.5 per cent of the total population. When it comes to economic issues, the picture is mixed: on the one hand, corporate taxes as low as 8 per cent, and VAT up to 10 per cent are favoured in order to kick-start the economy and focus on export-oriented growth. And yet, layoffs in the public sector are abhorred since a large protective state is considered as the indispensable provider of welfare and security to the Greek citizenry. Additionally, the maintenance of a strong, populous military mechanism is also a central component in the ANEL programme.

Turning from ANEL to SYRIZA, its populist counterpart on the political left, one cannot but be stricken by the essential similarity of the two parties’ discourses. For instance, the populist themes of the ‘Nazi occupation’ and the ‘4th Reich’ were anything but an exclusive ANEL trademark. Indeed, on the trail to the 2012 elections, many SYRIZA candidates, now lawmakers, chose to campaign along those lines.

SYRIZA has a long history in Greek politics, ranging back to a 1968 split in the Greek Communist Party. Its current brand, a blend of old communists and radical leftists, was mainly assembled during the days of the alter-globalisation mobilisation (Tsakatika and Eleftheriou 2013). SYRIZA’s programmatic aim is ‘twenty-first century socialism’ (*à la* Chávez), a withdrawal from NATO, the socialisation of the means of production, direct democratic interventions, and participatory democracy. Their interpretation of reality is still based on the classical Marxist framework of class struggle, however, this monotonous prose has been significantly altered in the hands of its young leader, Alexis Tsipras. While until the crisis the main themes of the party were economic inequality, immigrant rights

and ecological issues, all within an ‘anti-neoliberal’ framework, populist elements now chiefly populate its discourse (Stavrakakis and Katsambekis 2014).

As with ANEL, the rhetoric of SYRIZA is also couched in battle terms. The party identifies itself at the forefront of a struggle against the German order in Europe. There is also a messianic flavour inherent in this war. Tsipras alerts his comrades that it is their obligation to win; victory is a duty for the party, not an ambition. The citizens face only two options: either to side with SYRIZA, or to choose the reactionary neoliberal establishment of Mrs. Merkel and her domestic lackeys, the governing coalition. While SYRIZA also refers heavily to issues of corruption, they do not present the investigative fervor of Kammenos, preferring to talk more broadly about the ‘corrupt establishment’, and the *diaplōki*, a graphic byword for interlocking interests between politicians and business agents.

In all, the populist conceptualisation of ‘the people’ in SYRIZA’s discourse is very akin to that of early PASOK, except for a few quirks. A major difference is the lack of explicit nationalist overtones, since the party’s origins in the radical, internationalist left, prevents it from putting forward such kind of images. ‘The people’ is not defined in ethnic terms; it is rather class-based, anti-capitalist values that provide the substrate upon which SYRIZA builds its brand of populism. Clearly, however, Tsipras actively tried to win over the ‘underprivileged people’ that Andreas Papandreou created and solidified. In his main speech in Athens, just before the first 2012 elections, he attacked PASOK on its own grounds, proclaiming that:

PASOK nowadays has replaced the wide social coalition that used to support it for decades with a new one, one of wealth and oligarchy. With the few who become rich when the many become poor. Mr. Venizelos’s party [PASOK] chose the few privileged, who increase their wealth and privileges through the Memorandum, and abandoned the many and underprivileged. (Tsipras 2012)

Tsipras does not indeed use the mantra of the ‘underprivileged’ without citing its creator, however, he clearly depicts the current PASOK leadership as traitors of their own roots, and himself as the rightful successor. For SYRIZA, the ‘we’ is constructed in terms of ‘the Greece of the many’, or ‘the determined people’. On the other hand, the dark side has many faces: the enemies are exploiters of the people, ‘an almighty authority of the triangle of sin, which has the corrupt bipartisan political system on its top corner, the bankers on the other, and the interweaving media on the third’ (Tsipras 2012). This rotten political personnel and its patrons, be it Chancellor Merkel and her vision of ‘Germanic Europe’, or the ‘state-fed bankers’, see the government as a tool to pursue their own interests. According to party leader Tsipras, the ‘pro-bailout bloc’ is part of a capitalist financial establishment which has formed a sacred alliance to pursue its own ends.

In his attempt to encroach towards the right, Tsipras does not appeal solely to the left. He also appeals to the average conservative voters, who suffer because of austerity. He speaks to them in a condescending language:

[W]e are now on the same side of the river. Whatever held us apart until yesterday is a lot less than what today brings us together. For, as always in history, when the people are faced with the perils of hunger and poverty, they can only overcome in unity. (Tsipras 2012)

The main motto of SYRIZA since the 2012 elections is also straight out of the populist toolkit: 'It's either Them or Us' was all across billboards and stickers. 'Together we can overturn them', was the byline. 'SYRIZA is *you*' wrote another party poster in bold type, its background laden with a series of words one next to another, as a laundry list of who 'you' is: teacher, student, doctor, newly fired, unemployed, pensioner, farmer, etc. Yet another motto was 'They decided without us: we move on without them'. Clearly, SYRIZA heavily invested in populist discourse during the crisis; judging by its current performance, this change of course has proven to be more than valuable.

Conclusions

Unlike most other countries in Europe, the case of Greece with respect to the impact of the crisis on populist manifestations is quite unique due to the predominance of political populism in domestic politics long before the economic crisis. As has been shown, populism grew strong in opposition immediately after Greece's transition to democracy and, by the early 1980s, had established itself in power. It thereafter contaminated all major political forces, thus transforming Greece into a 'populist democracy' with specific characteristics. When the crisis hit, and the Greek state became insolvent, the old populist actors were forced to moderate their discourse and play by the tune of Greece's foreign creditors. Then, a sizeable part of the formerly solid populist constituency ('the people') abandoned their old party moorings and offered their vote (and hearts, and minds) to newly emergent populist actors. That being the case, the crisis served as a broad window of opportunity to new populist forces on both left and right, which emerged to claim the defecting populist voters. A kind of *déjà-vu* populism was then born, built upon an appropriate repackaging of the old populist toolkit and, especially, exploiting society's biased beliefs as they have become systematised during the long period of populist hegemony. At the moment, as fears about the future of contemporary Greek democracy seem to grow, no one can be certain about the next act in this country's still unfolding populist drama.

The Greek case provides ample confirmatory evidence for all the hypotheses put forward in the introduction to this volume, and, perhaps because of the enormity of the crises that have afflicted it, also suggests interesting new venues for future research. Greece's economic crisis was the deepest in Europe and, indeed, it facilitated the re-construction of new categories of 'the people' and their 'foes'. It greatly intensified populism-*qua*-discourse both in popular mobilisation and in the party system, and produced a brand new divide in Greek society between voters who understood the necessity of bold reformism at any cost and those who insisted being served by a spendthrift state. Populist discourse became particularly intense in Greece because the economic crisis was intimately coupled with a major

crisis of political legitimacy, which was already underway when the Greek state went bankrupt. As the twin crisis unfolded, the anti-American zeitgeist of the first populist wave in the 1980s was substituted by strong anti-German feelings, keeping the original narrative of the small, recalcitrant and threatened nation intact. The established Greek political elite failed miserably to provide a sustainable future to the citizens of the country, and paid a heavy price for this failure. In this respect, Greece has revealed the interesting – and as yet not-theorised – phenomenon of ruling populists (the ND-PASOK coalition government) who, when compelled by an external enforcer (the Troika) to promote necessary reforms rather than falling back on old populist practice, lost most of their electoral constituency. Finally, the Greek case has revealed that populism may easily override traditional ideological boundaries. As shown by the cases of ANEL and SYRIZA, there seems to be an osmosis between right-wing and left-wing populisms, each of them bidding for the same electoral constituency, now freed from old allegiances. As Greece's populist drama still evolves, we witness a strong coalition potential between rightist and leftist populist forces – another empirically and theoretically significant lesson of Greece to the comparative study of populism. For the time being, however, Greece's populist drama is still unfolding and only time will tell if and how many more acts there will be before it ends.