



FOUNDATION FOR DEMOCRACY
AND SUSTAINABLE DEVELOPMENT

The most popular technocrat in Europe

Nicolò Wojewoda, November 2012

A year after Monti's appointment as Prime Minister, we draw some lessons from Italy on the strengths and limits of unelected government. What does it mean for the status of Italian democracy? And what will its contribution be, if any, towards developing a long-term approach to decision- and policy-making in the country?

Europe. The same continent that, as a result of last year's financial crisis, saw the first "crowdsourced" national constitution take shape, is also home to countries with a comparably much lower degree of citizen engagement. Among them, one with a quite peculiar government, called into power out of the post-crisis chaos; a government that hasn't even been *elected* by its own citizens.

On November 17, Italian Prime Minister, Mario Monti, presented a **report** on his 12 months at the helm of Europe's fourth biggest economy. Monti's austerity plan has hit Italians hard, with **tax hikes and welfare cuts** across the board. And yet, just a few weeks before that important milestone, **trust in Monti**, which hit all time highs among recent Italian PMs during his first months in government, was - despite the crisis and the relative decrease in popularity from when he took office - still growing: 52%. Although responding to a different survey question, just compare that to **84% of Spanish voters** who are reported *not* to have confidence in their own Prime Minister, Mariano Rajoy.

In contrast to Monti's *personal* approval ratings, the Italian public's support for the government as a whole stands at 37%. The polling agency IPR Marketing, which collected and crunched those numbers, **interprets this** as a vote of confidence in Monti's personal credibility, rather than approval of the measures his government has enacted so far. Italians feel the crisis, but the trust they have in Monti means that they're less likely to rebel against the decisions his government is taking (which would explain the smaller size and intensity of Italian protests, as compared to those in Spain or Greece).

It's easy to understand where the trust comes from. For starters, Monti is not a career politician, a profession among those most despised in Italy: trust in political parties is at an **all time low, with a meager 4%**; and in recent regional elections in Sicily, voter turnout was less than half of the eligible population. More than that, Monti's demeanour

and personality contrast starkly with the flamboyant, populist politics the country is used to. And finally, he's an economist, a "professore", and former European Commissioner; Italians tend to **put academics on a pedestal** (although this makes him more of a "meritocrat" than a technocrat, in a sense).

A short history of Italian technocracy and its roots

The fact that Italians are broadly comfortable with having an unelected Prime Minister probably also says something about how helpless they've felt in previous decades, as successive governments have failed to tackle their needs and interests, and politics **has felt far away** from the life of ordinary citizens - an issue that has roots in the **founding of the country** itself. People's votes, many believed and still believe, would have little, if no impact at all. If that's the case, goes the reasoning, then better have a good government than a bad one, no matter how it got there.

The phenomenon of unelected leaders is not new to Italy: Monti's cabinet is the **4th "technical government" in 20 years** of Italy's recent political history. In the UK, general elections were suspended for the duration of the Second World War, so putting elections on hold is not new in the European continent, either. At no other time, however, has an Italian technical government lasted so long, nor has it been led by somebody so outside of party politics.

The wider context, and the role of political parties

What does this tell us about the current status of democracy in Italy, though? After all, democracy isn't just about voting, and Monti himself recognises the current technocratic leadership as a temporary phenomenon. Still, according to the **EIU's Democracy Index 2011**, Italy is a "flawed democracy" (ranking 31st in the list), with the three lowest scores across five indicators on the categories of 'Functioning of Government', 'Political Participation', and 'Political Culture'. This reflects not only the move to a technocracy, but also the recent Berlusconi stint (Italy dropped down the list into the "flawed democracy" category in 2010), which suggests that democracy was in bad shape to start with.

It's easy to see why: rather than serious debates on actual issues, internal bickering among political parties, corruption (100 members of Parliament are under investigation or have been convicted for crimes of some kind), scandals (the head of the largest party in the Lazio region has been convicted for having been **stealing public funds for years**), and a cult of personalities tends to dominate politics in the country. In such a state, a technocracy that delivers might actually be a welcome break from years of "theatre politics", as Italians call it.

But there's more. Monti's government seems actually to have coincided with (and perhaps boosted) the need for reform of political parties. Now, political party leaders seem to want to improve not just their image, but their relevance and integrity in the eyes of the Italian voter. The centre-left coalition is holding its second primary elections, whereas the leading centre-right party (Berlusconi's Popolo della Libertà) is planning its first primaries ever. Both polls and recent local elections are witnessing an incredible ascent in support for the "non-party" **Movimento 5 Stelle** - the citizens' movement started by comedian-turned-politician Beppe Grillo; so much so that **some political parties would rather have a second Monti government** than give up to the populist drift of M5Sers.

But will *any* of this shift the focus of the country away from the business-as-usual approach to the economy that generated the financial crisis in the first place? The Monti government still puts debt, deficit and growth centre stage in its overall strategy. And rightly so, to a certain extent. None of the previous governments had enacted necessary reforms to tackle structural reforms related to the economy: employment, pensions reform, innovation. Such measures would have been (and are) extremely unpopular, and would not only have prevented them from receiving public support in the next election, but would even have eroded support from key stakeholders and historical partners (e.g. unions and industrialists).

As a result, inequality boomed, growth slowed to the point of recession, unemployment rose, innovation stagnated. It's easy to see how inequality exacerbates the focus on short-term economic gains (income, employment, public spending), postponing the burden of debt to future generations' balance sheets. And let's not even mention the environment: ecological considerations always seem to fall last in these kind of economic calculations; often regarded as something to think about when the economy is fixed (failing to recognize, especially in Italy, **the economic and touristic value** of the nation's incredible natural and cultural heritage).

Technocracy: reasons for hope and words of caution

What then is Italy's democracy outlook for a post-Monti government? Has the technocratic interval been a step back for democracy and politics?

The scorecard is mixed. It has been useful to re-ignite citizens' appreciation for evidence-based (albeit sometimes unpopular) public policy rather than political bickering, and their understanding of the need to make sacrifices that can make a better future affordable (quite literally). But is technocracy a long-term solution?

Definitely not. On one hand, it is still largely inefficient to have squabbles over narrow, short-term interests for two decades, and then call on experts to provide a corrective course for the nation. On the other hand, technocracies don't come with the solid

political legitimacy that comes from exercising one's right to vote, so there are real risks that support for government policies could erode after the government has run its course, and that the next government could reverse the previous course of action.

But probably the most striking downside of technocratic government is that expertise is - by definition - narrow, and what Italy and all other democratic countries with similar struggles need is a broader shift instead. Technocracies have no legitimacy when it comes to making decisions for the long term or implementing bold plans of far-reaching structural adjustment. They don't engage the electorate in debate over the values or vision that should shape a country - or if they do so, their range of application is limited to arenas where their actions can be justified in terms of the crisis that led to their appointment. In this latter case, the Monti government has indeed tried to shift the country's perception of corruption as a dishonest act, and not as something "clever" people do.

Technocracy only gets you so far, it's inherently short-term and - in this regard - is as flawed as any contemporary system of liberal democracy. But if we can capitalize on its lessons, it doesn't need to be a dark period in Italy's democratic evolution. Perhaps this can lead to a renewed focus on putting public policy first, over political party interests. And perhaps, both the general public and politicians now better understand the need to enact unpopular legislation for the benefit of future generations.

The core challenge of democratic governance

Jean-Claude Juncker, Luxembourg's Prime Minister, once **famously summed up** why politicians tend to shy away from economic austerity measures (but you can easily see the quote applied to any other unpopular measure): *"We all know what to do, but we don't know how to get reelected once we have done it."*

Perhaps, then, the challenge is to build a system of democracy where - without resorting to technocracy - politicians can be and are incentivized simply to do the things that take into account a balance of short-, medium- and long-term interest, without being continuously forced into short-termism by electoral cycles. This kind of reform is within reach, and here at FDS we are developing a **manifesto for change** that will outline the innovations (and principles underpinning them) that can drive it. Let's just hope we don't need to call on a technocrat to make it happen.