

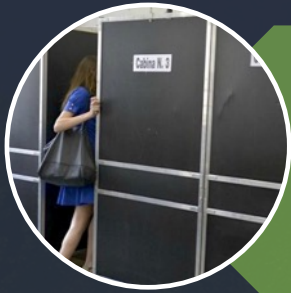
# 2018 ITALIAN ELECTIONS

A guide on what to expect on March 4<sup>th</sup>

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The March election will be the first time Italians cast a ballot with the recently approved electoral law in place, which was voted on by the establishment parties to resist the rise of the populist 5 Star Movement after a long negotiation.



The law is a mix of first-past-the-post and proportional voting methods, which largely favor party coalitions by design. To win proportional seats, the law sets minimum thresholds for parties (3%) and coalitions (10%).



The government needs to win a confidence vote in both the Chamber of Deputies and the Senate. However, based on the latest polls, winning the majority of seats in both chambers seems to be particularly challenging for the contending political forces. This might lead to a hung parliament and, consequently, to negotiations among parties to form a grand coalition government.

# KEY CANDIDATES, THEIR PARTIES & EMPHASIS

## Centre-left coalition

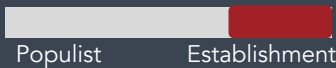


Pietro Grasso

Free and  
Equal



IDEOLOGICAL LEANING



Defining Issue

Social  
equality

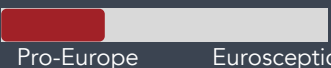
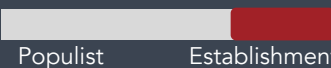


Emma Bonino

More Europe



IDEOLOGICAL LEANING



Defining Issue

A stronger  
European Union

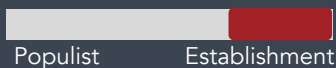


Matteo Renzi

Democratic  
Party



IDEOLOGICAL LEANING



Defining Issue

Continuity &  
economic recovery



Luigi Di Maio

Five Star  
Movement



IDEOLOGICAL LEANING



Defining Issue

Bottom-up  
participation

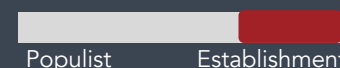


Silvio Berlusconi

Forza  
Italia



IDEOLOGICAL LEANING



Defining Issue

Tax cuts

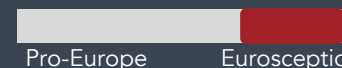
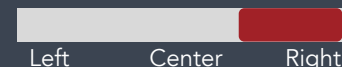


Matteo Salvini

Northern  
League

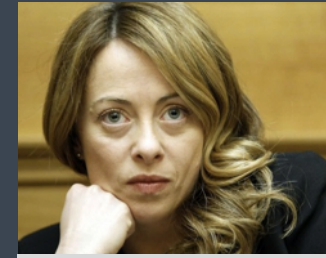


IDEOLOGICAL LEANING



Defining Issue

Immigration &  
security

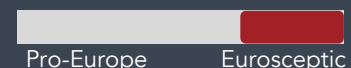
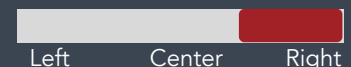


Giorgia Meloni

Brothers of Italy



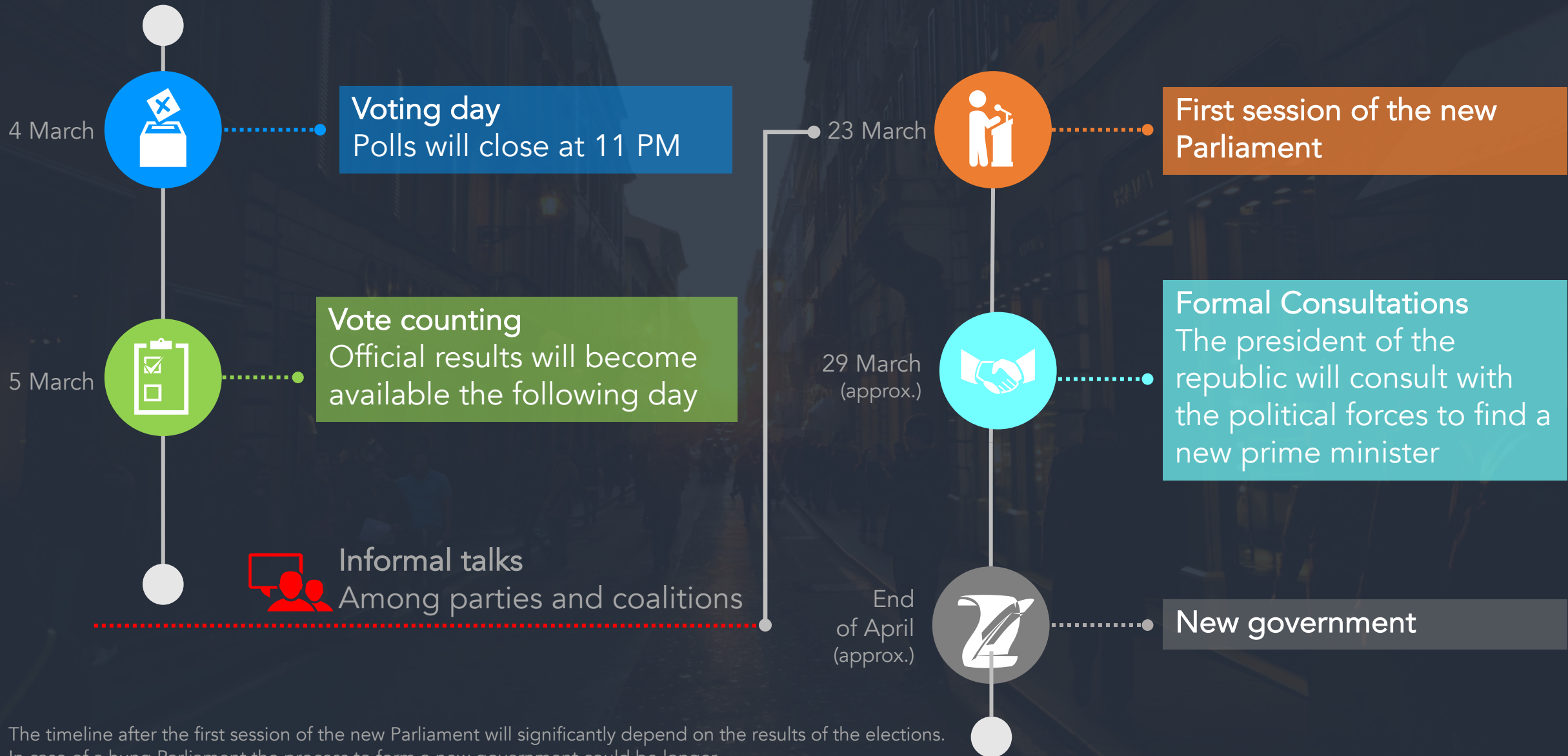
IDEOLOGICAL LEANING



Defining Issue

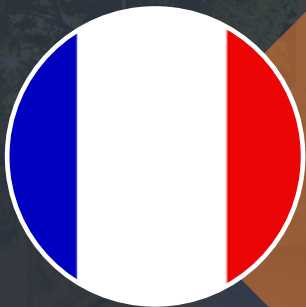
Security &  
nationalism







Italy's stability and governability are very important factors from an EU perspective. In fact, Brussels is worried any rise in populist parties could expose the stability of the bloc, especially from Italy, a founding member and third largest economy in the Eurozone. A strong and pro-EU Italian government would be a stabilizing force in Europe together with France and Germany, able to counterbalance the UK's exit from the bloc and help advance the EU project. Immigration, security and the country's economic outlook are key issues in Italy's relationship with the EU. The EU will push for Italy to continue its structural reforms and to keep its banking system in check with the objective of preserving financial stability.



Considering France and Italy's historical partnership, reaffirmed in late 2017 by the governments of the two countries, the coming Italian elections will be closely followed by its sister country. Stakes will be particularly high for President Macron, whose ambitious European agenda would be considerably easier to achieve with the help of a strong pro-European parliamentary majority in the 4th largest European country. Three main areas are bound to monopolize bilateral discussions as soon as the Italian government is formed: Mediterranean policies, while Italy has assumed a great share of the European burden regarding the management of immigration streams, European military cooperation, including cooperation projects between the naval industries of the two countries, and European social policies, for which Italy has traditionally been closer to the French position.



Germany desires an Italian government that brings about greater economic and political stability in the post-Brexit third largest market in the EU. Next to France, Italy – as a representative of the southern European member states – is regarded as natural partner to drive important reforms at both the EU and Eurozone level. This is despite differences in opinion on economic and in particular fiscal policy. Moreover, the next German government will seek greater cooperation with the Italian government to increase pressure on the Visegrad group in terms of refugee policy and the rule of law.





With the new found gas opportunities in the region and Italy playing such a key role in the developments of regional gas fields, Israel would expect to see strong cooperation with any government that is formed. Specifically, Israel has been negotiating the laying of a pipeline from Israel to Italy through Cyprus and Greece from its gas fields. It would expect to see continued cooperation with Rome on this project to help secure energy diversification into Europe. The rise of extreme right parties in Europe has given a louder and more “legitimate” voice to anti-Semitic voices across Europe. Israel would expect that whatever government is formed in Rome to choose to fight and condemn any anti-Semitic sentiment in Europe, both in general and in Italy.



The British government does not anticipate the upcoming Italian election having a major effect on its three principal bilateral priorities with Italy. Whether a centre-right government is elected, or a more diverse coalition, the British do not expect this to undermine current unity among EU member states on Brexit; a point underlined in Silvio Berlusconi's recent meeting with Michel Barnier and other Commission officials. On EU citizens' rights, the UK does not expect a new Italian government to alter its strong support for the more than 600,000 Italians living and working in the UK. Finally, on security, if a new, centre right government is elected in Italy some in the UK hope the country might become a more forceful advocate within the EU for continued cooperation with the UK on policing and intelligence sharing, particularly as it applies to migration.



The Turkish government's expectation towards the new Italian government would be to fight against xenophobia and islamophobia as well as association of any religion and its followers with terrorism, hatred and violence in Italy and Europe. Turkey's primary focus areas would be economic cooperation; developments in Syria, Libya, and Iraq; cooperation against terrorism and irregular migration; and Turkey-EU relations. These were, in fact, the topics when Erdogan visited Pope Francis, President Mattarella and Prime Minister Gentiloni.





### **The President of the Republic Will be the Anchor of Stability**

President Mattarella will give the mandate to form a government to the person with the highest chances to win the confidence of the new parliament. His role will be crucial in steering the country and ensuring stability, especially in the likely scenario of a hung parliament.



### **Negotiations Will be Key to Forming a New Government**

In an electoral context, where each major political grouping is expected to win between a quarter and a third of the vote, negotiations will be indispensable in the likely scenario of a grand-coalition government. Internal consultations among the members of the coalitions will also become necessary to reach an agreement on political platforms and cabinet roles.



## **TAKEAWAYS**

### **Italy is Politically Divided**

The electoral campaign was marked by several episodes of violence and polarization of the political debate. Italians feel increasingly detached from politics and may turn away from elections. These political tensions are likely to impact the debate also after the elections, including the negotiation phase to form a new government.



### **New Options for Policy Strategies**

With the new electoral law, which largely favors party coalitions, smaller political groups will increase their influence, especially in the process of negotiations on a new government. Also, with the FPTP voting method, part of the MPs will be directly elected by their constituencies and will therefore have a more direct relationship with local communities.



### **Relationship Building is Needed**

The proportional system, together with an uncertain political scenario that can lead to broad coalitions, makes it necessary to build relationships with MPs from across the aisle.



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