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Articles

Living Parallel Lives: Italy and Greece in an Age of Austerity

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Abstract

The economic crisis has triggered a process of political convergence between Italy and Greece. The simultaneous downfall of the Italian and Greek governments, following the public withdrawal of European confidence in their ability to handle the crisis, was followed by the establishment of technocrat-led governments based on parliamentary ‘super-majorities’ and then by ‘protest elections’, marked by unprecedented levels of electoral volatility. By apparently ending bipolarism, the crisis has completely changed patterns of national government formation and resulted in experiments with unusual government types. Both political systems have entered a transitional phase whose outcome is anything but certain, especially in the continuing context of economic crisis.

Keywords::

Elections | Eurozone Crisis | Technocratic Government | Bipolarism | Monti | Papademos | Letta

Both in Greece in 2012 and in Italy in 2013, it took two elections to form a government. The election results sent shock waves through Europe and beyond, suggesting that Southern Europe might be drifting towards ungovernability. Following the Greek parliamentary election in May 2012, a country with a strong tradition of one-party majority governments could not even form a coalition. On this occasion, the only likely alliance had been so delegitimated by the dizzying drop in the vote of the two former major parties that it had become politically infeasible. It was only after an unprecedented repeat election six weeks later that a government could be formed. In Italy the February 2013 parliamentary election resulted in three minority groups blocking each other and unable to form any coalition government. The parties' failure to cooperate also affected the due election of the President of the Republic, generating a sort of 'institutional traffic jam'. It was only after an unprecedented re-election of the outgoing President that a coalition cabinet could be installed.

The time period from the first election to the formation of the government – 45 days in Greece and 63 in Italy – may not seem extravagantly long by comparative European standards. It pales in comparison with the 541 days required after the Belgian federal election of 2010. However, in both Greece and Italy, this was outside national political experience. Previously in Greece, it was already known from election night which party would form the government and who the next prime minister would be. In Italy, between 1948 and 2013, only once had the formation of a government after a general election taken more than two months (in 1992). And even in 2006 – when, as in 2013, the election of the President of the Republic was due immediately after the parliamentary contest – the process of cabinet formation had 'only' required 38 days. In both countries, the pivotal role of central government made a vacuum at the centre – particularly in a period of economic crisis – critically dangerous, in a way that did not apply to Belgium with its decentralised federal constitution. Moreover, in both Italy and Greece, the governments that finally took office overturned existing national patterns of cabinet formation, indicating a breaking of the mould of national politics as known up to then.[1]

The Greek and Italian elections of 2012–13 mark a second phase in the history of 'crisis elections' in Southern Europe. An earlier volume, Elections in Hard Times: Southern Europe, 2010–11, charted the electoral impact of the early years of the economic crisis across the region (Bosco & Verney 2013). It revealed a picture of declining participation, systematic incumbent punishment, frequently without a concomitant rise in support for the official opposition, and the rise of challenger parties (Bosco & Verney 2012). The implication was one of growing delegitimation of existing party systems in a context in which the crisis, by confining the policy options available to political leaders, was leading to a developing 'democracy without choices' (Krastev 2002).

In the subsequent two years, the main story in Southern Europe has concerned Italy and Greece, the only countries in the region which have held national parliamentary elections.2 In both cases, this was the first parliamentary poll since the crisis began to bite. While the international economic crisis had already been well underway at the time of the previous Greek national election in October 2009, the extent of its consequences for the country was not yet apparent to the electorate. It was only in the immediate aftermath of that electoral contest that the new Greek government had revealed the true state of public finances, triggering the eurozone crisis. The elections of 2012–13 were thus the first parliamentary competitions in these two countries in which the crisis was clearly at the epicentre of political debate.

These 'earthquake elections' provide the central focus of this volume. The common defining characteristic in both countries was the significant rise in protest voting. Therefore, besides articles examining the parliamentary elections themselves, this volume includes articles on two protest parties that achieved their first parliamentary breakthrough: the Five Star Movement (Movimento Cinque Stelle) in Italy and Golden Dawn (Χρυση΄ Αυγη΄) in Greece. In addition, in Italy, because local government elections are held in some areas every year, we can provide deeper context on the changes in voting patterns by also examining the sub-national elections of 2012–13.

Each of the articles in this volume provides a detailed examination of one of the protest elections or challenger parties. This introduction aims to complement these analyses by providing a comparative overview of the impact of the economic crisis on the political systems of Italy and Greece. The article begins by sketching previous dissimilarities between the two country cases and then indicating their point of convergence during the crisis. After this, it follows their new parallel paths, beginning with a comparison of in both countries. Next the article assesses the impact of the 2012–13 elections on patterns of party representation. It concludes by briefly delineating the consequences of these earthquake elections for national models of government formation.

From Dissimilar Cases to Parallel Lives

Political Divergence

Under the influence of the economic turmoil, Greece and Italy appear to have come together in a striking twinning process. This contrasts vividly with the pre-crisis past, when the two countries appeared more dissimilar.

Seventeen years passed between March 1994, when the so called Second Republic was born, and the November 2011 resignation of Silvio Berlusconi, the leader of the centre-right Popolo della Libertà (People of Freedom, PdL). During this time, five general elections were held in Italy, the parliament was called to give an investiture confidence vote to ten governments, and Italian voters experienced two different electoral laws: a plurality system with a proportional modification (in 1994, 1996 and 2001) and a proportional system with a majority bonus (in 2006 and 2008; see Pasquino 2007). All cabinets, except that led by Lamberto Dini in 1995–96, consisted of coalitions of parties. All the parties underwent endless processes of change in number and identity – so much so that in 2013 the oldest party in parliament, the Lega Nord (Northern League, LN) was just 20 years old (Baldini 2013). The post-1994 party system was characterised by a bipolar structure in which more or less cohesive coalitions formed by internally divided parties alternated in government, and by a high degree of polarisation based on the pro-/anti-Berlusconi cleavage. In addition, Italy has a long-lived tradition of dissatisfaction with political institutions, particularly governments and parties (Morlino & Tarchi 1996).

Greece experienced the same number of elections – five – over a similar time period (in this case, 1993–2009). However, the consequences were very different, all five elections being followed by the creation of one-party majority governments. This reflected a stable pattern since the fall of the dictatorship in 1974, the only exception being the eight months from July 1989 to March 1990 when the country experienced two short-lived coalition governments. This picture did not change even with the switch to a more proportional electoral system in 2007. Government was based on alternation centre-right New Democracy (ND). Both parties were founded in 1974, and the picture of party system stability was enhanced by the presence of the usual third party. The KKE (Communist Party of Greece), although illegal for several decades before 1974, has been a permanent part of Greek political life since the 1920s. From 1996 onwards, parliament contained a stable constellation of these three parties plus a fourth one. SYN (Coalition of the Left) was founded in 1992 and succeeded in 2004 by SYRIZA (Coalition of the Radical Left), an electoral alliance in which SYN constituted the major element. The only change in the range of parties represented in parliament therefore concerned the fifth party, on the occasions when representatives of one were elected.

A further difference between the two countries was that in Italy the centre-right under the leadership of Silvio Berlusconi had dominated political life since the early 1990s, holding power in 1994–95, 2001–06 and 2008–11. In contrast, in Greece the centre-left under a succession of three different premiers was the more successful of the two main parties. In the 30 years after its first electoral victory in 1981, the only periods when PASOK was out of power were in 1989–93 and 2004–09. One important similarity between the two countries, however, was the adversarial nature of politics, based on bipolar competition between two major players, whether these were electoral coalitions as in Italy or parties as in Greece.

Economic Divergence

Differences between Italy and Greece were also pronounced in the economic realm. It is beyond the scope of this paper to discuss the extensive disparities in the size and features of the respective economies before the onset of the international economic crisis. Suffice it to note that Italy is the fourth largest economy in the European Union (EU) and among the top ten largest economies globally, while Greece is the twelfth largest in the EU and the forty-third globally. Even after the economic crisis began, the two countries did not necessarily appear to be converging.

A first important point of differentiation concerned expectations. Italy's performance in the decade preceding the crisis had been quite sluggish, with annual average growth of 1.5 per cent in the 1998–2007 decade, compared with 3.9 per cent registered in Greece during the same period. This meant that when the economy slowed down in 2008–09 Italians had lower expectations while the Greeks experienced greater frustration and disappointment due to the economic hard landing (see Tables 1 and 2).

Table 2 Economic Indicators of Crisis in Greece

A second point concerns performance. On all four indicators shown in Tables 1 and 2, it is clear that both countries were badly hit by the crisis but Greece was hit much worse. In 2008, both countries entered recession but in 2010 Italy temporarily returned to positive growth while the same year saw the acceleration of Greece's uninterrupted economic decline. The Italian elections of 2013 thus followed a year in which the national economy shrank by 2.5 per cent, following two years of weak but positive growth. In 2011, the year preceding the Greek parliamentary elections and the fourth consecutive year of negative growth, the fall in gross domestic product (GDP) exceeded seven per cent. Unemployment also rose rapidly in both countries. According to the latest Eurostat figures published just a few days before the February 2013 elections, the Italian unemployment rate had jumped by over 80 per cent compared with 2007. At 11.8 per cent, it was marginally below the eurozone average of 12 per cent. The corresponding figures issued in the week before the Greek elections of May 2012 showed that the unemployment rate in Greece, at 21.7 per cent, had reached 160 per cent of its 2007 level and more than double the eurozone average.[3]

For both countries, the collapse of Lehman Brothers in September 2008 resulted in rapidly rising borrowing costs. As panic spread through the international financial system, a major consequence for the eurozone members, previously able to borrow at roughly similar interest rates, was a reassessment of their creditworthiness on the basis of their individual public finance performance. As a result, the cost of executing the national budget and servicing the national debt, both already seriously high, began to spiral in both Italy and Greece. As shown in Tables 1 and 2, between 2007 and 2012, the last year before the parliamentary election, the Italian national debt jumped by more than 20 per cent of GDP. In the case of Greece, between 2007 and 2011 (again the last year before the parliamentary election) the rise was over 60 per cent of GDP. For both countries, the budget deficit peaked in 2009, in Italy reaching almost double and in Greece over five times the eurozone criterion of three per cent of GDP.

The third point, following from this divergence in performance, concerns the impact of the crisis on national economic sovereignty. As members of the EU, both countries were subject to EU surveillance of their public finances, including public warnings and admonitions from European officials. However, from April 2010, when its sovereign credit rating was downgraded to junk status, Greece was excluded from the international money markets. The following month, the Greek government signed an agreement for a €110 billion loan from the EU and International Monetary Fund (IMF), accompanied by a Memorandum of Understanding laying out a detailed programme of fiscal consolidation and structural reform. From then on, the Greek Treasury was dependent on the EU/IMF loan to pay public sector wages and pensions at the end of each month. The payment of each loan tranche became conditional on a positive report from the international lenders concerning Greek compliance with the Memorandum commitments. The actions of the national government thus became subject to a process of continual scrutiny and intervention by external actors with the power to cut off the flow of funding. In contrast, Italy, despite market pressures, escaped the bailouts and maintained its ability to borrow, leaving the government greater autonomy in devising national political economy. As a result, Italians were not subject to the humiliating periodic visits by the technocrats representing the troika of international lenders (the European Commission, European Central Bank and IMF) which became so familiar in Greece.

The two countries also had a somewhat different experience with fiscal consolidation and structural reform. On the brink of sovereign default, the Greek government began to implement a policy of economic austerity, imposing public sector wage and salary cuts from early 2010, while from the summer of that year it embarked on reforms, including changes to the pension system and the liberalisation of professions, beginning with the deregulation of the trucking industry. In contrast, the Italian government did not impose systematic austerity and repeatedly postponed reforms right up to Autumn 2011. However, this was not to last. Just under 18 months after Greece, Italy too was to embark on an austerity policy under international financial supervision.

Convergence at Cannes

The chronological moment of convergence between Greece and Italy came at the G20 summit in Cannes in November 2011. The preceding months saw a deepening of

2011, Italy had overtaken Spain as the main concern within the eurozone and the pressures on the Italian government for fiscal consolidation and structural reform had increased. A long series of warnings came from different actors, including the financial markets, employers' organisations and the President of the Republic. However, the centre-right government led by Berlusconi was disrupted by internal divisions at every level as conflict emerged between the prime minister and the minister of the economy, between the two coalition parties (the PdL and the LN) and among the MPs who were supposed to support the cabinet in parliament. Paralysed by internal strife, the government was unable to launch reforms to reverse the country's weak growth prospects and reassure the financial markets. Berlusconi himself repeatedly denied the gravity of the crisis. Typically, at the end of the G20 summit, he reminded everybody that Italy was a ‘well-off country with full restaurants’, where it ‘is difficult to make a flight reservation’. Such statements suggested the leader of the fourth largest country in the EU had lost touch with reality.

On 5 August 2011, the outgoing and incoming Presidents of the European Central Bank, Jean-Claude Trichet and Mario Draghi (the latter at this point still Governor of the Bank of Italy), sent a letter to Berlusconi stressing the need to take urgent action on fiscal consolidation as well as on the reform of public and private pensions, the liberalisation of professional services, the privatisation of local public services and the expansion of labour market flexibility, among other things. A week later, the Italian government responded with a decree to balance the budget, but generally reforms were delayed and opposed inside and outside the cabinet. The government's incapacity to fulfill its promises on growth and structural reforms undermined its domestic support. It also led to a complete loss of external credibility, graphically highlighted by the famous smirk by German Chancellor Angela Merkel and French President Nicolas Sarkozy when asked, at a press conference following the European Council summit on 23 October, whether they had confidence in Berlusconi. Although the Berlusconi government at this point promised reforms, it was subsequently unable to deliver, with one of the government partners, the LN, notably refusing to support the promised rise in the retirement age.

In Greece, the international bailout in May 2010 had already undermined the legitimacy of a government elected a few months earlier on the slogan ‘There is money’ (τα λεφτα ´ υπα´ρχουν), promising there was no need for austerity. The first bailout was supported only by the governing PASOK and the small radical right party, Popular Orthodox Rally (LAOS), and vehemently opposed by the official opposition party, ND. It passed through people died. From Spring 2010, Greece faced a strong wave of anti-austerity protest, including repeated general and sectoral strikes and sometimes violent demonstrations, a ‘Can't pay, won't pay’ movement on public transport and toll roads, and yoghurt-throwing attacks on governing party MPs (Psimitis 2011; Vournelis & Sutton 2012). Meanwhile, from Spring 2011 the Greek government became a focus of strong international criticism for not meeting its Memorandum targets. In May and June 2011, as the government prepared a Medium Term Programme with €28 billion of austerity measures, an ‘Indignant Citizens’ protest camp was established in front of parliament, exercising pressure on MPs not to vote for the package. Fears that the bill, fought by the entire opposition, would not pass through parliament, led to a proposal for a grand coalition. When this proposal foundered, Prime Minister Georgios Papandreou carried out the second cabinet reshuffle in 20 months, installing his former leadership rival as deputy prime minister. In October, after passing more painful cuts, the government majority was reduced to three, a number of MPs declaring this was the last time they would vote for austerity measures. Thus, although beginning from a different starting point, in Greece as in Italy a point had been reached at which it seemed unlikely the incumbent government would be able to pursue further reforms.

It was in this climate that the Greek government faced the major challenge of how to pass the second bailout, originally agreed in July but then replaced by a new deal three months later. The new package entailed a €130 billion loan to support the negotiation of an agreement with Greece's private sector creditors for a 50 per cent debt haircut (the so-called ‘Private Sector Involvement’ [PSI]). The day after the agreement was reached at an emergency eurozone summit, the 28 October national holiday parades all over Greece were marked by anti-government demonstrations, with the main parade cancelled after demonstrators called the President of the Republic a traitor. This was a shock, as until then the President had been one of Greece's most popular political figures. These developments suggested a threat to the stability not just of the government but also of the entire political system.

Three days later, Papandreou unexpectedly announced he was going to ask the President to call a referendum on the second bailout rather than attempting to pass it through parliament. The proposal aimed to provide legitimacy not just for the new bailout, but also more generally for the government strategy of resorting to international loans and implementing their accompanying conditions. In the process, it was clearly hoped also to restabilise a government then on the verge of collapse. The essentially been eschewed since the repeated European Treaty ratification debacles of the 1990s and 2000s. Moreover, a potential Greek ‘no’ could undermine eurozone stability. Letting the Greeks vote on the bailout also threatened to be contagious, with other debtor and creditor countries likely to demand a popular vote too. Papandreou's desperate gamble suggested that he too had lost touch with European reality.

It was against this background that the sixth G20 meeting took place on 3–4 November. The summit proved a humiliation for both prime ministers, triggering the collapse of both their governments within days. During a pre-summit meeting, Berlusconi was forced to accept a regime of IMF supervision of the country's reform commitments (La Stampa, 5 November 2011). As the Financial Times noted (4 November 2011), this was ‘an unprecedented concession by a European country that has not received a bailout’. The Economist (4 November 2011) was even more succinct, declaring that Italy had been ‘put in remedial class’. Meanwhile Papandreou, who as the leader of a small country would not normally have been present at the G20, was summoned to Cannes for emergency talks with the German Chancellor and French President. When he refused to drop the referendum plan, Merkel and Sarkozy insisted on a change in the question. The Greeks would not be asked whether they accepted the bailout, but whether they wished to stay in the euro. In the interim, the latest loan tranche, already long overdue, was suspended, making sovereign default an imminent prospect. Especially damaging, the Franco-German leadership of the EU broke the ‘eurozone taboo’[4] by publicly referring to the possibility of Greek eurozone exit, which they had previously explicitly ruled out.[5]

The clear disapprobation of European leaders expressed at Cannes exacerbated rising domestic discontent, providing the final blow to government legitimacy in both countries. In an interesting example of external–internal linkage, the intervention by the leaders of the EU's Franco-German axis was followed by the immediate loss of parliamentary support by both the Greek and Italian prime ministers. After the summit, Papandreou was the first to fall. Threatened with the withdrawal of his ministers' support at an emergency cabinet meeting on 3 November, Papandreou withdrew the referendum proposal and agreed to the creation of a national unity government. He then transformed the parliamentary vote of confidence, called before Cannes, into a vote to give him a mandate to negotiate the formation of the new government with the explicit understanding that he would not take part in it. This was a highly unusual case of a confidence vote given, not for a government to continue, but to open the way for its replacement. After Papandreou won the vote on 5 November, several days of tough negotiations concluded with the swearing in of a new government on 11 November.

While the Greek politicians were still negotiating, Berlusconi lost his parliamentary majority. On 8 November, the European Commissioner for Economic and Monetary Affairs set a three-day deadline for the Italian government to provide an update on the progress of the promised reforms. A few days earlier, six MPs from Berlusconi's own party had signed a letter calling for his resignation while two others defected to an opposition party. Berlusconi was forced to schedule his own resignation for 12 November, immediately after passing the budget through parliament. A new coalition government was sworn in on 16 November.

Thus, within two weeks of the G20 summit, both prime ministers had lost office. Their collapse was particularly striking, as both governments had been elected with a crushing lead over their rivals: of 9.3 per cent for Berlusconi and 10.4 per cent for Papandreou (Bosco & Verney 2012, p. 130). In both countries, the parliamentary term was not due to end until 2013. But neither leader had been able to maintain his parliamentary majority under the pressure of governing during the economic crisis. Both governments were then replaced by quite different administrations, which for both Italy and Greece constituted a governmental innovation.

The Time of the Technocrats

The second point of convergence came with the successor governments formed in the days immediately after Cannes. The new Italian and Greek administrations shared several important features. First, in both countries the governments were based on a new majority shaped from the existing parliament without recourse to elections. In both cases, the economic crisis was deemed to have created an emergency situation that did not allow time for such democratic luxuries. Second, both governments were conceived and brought into being through negotiations chaired by the country's President of the Republic. Third, each was led by a technocratic prime minister who did not represent any political party. Fourth, both were supported by, among others, the two main national parties and former major adversaries, these sort-of grand coalitions marking an innovation for both countries. Fifth, in marked contrast to their discredited predecessors, both governments had the clear blessing of EU leaders. Despite these similarities, the cabinets differed in their composition, duration and the tasks assigned to them.

Italy: Technocratic Government

Process of government formation and presidential role.

The President of the Republic, Giorgio Napolitano, had long warned against the confrontational and divisive traits of the political game. In the second half of 2011, with the financial crisis growing in intensity, he took several initiatives to shore up the political system. It was Napolitano who called on the parties to live up to their responsibilities in the face of the financial markets' assaults; who became an interlocutor of the European leaders concerned about the political weakness of the main euro sovereign-debt issuer; who started the talks with the parties; and who invited a former European Commissioner to form the new government.

As Napolitano himself recognised, democratic political systems may require ‘unconventional governing solutions’ to overcome ‘moments of gridlock when there is no easy solution available’ (quoted in Bosco & McDonnell 2012, p. 49). It is well known that in Italy the role played by the President of the Republic ‘often … compensates for the representative and governmental vacuum created by parties enjoying increasingly less legitimacy and perceived (sometimes wrongly, but often correctly) as weak’ (Fusaro 2012, p. 91). The 2011–12 events were the clearest example of this counterbalancing action. Napolitano, the only institutional figure broadly trusted by the public, not only enabled the new cabinet to take office quickly, but also supported its policies and supervised the division of labour between the technocrats in the cabinet, who were in charge of economic policies, and the majority parties in parliament, who were in charge of institutional reforms (Di Virgilio & Radaelli 2013).

Mandate and planned tenure.

The new prime minister declared his intention to govern until the conclusion of the parliamentary term in Spring 2013. This was deemed necessary, because his agenda included a long series of measures aimed at bringing Italy out of the debt crisis.

Prime minister.

Mario Monti was president of the private Bocconi University, where he had been a

European Commissioner for ten years, first in charge of the Internal Market, Financial Services and Tax policy portfolio (1995–99) and later of Competition (1999–2004). Monti's independence from political parties was underlined by the fact he had been nominated to the European Commission posts by two very different governments: the centre-right Berlusconi government in 1994 and the centre-left D'Alema government in 1999. The new prime minister had no previous party or parliamentary experience and was appointed a life senator by the President of the Republic just four days before being invited to form the new government. As a life member of the Senate, Monti entered parliament as an independent figure, not likely to stand with any of the existing parties (Fusaro 2012, p. 82). The presence of such a super partes figure was considered a guarantee in a political system characterised by high polarisation and hyper-partisanship, in which verbal aggression and delegitimisation of political adversaries had become the rule in discussions among party representatives.

Cabinet composition.

The Monti government (like the cabinet headed by Lamberto Dini in 1995–96) did not include any MPs or party representatives. Its members were academics, civil servants and high-ranking chief executive officers, all characterised by expertise in the field of their ministries. Monti himself, besides the premiership, also took on the crucial portfolio of Economy and Finance. The new prime minister chose the members of his cabinet in collaboration with the President of the Republic. An initial attempt by Monti and Napolitano to include the main parties directly in the cabinet failed, due to the reluctance of groups in the Democratic Party (PD) and PdL to work in the same government with their former adversary. The two main parties therefore decided only to support the government in parliament without taking any ministerial responsibility (Fusaro 2012).

According to McDonnell and Valbruzzi (2013), cabinets that ‘contain a majority of technocrats … under a technocrat prime minister and have the capacity to change the status quo’ can be termed ‘full technocratic governments’; the authors' exhaustive analysis of non-party governments in the EU 27 member states shows that this type of cabinet is extremely rare, only six full technocratic governments having been installed between 1945 and 2013, two of them in Italy. The Monti cabinet was therefore an unusual example of full technocratic government.

The Monti government enjoyed a wide parliamentary majority, formed of the PdL, the PD and the centrist UdC (Unione di centro, Centrist Union). This translated into the broadest parliamentary support ever manifested in an investiture vote in the House of Deputies (556 ‘yes’ and 61 ‘no’). However, the three parties supporting the government took different positions from the start. On the one hand, the UdC alone remained adamant in its support for Monti for the duration of the government. On the other hand, the forced cohabitation of the two irreconcilable adversaries, the PdL and the PD, soon revealed the government's true nature as a ‘large non-coalition’, as Monti termed it,[6] in which the two main parties were very careful to distance themselves whenever possible, both from each other and from the government and its unpopular policies. Only two parties sat in opposition to the Monti government. The LN, PdL's former government partner, was the only party to vote against Monti's investiture. The Italia dei Valori (IdV, Italy of Values), the PD's coalition partner in the 2008 election, initially voted in favour of Monti's investiture but switched to the opposition before the end of 2011.

Loyalty.

The reluctance of the two main parties to support unpopular measures without attempting to make them more palatable for their own electorates, as well as their internal divisions – with party factions within both the PD and PdL unwilling to ‘cohabit with the enemy’ – made the life of Monti's ‘large non-coalition’ difficult. Negotiations were required to circumvent vetoes and reach compromise solutions on certain issues, while other reforms were blocked by the parties. The cabinet was able to pass most of its decrees only because it tied them to votes of confidence. In just one year, Monti had to ask for 35 votes of confidence in the House of Deputies, an indicator of the limited cohesion of his majority. All the main political decisions were therefore approved by the heterogeneous PD–PdL–UdC majority under the umbrella of the confidence vote. These included the decrees on ‘Save Italy’ (aimed at rebalancing the budget), ‘Grow Italy’ (focused on liberalisation) and ‘Simplify Italy’ (on administrative simplifications) as well as the crucial employment reform, the health sector reform and the spending review. The enforcement of confidence votes by the government ensured that a sense of responsibility prevailed among the parties and helped the party leaderships to keep their parliamentary groups united. On the other hand, when the parties tried to take decisions on institutional reforms, where the Monti government had no competence, symmetrical bicameralism, the reduction in the number of MPs and the reform of parties' public funding remained, therefore, on paper (Giannetti 2013, Pedrazzani & Pinto 2013).

The end.

As the end of the legislature came closer (April 2013), electoral reckoning became more important and the parties of the ‘large non-coalition’ took back their freedom. On the centre-right, an earlier call for primaries to choose the candidate prime minister was cancelled in early December 2012 when Berlusconi decided to run again. Immediately afterwards, the PdL announced to the President of the Republic that the Monti experience was over. The move led to the resignation of the technocratic government on 21 December, and to the scheduling of new elections for 24–25 February 2013. In contrast, the prime-ministerial candidate of the centre-left coalition was chosen in primary elections (25 November and 2 December), which resulted in the victory of the PD secretary general, Pierluigi Bersani, over Matteo Renzi, the charismatic mayor of Florence (Bordignon forthcoming). What neither the PD nor the PdL could forecast was that the era of joint government was not limited to technocratic cabinets.

Greece: Party Government with a Technocrat Prime Minister

Process of government formation and role of the president.

In Greece, the President of the Republic, Karolas Papoulias, a former PASOK Foreign Minister who had been proposed for the presidency by ND, played a lower-profile part than Napolitano and the political crisis did not result in a de facto enlargement of the presidential role. Papoulias was not proactive and did not visibly intervene in the political process before the parliamentary vote of confidence in the Papandreou government on 4 November 2011. The new Prime Minister, Lucas Papademos, also played a lesser part than Monti in the decisions on the government's composition. He only became directly involved in the talks taking place at the presidential palace on 10 November, the day before the new government was sworn in.

Because the parliamentary vote of confidence, in a highly unusual way, had given Papandreou a mandate to negotiate a new government, the latter, unlike Berlusconi, and ND leader Antonis Samaras were the leading actors in the negotiations while Papoulias's role, although crucial, was essentially that of a mediator between the party leaders. Unlike Napolitano, he does not seem to have played a role in selecting government members. All five parliamentary parties – i.e. those with a minimum of ten MPs under parliamentary rules – were invited to take part in the talks. The invitation was rejected by the two radical left parties, KKE and SYRIZA, leaving the two major parties and the radical right LAOS. With the inclusion of the latter, the Papademos government legitimated government participation by the far right for the first time since the military junta.

Mandate and planned tenure.

For ND, participation in government at this crucial point meant reversing the policy of opposition to the EU/IMF bailout and the accompanying austerity policy which the party had adopted since 2010. While Samaras declared that ND would support the new bailout, at first he demanded that the loan agreement be presented in parliament separately from the measures that the multinational lenders would demand to accompany it. Samaras's initial preference was for a short-lived technocratic government to pass the 27 October loan agreement and then hold elections within four to six weeks. According to the Greek press, the Presidents of the European Council and the European Commission, Herman van Rompuy and José Manuel Barroso, both telephoned President Papoulias to support a different framework: a government of several months' duration to handle the negotiation of the debt haircut and of the new Memorandum which would accompany the second bailout (To Vima, 6 November 2011). Meanwhile, Papademos reportedly made his acceptance of the premiership conditional on the government lasting for several months and including the direct participation of ND cadres (Ta Nea, 9 November 2011). In the event, the agreement was for a government with a three-month timeline, deemed sufficient for the negotiation of the PSI and the second bailout, which would be followed by immediate elections.

Prime minister.

Before the agreement on Papademos, several other names had been on the table. Apart from the Speaker of Parliament, a Papandreou stalwart proposed by the latter and unacceptable to ND, the other candidates were distinguished by their successful service in EU institutions. Papademos was a former Vice-President of the European

Commissioner; while Nikiforos Diamandouros was the incumbent European Ombudsman. In both Italy and Greece at this point in the crisis, a key qualification for the new prime minister was that they should be an individual who already had the trust of other European leaders.

Given that a major task of the new government would be the negotiation of the debt haircut, the choice fell on Papademos due to his banking expertise. Prior to moving to the ECB, the new prime minister had worked at the Bank of Greece for 17 years as chief economist, deputy governor and finally governor. He had served in the latter capacity throughout the period of Greek convergence with the eurozone entry criteria and oversaw the transition from the drachma to the euro in 2002. Although he subsequently served as an economic adviser to Papandreou, Papademos had no previous political party career and was chosen as a technocrat.

Cabinet composition.

Unlike in Italy, although a technocrat was chosen as Greek prime minister, this was not a technocratic government. Instead, it was a three-party cabinet in which all three parties held ministerial posts. However, none of the three party leaders took part. To a very large extent, the previous PASOK cabinet remained in place (including the deputy prime minister), but with the replacement of some members or the insertion of additional deputy ministerial posts to allow the participation of a total of 12 new faces. Of the 48 government members (apart from Papademos himself), 36 came from PASOK, six from ND and four from LAOS while two were personal choices of the prime minister.

The imbalance in the distribution of ministerial posts between the two main parties was the choice of Samaras. Despite finally accepting that ND should take part, he preferred to keep this participation limited. The two party vice-presidents were nominated to the ministries of foreign affairs and defence, chosen for reasons of national symbolism, while four deputy ministerial posts went to a former MP, a cadre from the party machine and two of the party leader's close personal advisers. The only one of these individuals who was a serving MP was required by the party to resign his seat before joining the government. This separation between the ND government members and the parliamentary group was indicative of the party's initial attempt to retain a stance of semi-detachment from the government.

In contrast, in the government as a whole, the overwhelming majority of members were for Transport. Of the two ministers chosen by Papademos, one was a university professor who had served in an earlier PASOK government, while the other was a senior judge from the Council of State, the country's highest administrative court. Thus, as noted by McDonnell and Valbruzzi (2013), the Papademos government can be classified as ‘a temporary oversized coalition … led by a technocrat’ or, more simply, as a ‘technocrat-led partisan government’.

Parliamentary support.

In the vote of confidence on 16 November 2011, in addition to the three participating parties, the government was also supported by Dora Bakogianni and the three MPs in the party caucus of her Democratic Alliance (Δημοκρατικη´ Συμμαχι´α). Bakogianni, a former Foreign Minister and then Samaras's rival for the ND leadership in 2009, had been expelled from the party in 2010 when she broke the party line to vote in favour of the first bailout. The Democratic Alliance's vote in favour, even though it had not been invited to take part, meant the Papademos government was supported by the broad section of the political spectrum spanning the centre-left to the far right. In contrast, the government was opposed by all three forces of the left: KKE, SYRIZA and DIMAR (Δημοκρατικη´ Αριστερα´, Democratic Left), the latter a party caucus formed as a SYRIZA breakaway in 2010.7 This ideological cleavage contrasted with the Italian case, where there was no such clearcut divide, one of the opposition parties, the LN, being on the right and the other, the IdV on the left.

The government was also opposed by the independent MPs who had previously been expelled from either ND or PASOK. In addition, both the major parties suffered small-scale defections, one ND and two PASOK deputies voting against the government. All three rebels were immediately excluded from their parties. Overall, however, the government majority at this point appeared overwhelming: 255 out of 300. The parliamentary opposition was essentially confined to the left and a handful of exiles from the major parties, with a total of only 38 votes cast against the installation of the government.

Loyalty.

Maintaining cohesion among the government's parliamentary supporters proved difficult. From the end of December, the leader of LAOS, shown by opinion polls to have suffered a significant drop in support after entering the cabinet, threatened to withdraw against the liberalisation of pharmacy opening hours, one of a series of commitments to the international lenders included in a so-called 'multi-law' (πολυνομοσχε´διο). They were joined by a number of PASOK and ND MPs who either broke party ranks or did not attend the vote.

Defection on a spectacular scale occurred with the second bailout in February 2012. The private sector bond haircut (PSI) was criticised for not reducing the Greek debt to a sustainable level, transferring a large part of it from private investors to EU taxpayers and including no provisions for the protection of Greek social insurance funds, one of the main investors in Greek government bonds. Meanwhile, the new Memorandum of Understanding included, among numerous controversial provisions, a 22 per cent reduction in the minimum wage and the extensive rolling back of labour rights, severely limiting collective bargaining. When the agreement was announced, LAOS withdrew from the government and the (PASOK) Deputy Minister for European Affairs resigned, denouncing the labour law provisions as a violation of the Treaty of Lisbon. In a parliament encircled by particularly violent protests,8 22 MPs from PASOK and 21 from ND voted against the bailout and were immediately expelled from their respective parliamentary groups. In addition, nine PASOK MPs voted down the labour law provisions while a further 22 MPs were absent from parliament. Nevertheless, the bailout passed with a two-thirds majority (199 out of 300).

The end.

The negotiation and implementation of the debt haircut took longer than initially envisaged. It was not until mid-March 2012 that the second bailout was completed, following its parliamentary ratification in the eurozone member states. The elections were then delayed for a few weeks longer, ostensibly to avoid coinciding with Greek Easter. In reality, there were considerable pressures for the government to remain in place, including a public intervention by the German Finance Minister, who suggested Greece should avoid elections and install a Monti-style technocratic government instead (Spiegel Online, 17 February 2012). However, the popular rage expressed in violent protest acts underlined the lack of legitimacy of a parliament elected in an earlier, pre-crisis era, when the parties had stood on platforms very different from the policies they were now called to legislate. Above all, perhaps, ND continued to press for elections which Samaras believed he could win. Thus, on 11 April 2012, Papademos visited the President of the Republic to request the calling of elections on 6 May.

Children of the Crisis

Despite the differences in detail between the two governments the 'big picture' was very similar. Both the Monti and Papademos governments were children of the crisis, products of political systems that had proved unable to negotiate the impact of a severe economic shock within established political frameworks. In the context of highly adversarial and polarised party systems, these coalitions entailed the legislative cohabitation of traditional rivals, overturning established traditions of national political life. In their votes of investiture, Monti was supported by 88 and Papademos by 85 per cent of MPs. Yet, despite these domestic 'super-majorities' and their aura of European support, both these governments proved transitional and both were ended by domestic actors. The longer-lasting Monti government ended prematurely when one of the parties withdrew its support. The short-term Papademos government, despite external pressures for its continuation, reached its prearranged conclusion, mainly on the insistence of one of the participating parties.

These governments both pursued programmes declared to be nationally necessary but for which their supporting parliaments had not been mandated. The policies legislated to handle the crisis brought growing economic pain for the population, fuelling increasing resentment. In both countries, the other side of the 'super-majority' commanded by each of these governments was a parliamentary opposition that was tiny and divided. The build-up of popular discontent was thus further inflamed by its inability to find expression through the usual institutional channels. In Greece, this had already resulted, during the lifetime of the Papademos government, in the shock of the second bailout vote. In both Greece and Italy, however, the major outburst of public discontent was to be expressed through the ballot box.

The Time of the Elections: Nothing as it Was

The 'earthquake elections' of 2012–13, so called because of their devastating impact, were held only nine months apart and marked a third point of convergence. The elections clearly revealed the extent of the strain that both national systems were under as a result of the economic crisis. In both countries, the outcome was major electoral change with systemic consequences.

Between May 2012 and May 2013, three rounds of Italian elections changed the political landscape. Although involving little more than ten per cent of Italian municipalities, the May 2012 contest offered a warning of the forthcoming storm. As Jim Newell shows in his contribution to this volume, the elections unveiled both the crisis of the mainstream parties and the unexpected success of a new ‘challenger’, Beppe Grillo's Movimento 5 Stelle (Five Star Movement, M5S). While the prime minister's PdL lost the first place to the opposition PD, the latter did not increase its vote share. But, most importantly, the elections also revealed that growing popular disaffection with parties involved in corruption scandals and financial mismanagement had found an outlet in the M5S. They showed that the electorate had voted ‘not just for a change of incumbents, but for a change in the very mode of conduct of political life’ (Newell 2013). Despite the novelties, though, at first sight the 2012 municipal election could still be dismissed as part of the pattern of second-order elections, characterised by the defeat of national incumbents, the emergence of the opposition and the rise of minor parties and abstention. For many observers, the bipolar structure of the post-1994 party system appeared shaken but still in place.

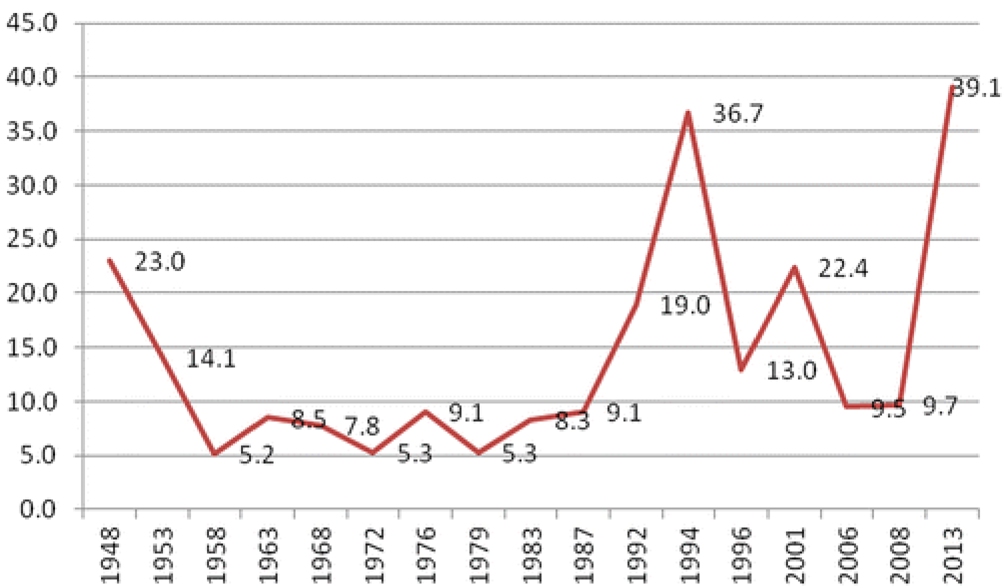
However, in the legislative elections held in February 2013, established voting patterns were swept away and the leaders of the main parties found themselves in an unknown political land. At the start of the electoral campaign, there was an expected winner flanked by three main challengers. The winner, predicted by countless opinion surveys, was Pierluigi Bersani, the PD secretary general, heading a left-wing coalition in alliance with Left, Ecology and Freedom (Sinistra Ecologia Libertà, SEL). Its three opponents were the right-wing alliance led by Berlusconi and composed of the PdL, the LN and other minor groups; the M5S, whose founder and leader, the comedian-turned-blogger Beppe Grillo, did not run as a candidate; and the outgoing Prime Minister, Mario Monti, who after his resignation had decided to form a centrist coalition (Scelta Civica, Civic Choice) including new and old centrist parties. The electoral results, however, belied these predictions and changed the format of the Italian party system. Several features stand out.

Record-breaking electoral volatility.

The 2013 parliamentary election saw the highest level of electoral volatility since 1948. Total electoral volatility is an index that measures the minimum percentage of voters who shift their vote between two consecutive elections. As such, it can be used as a

2013 exceeded 1994 and 1948, the previous elections with a record switch in voter preferences (D'Alimonte, Di Virgilio & Maggini 2013; D'Alimonte 2013). The top score of 2013 electoral volatility tells us that a minimum of almost 40 per cent of voters changed their party choices between 2008 and 2013. This is even more striking if we consider that after 2001 the volatility index had declined and remained fairly stable. In short, uncertainty and less predictable patterns of voting behaviour now replaced past recurring patterns. Post-electoral surveys add more details to this picture of fluidity and instability. The analysis of vote transfers shows that the two new parties set up by Grillo and Monti attracted voters from both the centre-right and centre-left (Diamanti, Bordignon & Ceccarini 2013). Accordingly, the M5S and Civic Choice can be considered cross-cutting parties, perceived by Italian voters as falling outside the traditional left–right divide (De Sio & Schadee 2013). This suggests that changing party preferences were accompanied by a weakening of broader ideological affiliations.

Figure 1 Total Volatility. Italy 1948–2013. Source: D'Alimonte, Di Virgilio and Maggini (2013, p. 30).



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Decline of the two main parties.

The major victims of this increased volatility were the PdL and PD, which suffered a sharp drop compared with the previous elections. Their combined vote fell from 70.6 per cent of valid votes in the House of Deputies in 2008 to only 46.9 per cent in 2013. The loss primarily hit the right-wing coalition, as Berlusconi's PdL slipped from first to did not spare the PD, which, although it emerged as first party, lost above a quarter of its 2008 voters (26.1 per cent). The combined haemorrhage experienced by the two main parties, exceeding nine million votes, could easily be ascribed to their support for the technocratic government. However, the LN – the only party that had consistently opposed the Monti cabinet since its investiture vote – lost about 54 per cent of its 2008 votes. Thus, electoral punishment was also extended to a party that had governed during an earlier phase of the crisis.

New second party.

The astonishing success of the ‘challenger’ Beppe Grillo and his M5S unveiled the spiralling growth of protest voting. Despite contesting legislative elections for the first time, the M5S became the second party (and actually the first if the votes cast by Italian residents abroad are not taken into account). In his contribution to this volume, Baldini (2013) shows how Grillo's amplification and legitimation of distrust and dissatisfaction towards parties and politicians was only the last episode in a series of waves of anti-establishment protest that have shaken Italy throughout its history. At the same time, Bordignon and Ceccarini in this volume stress how the role of protest paladin played by the 5SM assumed from the very beginning an extremely innovative political form.

The exuberant personality of Grillo, the online and offline organisational resources of his ‘non-party’, the bottom-up conception of democracy, the anti-party message and the electoral campaign run in the squares and on the web (and amplified and mirrored on television) all helped the M5S to expand its support base so much that, on the eve of the 2013 elections, the profile of the M5S voter had become similar to that of the average voter (Bordignon & Ceccarini 2013). Post-electoral data confirmed this analysis: in 2013 the 5SM was able to draw support in all parts of the country and from the whole political spectrum (De Sio & Schadee 2013). Thus, the ‘non-party’ led by the ‘non-candidate’, Beppe Grillo, attracted voters from the PD (19 per cent of its 2008 electorate), from the centrist UdC (16 per cent), from the PdL (18 per cent), from the LN (25 per cent) and from the IdV (51 per cent) (Diamanti, Bordignon & Ceccarini 2013, p. 214).

Impact on bipolarism.

The electoral landslide of the mainstream parties led to a change in the bipolar bipolarism had gone through different phases, but never faded away. Thus, between 1994 and 2006, ‘fragmented bipolarism’ had been characterised by the presence of small parties that could blackmail the two main coalitions. Later, the strategic choices of the leaders of the two largest parties, who promoted the incorporation of minor partners into the PD and PdL, made room for a form of ‘limited bipolarism’ based on the two main parties (Chiaramonte 2010; D'Alimonte, Di Virgilio & Maggini 2013). In 2013 instead, the severe downgrade of the PdL, which slipped from first to third place, the decreased support for the PD and the success of the M5S meant there were three main parliamentary parties of similar vote size (the PD with 25.5, M5S with 25.1 and PdL with 21.4 per cent of the vote). These were flanked by smaller parties including Civic Choice (8.3 per cent), the LN (4.1 per cent) and the SEL (3.1 per cent) – which quickly broke its alliance with the PD. In short, bipolarism was replaced by a completely new multipolar structure of competition, destined to have important consequences for government formation.

Increased number of parliamentary parties.

The end of bipolarism not only meant a larger effective number of electoral parties compared with the 2006–08 period, as shown by Baldini (2013, Table 2); it also meant a more fragmented parliamentary arena. In 2013, MPs were elected to the House of Deputies by 11 parties[9] compared with eight in 2008 but 14 in 2006. This suggests that in 2013 an incipient trend to reduction in the number of parliamentary parties had been reversed.

Reduced participation.

The election registered a substantial drop in turnout, which fell below the 80 per cent threshold for the first time since 1948. From 80.5 per cent in 2008, turnout fell to 75.2 per cent in 2013. This still meant that three-quarters of the electorate were going to the polls, suggesting most voters preferred ‘voice’ to ‘exit’. Nevertheless, even if not system threatening, the rise in abstention offered reasons for concern as the highest increase ever recorded between two consecutive national elections.

Local elections 2013 – the sequel.

This scenario of declining turnout and increasing instability was confirmed by the municipal elections held on 26–27 May 2013, just three months after the general

Corbetta and Vignati (2013) show in their contribution to this volume, for various reasons more than half of those who had voted for the M5S in February did not do so again in May. The local elections thus designed yet another political picture, suggesting the electoral fluidity inaugurated by the February election was there to stay.

Greece: Fragmentation and Partial Regrouping

Like the Italian municipal elections of 2012, the last Greek local government contest, held in November 2010, had produced an initial impression of a system shaken but still in place. Subsequent closer inspection revealed these elections as a portent of the change to come. Although PASOK and ND remained the major players on the national political scene, in the capital region their combined vote share fell to an unprecedented low of 45 per cent.10 The elections also saw a striking rise in abstention while electoral breakthroughs for the neonazi Golden Dawn and the extra-parliamentary left suggested potential for radicalisation at both ends of the political spectrum (Verney 2012).

Eighteen months later, the parliamentary contest of 6 May 2012 recorded a sweeping breakdown of political affiliations. All the parties that had handled power since the outbreak of the sovereign debt crisis suffered severe punishment. In absolute numbers, PASOK, in government for both EU/IMF bailouts, lost over 70 per cent of its 2009 votes. ND and LAOS, its partners in the Papademos government, lost 48 and 53 per cent, respectively. This resulted in LAOS falling below the three per cent threshold and being eliminated from parliament. But the protest vote in May 2012 was not only directed against those tainted by government participation, as shown by the fate of the perennial opposition force, the KKE. In conditions that might have been expected to multiply its support, the KKE, the usual third party and traditional recipient of protest voting, gained less than an additional 19,000 votes compared with 2009. In the new conditions of the economic crisis, other challengers reaped the benefits of protest. The overall outcome was a dramatic picture of fragmentation: the 19 per cent of the vote cast for parties polling below the three per cent threshold exceeded the share of any of the individual parties actually elected to parliament.

As shown by Vasilopoulou and Halikiopoulou (2013) in this volume, the repeat election held six weeks later, on 17 June, had a stronger focus on the questions of government

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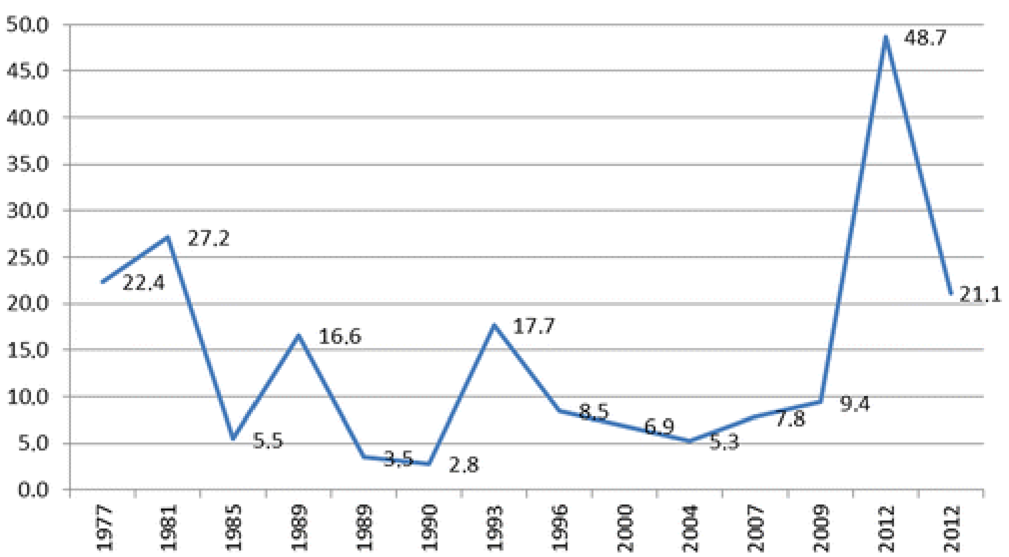
parties, the dimension of protest voting remained strong. The chief changes brought by these two elections are outlined next.

Record-breaking electoral volatility.

The May 2012 election was characterised by the highest level of electoral volatility ever seen, not only in post-dictatorship Greece but also in Southern Europe (see Figure 2). The volatility index of 48.7 per cent meant that, at a minimum, almost half the voters changed their party choices in the two-and-a-half years between September 2009 and May 2012. In the June repeat election, volatility remained at a very high level (21.1 per cent), exceeded only in 1974–81, when the new Greek party system was still in a fluid state. The 2012 elections thus marked a major rupture with the cycle of stabilisation of electoral behaviour which had started after the 1993 election. As can be seen in Figure 2, in the five elections from 1996 to 2009, volatility had been less than ten per cent: a much more stable pattern than in Italy. However, the subsequent increase in discontent, disappointment and detachment from parties and their leaders led to an unprecedented wave of electoral fluidity, exceeding even that of Italy in 2013. It is worth noting that exit poll data indicate even more dramatic shifts in voting patterns than those conveyed by the volatility index, 60 per cent of voters apparently switching preferences between October 2009 and May 2012 (Nikolakopoulos 2013) and 30 per cent between May and June (Nikolakopoulos 2012). This suggested not only that voters had rejected their past choices en masse, but also that these had not been replaced by stable new affiliations.

Figure 2 Total Electoral Volatility in Greece, 1977–2012. Source: Figures based on data kindly provided by Daniele Caramani.



Decline of the two major parties.

The most striking development of the 2012 dual elections was the dramatic meltdown in support for PASOK and ND. From 1981 to 2004, under an electoral system of ‘reinforced proportional representation’, in every election but one (that of 1996) their combined vote share had consistently exceeded 83 per cent of the total. Even the implementation of the new electoral law in 2007, eliminating the ‘wasted vote’ syndrome for small parties, only resulted in the joint PASOK–ND vote falling slightly to a 2009 low of 77.4 per cent. In other words, for three decades these two parties were consistently preferred by over three-quarters of the electorate, regardless of the change in the electoral system. In May 2012, this figure plunged to 32.1 per cent, less than one-third of those voting – meaning that in the space of two-and-a-half years, PASOK lost over two million and ND over one million votes. Even in June, their combined vote share, at 42.0 per cent, remained significantly below half of the electorate.

For each of the two main parties, 2012 represented a historical electoral nadir: its lowest vote share ever. But while both major parties saw their vote shrink, the centre-left was more significantly affected than the centre-right. The latter, although reduced in size, still emerged as first party in both the 2012 elections. As we have seen, the opposite was true in Italy. However, the common characteristic was that in both countries, the political force that had previously been the most successful within the national system received the more severe electoral punishment during the crisis.

New second party.

In previous Greek elections, a decline in the vote share of one of the two major parties had always been balanced by a rise in support for the other. In contrast, in 2012 PASOK's decline and fall did not result in a transfer of support to ND but instead opened up space for a range of challenger parties. Most notably, it led to the centre-left's replacement as one of the two main forces within the party system by SYRIZA. Unlike in the Italian case, the new second party was not fresh on the political scene. SYRIZA had already been represented in the three previous parliaments and its core party, SYN, in the two before that. However, the Left Coalition had long appeared to hover on the verge of electoral extinction, only just passing the parliamentary threshold in both 2000 and 2004. From 1996 onwards, SYN/SYRIZA, with an electoral high point of five per of 2007. But in June 2012, as PASOK's vote collapsed, more than one in four Greeks voted for SYRIZA, propelling it from the margins to the core of the party system. In contrast, the KKE suffered a devastating loss of over a quarter of a million votes, relegating it to seventh and smallest parliamentary party.

SYRIZA was thus the only one of the four parties consistently elected to parliament from 1996 to emerge as a winner from the 2012 elections. SYRIZA's rise has been linked to its civil society engagement and particularly to its long-term investment in movement politics, dating back to the early 2000s (Tsakatika & Eleftheriou 2013). Nevertheless, the electorate's turn towards SYRIZA was clearly the product of the crisis and at least partly motivated by the party's pre-electoral promises to stop implementing the Memorandum of Understanding with the international lenders and to reverse the cuts.

Impact on bipolarism.

SYRIZA's emergence as second party did not mean it was occupying the place previously held by PASOK within the party system. In the May election, the extreme fragmentation of the vote resulted in no individual party reaching 20 per cent of the vote. Instead, four – ND, SYRIZA, PASOK and the Independent Greeks (Ανεξα´ρτητοι Έλληνες), an ND breakaway expressing a nationalist position – polled over ten per cent each. This suggested Greece was moving to a multipolar system without any major players. However, this picture was somewhat amended in June. The pressure to form a government and the dynamic of the electoral law, with its 50-seat bonus for the first party, led one in five voters to switch to one of the two parties that had emerged ahead in the first contest, with ND increasing its vote to 29.7 and SYRIZA to 26.9 per cent. At the same time, both PASOK and the Independent Greeks saw their vote drop (to 12.3 and 7.5 per cent, respectively), meaning they were no longer playing in the same league with the two frontrunners. But this shift in voting preferences was not sufficient to bring a return to bipolarism with a new player. The combined ND-SYRIZA vote share, from a little over one-third of the electorate (35.7 per cent) in May, rose to just over half the total (56.5 per cent) in June. This bears little relation to the previous pattern of two-party support discussed above.

In contrast to Italy with its three parties of similar size, Greece emerged from the June election with a multipolar system including two significantly more substantial poles.

of the two came first in the election would almost definitely provide the nucleus of a future coalition government, as the first-party seat bonus would make it difficult to form a government without it. This was a very different situation from the former party system with its two parties of power and several small parties condemned to permanent opposition. Crucially, the new multipolar system meant a switch from one-party to coalition government, turning all the minor parties into potential government participants.

Increased number of parliamentary parties.

The minor parties, besides acquiring new systemic significance, also increased in number. Throughout the previous three decades, the Greek parliament had included a maximum of five parties, on several occasions reduced to four and in one case only three. In contrast, in May 2012 representatives of seven parties were elected, three for the first time. These were the Independent Greeks (10.6 per cent of the vote), Golden Dawn (7.0 per cent) and DIMAR (6.1 per cent). In fact, some of the pre-electoral opinion polls had suggested this could be a ten-party parliament and in the event 11 parties polled over two per cent. Two of these only narrowly failed to meet the parliamentary threshold of three per cent.[11] The June election saw a switch in preferences to the seven parties elected in May, which now gained 94 per cent of the vote, up from 81 per cent. Thus, the June election marked an apparent stabilisation of the new seven-party system that had emerged in May.

Reduced participation.

Official turnout figures, at or around 75 per cent in the three parliamentary elections of 2000–07, had fallen to 71 per cent in 2009 – already considered low in a country with a tradition of compulsory voting.[12] In 2012, turnout fell to record new lows (65.1 per cent in May and 62.5 per cent in June). However, the accuracy of these figures is influenced by problems with the updating of the electoral registers and therefore they should not be regarded as a reliable quantitative measure of systemic dissatisfaction. What they do suggest, though, is that, in addition to the large number expressing ‘voice’ by casting protest votes, part of the electorate was choosing ‘exit’ by turning its back on political participation.

Greek exceptionalism: the rise of right-wing protest.

One of the most striking aspects of the Greek elections – and a major point of difference with Italy – was the rise of right-wing protest. This was also a point of differentiation with other South European countries during the economic crisis, as nothing similar had been experienced in Portugal or Spain.13 In the May elections, the three parties to the right of ND – the Independent Greeks, Golden Dawn and LAOS – together won 20.5 per cent of the vote, reduced to a still striking 16.0 per cent in June. Particularly alarming was the dynamic parliamentary entry of the anti-system Golden Dawn, propelled by the crisis from the lunatic fringe of Greek politics into the parliamentary mainstream, as described by Ellinas (2013) in this volume.

Protest Elections

The polls in both Italy and Greece may be described as 'protest elections': contests in which the overriding concern for an unusually large proportion of the electorate was not to choose between parties of power with a view to government formation, but to express dissent. The voters vented their rage not only with the policies of austerity and structural reform but also with a political class deemed responsible for leading each country to economic calamity and unable subsequently to manage the crisis effectively. This protest was not manifested in the same way in the two countries. In Italy, the primary expression was Grillo's M5S, whose main target was the casta, the party elite involved in corruption scandals and financial mismanagement. In Greece, the protest vote was dispersed in several directions, which in May included a broad range of extra-parliamentary parties. The main beneficiaries, however, were parties of the left (primarily SYRIZA but also DIMAR) and the nationalist and anti-system right (Independent Greeks and Golden Dawn). But this difference in the messenger did not affect the common fundamental message, of a rejection extending well beyond any particular governing party to embrace broader aspects of the political system.

Conclusions: Italy, Greece and the Hard Game of Austerity

As we have seen, the crisis, while harsh for both countries, did not affect the two economies equally. While Greece has negotiated two major EU/IMF loans and undergone extensive sovereign debt restructuring, Italy has avoided a bailout. Yet

Greece embarking on parallel political paths that contrast with their past political divergence. The main stages in their new common course are outlined below.

First: Decline and Fall of the Pre-crisis Governments

In both national systems, the inability of elected governments to handle the implementation of austerity policies and to manage crisis-ridden economies precipitated their premature downfall only halfway through their tenure. The trigger event in both cases was the very public withdrawal of European confidence at the common venue of the G20 summit in November 2011. The essential problem, however, was the domestic inability of these governments to provide effective crisis management while maintaining a parliamentary majority – a problem that Papandreou tried to solve with the unlucky proposal for a referendum. In both countries, this failure has led to the adoption of non-traditional solutions.

Second: The Technocrat-led Governments

In the prevailing climate of crisis, elections were ruled out in both countries. Instead, new technocrat-led governments commanding parliamentary ‘super-majorities’ were considered the only way to pass unpopular measures. These governments' basis in grand coalitions ran counter to the bipolar competitive traditions of both national systems. The difficulties entailed for even these broad-based solutions are shown by the detached or semi-detached stance of parties that supported the government while trying to avoid taking the blame for unpopular choices. In Italy, the PD, PdL and UdC did not enter the Monti cabinet, but only offered parliamentary support while negotiating milder policies for their electorates. In Greece, none of the party leaders took part in the government; ND insisted on a complete separation between government and parliamentary party; and on occasion even cabinet ministers voted against government measures. These governments provided short-lived solutions, the Monti administration serving for 13 months and Papademos for five before the decision to call elections.

Third: The Electoral Shock

The parliamentary elections confirmed electoral trends previously noted in crisis-stricken Southern Europe: declining voter participation, severe incumbent punishment without especial benefit for the official opposition, and the rise of challenger parties (Bosco & Verney 2012). However, in Italy and Greece the political consequences of representation broke down in strikingly similar ways. Both countries experienced the highest electoral volatility since the return to democracy: an astonishing 40 per cent in Italy and 50 per cent in Greece, indicating a rejection of past political affiliations on a grand and unprecedented scale. In both cases, the former premier party was relegated to third place, ousted by the dynamic rise of a challenger party, while there was a proliferation of protest parties. But beyond the introduction of new actors, the election outcome implied a more permanent change in the nature of the political game. The era of austerity elections appeared to shatter the model of bipolar competition. This applied both to Greece, where the bipolar tradition had a 30-year history and to Italy, where it had been the arduous conquest of the Second Republic. Thus, in both countries, the 'earthquake elections' ruled out any return to business as usual after the Monti/Papademos interlude.

Fourth: Continued Convergence after the Elections

Entering the difficult new post-electoral terrain, Italy and Greece appear to be continuing their parallel lives. The protracted birth pangs of the post-electoral governments marked a fourth point of convergence between the two political systems. They opened a phase in which both countries embarked on further government experiments in their attempts to deal with the crisis. A major outcome of the crisis has been that both Italy and Greece have changed their usual patterns of cabinet formation.

In Italy, coalitions have been the norm since 1948. However, grand coalitions have not. Following the 2008 election, high polarisation and hyper-partisanship marked a climate of harsh political conflict between the PdL and the PD which made an alliance between them highly unlikely. In this situation the Monti government was an extraordinary experiment in which the parties kept as low a profile as possible. After the 2013 election the 'experiment' of PD–PdL cooperation was repeated. The new cabinet finally sworn in on 28 April 2013 was headed by Enrico Letta, PD's deputy party leader, and it was a grand coalition with ten ministers from the PD, the main leftist party, five from the PdL, the main centre-right party, three from Civic Choice and five independents. The continued alliance between the two former irreconcilable adversaries entailed the breakdown of the coalitions that had fought the elections. As noted above, the LN had been allied with the PdL while SEL had been the PD's coalition partner. Both now joined the 5SM in opposition. The confidence vote made it clear that the government had the

(Fabbrini 2013). A 'super-majority' with broad ideological scope thus remained the Italian recipe to face the crisis.

But while the new government essentially reassembled the alliance which had supported Monti, it took a different form. Crucial aspects of the Monti experience – the creation of a cabinet composed exclusively of technocrats under a super partes prime minister – were not repeated. Although the new cabinet included five independent technocrats, such as the Minister of Economy and Finance, Fabrizio Saccomanni, former general director of the Bank of Italy, they did not give the principal tone, as this was a political government.

The new Greek cabinet, sworn in on 21 June 2012, was also a political government, headed by ND leader Antonis Samaras and commanding a parliamentary majority of almost 60 per cent (179 out of 300 votes). This was the first post-electoral coalition to be formed since 1989 and, as such, marked an important break in patterns of Greek government formation over the previous 20 years. The renewed alliance between the old adversaries, ND and PASOK, no longer counted as a grand coalition, as PASOK had now become a minor party. However, as in Italy, a key element was the continued collaboration of the old chief adversaries. A major difference from the Papademos government concerned the third coalition partner, with the radical right LAOS replaced by DIMAR. As a result, the ideological dividing lines were very different from those of the Papademos government, which had spanned the centre-left to radical right. The new coalition had shifted to a more central placement. Opposition, instead of coming exclusively from the left, now originated from both ends of the political spectrum.

The key government post at a time of economic crisis – that of Minister of Finance, responsible for fiscal consolidation – went to a technocrat, Yannis Stournaras, a university professor and prominent economist. While the Papademos government had a majority of ministers from PASOK, with ND's participation kept to the minimum, the new government was dominated by ND. Meanwhile, the two smaller parties opted for detachment to avoid the poisoned chalice of crisis government. PASOK declined any cabinet role whatsoever while DIMAR did not take direct part but nominated two ministers and two deputy ministers (three of them university professors). As a result, neither party had a voice in cabinet meetings. While all three partners took responsibility for government policy, the latter was essentially shaped by ND, a highly unusual arrangement which ultimately did not work.

In both countries, therefore, despite the participation of some technocrats, there was a switch away from the technocrat-led model of the pre-election period. At the same time, the startling rise of the protest vote served to strengthen the unorthodox – by national standards – alliance between the two former major players, which now continued in power with new coalitions. Despite their comfortable parliamentary majorities, both governments appeared inherently unstable. Both have already lost government partners.

On the Greek government's first anniversary, 21 June 2013, DIMAR withdrew from the coalition following Samaras's controversial decision to close down the national public broadcaster, despite the declared opposition of both the other two government parties. The governing coalition was re-established on a new basis with PASOK now participating fully in the cabinet, in which seats were divided between the two remaining parties on a 3:1 ratio.14 In Autumn 2013, within months of the Letta government's formation, there was a division within Civic Choice while the PdL split into two groups. Forza Italia, led by Berlusconi, withdrew its support from the government and passed into opposition, while the Nuovo Centro Destra (New Centre Right), led by deputy Prime Minister Angelino Alfano, remained in the government. An immediate government reshuffle was avoided in this case, as all five PdL ministers remained with Alfano.

These common developments confirm the high price of the age of austerity. In the context of the eurozone sovereign debt crisis, political stability has become elusive. In both Italy and Greece the usual patterns of electoral behaviour, party competition and cabinet formation have been overturned. Both political systems have entered a transitional phase whose ultimate outcome is anything but certain. As shown in Tables 1 and 2, in both countries the economy continues to contract and unemployment to grow. It therefore remains an open question how long Italy and Greece will continue to live parallel lives.

Additional information

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Notes

[1] For a general picture of the political evolution of the Italian and Greek political systems see Morlino (2013) and Pappas (2013). On the impact of the economic crisis on Southern Europe see Bini Smaghi (2013).

[2] A presidential election was held in the Republic of Cyprus in February 2013, which replicated the pattern of severe incumbent punishment and falling turnout. See Katsourides (2014).

[3] Data collected from Eurostat website (http://epp.eurostat.ec.europa.eu).

[4] 'Merkel and Sarkozy break eurozone taboo', Financial Times, 3 November 2011.

[5] A third South European Prime Minister, José Luis Rodríguez Zapatero of Spain, has claimed in a recent memoir that at the Cannes summit the German Chancellor, Angela Merkel, attempted to persuade him to accept a €50 billion credit line from the IMF, which he refused, pointing out that Spain was already in a pre-electoral period (Rodríguez Zapatero 2013, pp. 290–292). On 20 November 2011, just a few days after the swearing in of the new Greek and Italian governments, his socialist party lost a parliamentary election and was replaced by a new government of the centre-right

[6] L. Maisano, 'Il professore convince la City,' Il Sole 24 Ore, 19 January 2012.

[7] One of the four DIMAR MPs abstained from the vote.

[8] These included the burning of multiple businesses and other buildings in the city centre, as well as public infrastructure damage estimated at over €1.5 million (Kathimerini, 14 February 2012).

[9] This does not include the MPs elected outside Italy.

[10] The figure refers to their share in the first round of the Attica regional election.

[11] The Eco-Greens fell short by only 0.07 per cent, amounting to less than 4,500 votes and LAOS by 0.1 per cent, i.e. less than 6,500 votes.

[12] The obligation to vote remains on the statute books but sanctions for non-compliance have been abolished.

[13] The emergence of a new far right party in Cyprus in the 2011 parliamentary election is examined in Katsourides (2013). But, with this party taking only 1.1 per cent of the vote and no parliamentary seats, the Cypriot case was on a different scale to what happened in Greece.

[14] Specifically, 31 ND members and 11 from PASOK.

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Source: South European Society & Politics

Electoral Epidemic: The Political Cost of Economic Crisis in Southern Europe, 2010–11

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