

### 1. *The weakness of the Social Democratic tradition in Italy*

To such a question is devoted one of the rare reflections on Social Democracy published in Italy, in 2009, i.e. Giuseppe Averardi's book *The mutants. Why the post-communists have rejected the Social Democratic choice*. According to the author (a journalist and former politician), during Gorbachev's leadership in former USSR, the belief prevailed within the PCI that both Communism and Social Democracy were to be abandoned, as both had failed[2]. However, in addition to this historical judgment, a crucial role was played by the will to keep together the traditional electorate, who used to consider Democratic Socialism as the betrayer of the working class, whilst the leadership was imbued itself with the same hostility[3]. Averardi disregards the influence played by the presence, and then by the collapse, of the Socialist Party (PSI) on the PCI leadership's line of action. At a first time (1989-1992), the choice of a Social democratic option would have implied for the PCI-PDS to be absorbed by the rival party[4] - which had not been questioned by the fall of the Soviet system. Later, after the early 1990s trials for bribery and corruption involving the leaders of PSI, the Social Democratic wing within the PCI found itself bereft of its main external partner, coming out weakened in the power struggle within the PCI[5].

Averardi's main thesis is that, like mutants, the Communist leaders changed, under the pressure of external events, the party form, but not the party machinery, which survived untouched, and neither their mentality, which remained Stalinist[6]. Hence the failure of the project, nourished between 1995 and 1998, by Massimo D'Alema (a key-figure in the 1990s-2000s party history, as he became Italy's prime minister in 1998-2000). D'Alema wished to convert the Democratic Party of the Left into a Social Democratic Party[7]; but he failed, and so did his successor Walter Veltroni's (another prominent party representative), who attempted to transform the party into a liberal-socialist organization[8]. The final point is the PD, which is a generically *liberal* party along an American political line. This is an outcome to which "Repubblica", the newspaper now in the frontline against Berlusconi, has strongly contributed, with its determination to avoid a Socialist landing-place for the post-communists[9]. Averardi's conclusions are disconsolate: once abandoned revolution, the heirs of the PCI believe no longer either in reformism, and, as good Stalinists, have entirely fallen back on the management of daily power. "This is their plague and at the same time the misfortune they have thrown the country into"[10].

## *2. A double crisis: Social Democracy and Capitalism as well*

In the light of this poor gift for Social Democracy on the side of the Italian left, it is not unexpected that the debate on the turn that Socialism can take in the XXI Century focuses mainly on foreign countries (and makes use of foreign contributions). There is a general agreement on the crisis that Social Democracy is going through; at the same time, no one forgets to stress that the financial crisis that shook the international economy in 2008 - with lasting consequences - is a turning point too. Yet European Social Democracy seems unable to turn the lack of confidence in the free market to its own advantage.

According to the already mentioned D'Alema (founder and chairman of a foundation, "Italianieuropei", which is among the few research-centres promoting a reasoning on Social Democracy in Italy), two are the reasons for such a *débâcle*. First, the managerial shift carried out by socialist parties in the second half of the 1990s has assured their permanency in power, but it has not undermined social inequalities (which, on the contrary, have increased); turning themselves more and more into neo-liberal forces, socialist parties have made themselves jointly responsible for such an outcome. Secondly, these parties have restricted themselves to national perspectives, giving up the chances implied by European integration[11]. Both these arguments are a recurring complaint in the diagnosis of the crisis from which Social Democracy is said to be suffering. Let us start with the Socialist leveling-off on Neo-Liberalism.

Massimo Salvadori, one of the most prominent Italian scholars of Socialism and Communism, focuses on the impact produced on Social Democratic policies by the changes in the production system, the fall of Socialist bloc, the neo-liberal counterattack, and the Chinese opening to the free market. Exactly when Social Democracy was celebrating the end of Communism, it came to be stricken by the attack to the State, in every respect. Globalization, for its part, compromised the power of politics over the economy, sealing the triumph of wild capitalism. In the face of such an upheaval, Social Democracy has given in, from a cultural and from a policy-making point of view, splitting up between Renewers and Traditionalists. The outcome has been a withdrawal from the two main targets of 1) defending the weakest social groups and 2) facing economic powers. By pursuing obsessively the middle electorate - giving up the task to organize what once were called

“subordinate classes” - Socialist parties have betrayed their identity, to the advantage of the Right[12].

Paolo Borioni, expert of the Nordic model, points out nevertheless a kind of symmetric process, particularly clear in Scandinavian countries[13]: while Social Democracy absorbed more and more right-wing values and policies, the Right, for its part, was reducing its *laissez-faire* aggressiveness; today it avoids ideological confrontation, defining itself as a centre force; it is very careful not to question openly the Welfare State, which rather is slowly worn down. Clearly, the right-wing Welfare State is not a vehicle of equality; on the contrary, it turns into a kind of refuge for those who are left out of competition; but it works to some extent, at least as a populist instrument for consensus[14].

Giuseppe Berta, economic historian and author of the only recent book (even if very short) entirely devoted to Italian Social Democracy, insists upon the convergence of the opposite fronts; while once upon a time one could talk about a “labour capitalism” (following Schumpeter), nowadays it seems to be suitable to resort to the concept of “capitalistic Social Democracy”. In the age of globalization, Social Democracy has found out to be forced to adapt itself to capitalistic requirements, giving up its original claim to transform society[15].

### 3. European Socialist parties' state of health

Typically, the main culprit for the rejection of genuine Social Democracy is said to be Tony Blair. Even if New Labour has been, together with the Nordic socialist parties, the only left-wing movement able to catch the importance of changes occurring because of globalization, instead of ruling them out, it is often accused of having complied with them far too much[16]. What Blair did was to put a humanistic breath on a Thatcher-inspired politics[17]; his New Labour accepted the so-called “turbo capitalism” of the 21<sup>st</sup> century, shifting from a collectivist ethics to full-fledged individualism: in this view, emancipation becomes the outcome of a process made by: education - skills improvement - and competitiveness on the labour market[18].

The German Social Democratic Party, SPD - as one of its MP, Angelica Schwall-Düren, points out - spent the eleven years in power (first as ruling party, later in the *grosse Koalition* with Angela Merkel's CDU) engaged above all in technocratic modernization, i.e. reforms were put forward without discussion with the citizens, who therefore did not identify themselves with those policies. No participation, no consent. In the light of such a line of action, the catastrophic electoral result of the SPD in the last general elections (September 2009) should not come as a surprise: 23%, the worst result since 1949[19]. The difference between New Labour and SPD lies, in Berta's analysis, in the greater determination of the former as to the rejection of Socialist tradition; the SPD being more hesitating, albeit its policies show no autonomous profile: the party does not distinguish itself from the others in any significant respect[20].

As to the French Socialist Party, Zaki Laïdi reminds us that it was in power for only fifteenth years (i.e. with Mitterand and Jospin) out of the last fifty. Being traditionally not a labour party, it has suffered from a deep split between the national level (ruled by an ideology with no obvious connection with social reality) and the local one (quite pragmatic).[21].

There are nevertheless in the European political landscape two (seemingly) successful cases: the Greek and the Spanish one. The journalist Panos Papoulias acknowledges yet that the victory of the Greek Socialist Party (PASOK) in the 2009 elections has been due not secondarily to the failure of the conservative government, even if it must not be neglected the cleverness of the party in exploiting the discontent aroused by the 2008 economic crisis. But now the PASOK has to face several and demanding challenges[22].

Before the widespread love affair with Barack Obama[23], the only political leader able to give the European Left some hope back, in the last decade, has been José Luis Zapatero. His governments have been indicated like the demonstration that even in the XXI Century the Left can successfully rule a country, without betraying its ideals. The historian of Spain Alfonso Botti, nevertheless, even if commending Zapatero's good record (in foreign policy, civil law, Welfare State, minorities protection), warns that, because of the 2008 economic crisis, his golden age is behind him. Then Botti wonders what kind of Socialism Zapatero has represented: not a working class' expression, but a mix of Social Democracy and political Liberalism, with its emphasis on the extension of civil rights and individual freedom; a modernization strategy, aiming to bring near to the party new social groups

(mainly the youth and women). If Spain proves to be today a tolerant and hospitable country, its economy shows weak roots; Zapatero has not been able to modify substantially the labour market, the banking system, Spain's fiscal policy. Revealingly, the Spanish success has not involved a decrease in social inequalities[24].

#### *4. Globalization/localization: threat or opportunity?*

As mentioned above, Social Democracy is often blamed, not only for its falling into line with the Right, but also because of what philosopher Antonio Negri calls its "geopolitical failure": instead of making the EU into a political subject, in every respect (that would have been, in Negri's analysis, the last chance to salvage whatever possible), Social Democratic parties have allowed it to become a maidservant of the USA. Furthermore, they have offered little resistance against identity-oriented and populist forces. In brief, European Socialists have not understood either the crisis in national sovereignty or the one in government, that is to say, the shift to governance, a key-word in the moderate-left debate nowadays[25].

Giuseppe Vacca, chairman of the Gramsci Foundation, reminds that, in the 1970s, Socialist parties replied to the challenges of that time by the pro-European shift, for they were aware that the so-called "social compromise" could be preserved only at a continental level. However, from the end of the 1990s they have delegated the rule of economy to the European Central Bank, which has implied the priority of monetary stability, not of growth; hence, the return to national economic policies, and of the missed chance of European integration, resulting into the worst crisis suffered by Reformism in the post-war age. Indeed, within the EU, political initiative is more and more in the hands of the European Popular Party[26].

On the other hand, Berta stresses that, compared to the golden age of Social Democracy, the territorial dimension has changed too. Nowadays, the real decision-making centres are no longer nations, but urban areas, macro-regions, as shown by localist movements in Italy and Belgium above all. It is a "federalism with a metropolitan ground", a "borgomasters' Europe"[27].

Are Social Democratic politics still conceivable, in an age of globalization *and* localization? And furthermore: is Social Democracy going to regain credibility, thanks to the severe lesson given by the economic crisis of 2008 as regards to the alleged virtues of the free market?

That the recent collapse of international capitalism can pave the way for a Social Democratic resurrection it is not a common belief. It depends, on one hand, on the awareness of the differences between 1929 and 2008. Back in 1929, capitalism was said to be done for good; today, a Socialist economist such as Giorgio Ruffolo can sentence that “not the days are numbered, of capitalism, but the Centuries” and that, “at least in a discernible historical perspective, capitalism is essentially not irreplaceable” [28]. On the other hand, unclear are the will and capability, on the side of Social Democratic Parties, to renew their identity without wasting their traditions and achievements (first of all global thinking and Welfare State). A complicated balance; how to achieve it? Here the answers differ greatly.

If someone, like the philosopher Giuseppe Bedeschi, gets rid of the problem hastily, pressing for more Liberalism within Social Democracy[29], others work out more concrete proposals. Negri, for example, urges Socialist parties - which are upon death's doorsteps, in his opinion - to commit themselves to the following tasks: 1) to organize brainwork, favouring the alliance with the working class; 2) to create a Welfare-oriented income distribution (starting from a productive system that must be tailored to actual human needs); 3) to achieve a democratic control of the financial system, turning the measures introduced in order to face the peak of the crisis into permanent features, then removing unearned incomes, which must go back to the community (in Negri's view, this is a basic point, for those who aim to improve democracy); 4) to strengthen the European Union, breaking apart the NATO alliance; finally, 5) to show courage, if necessary even bypassing the worn polarization between Left and Right[30].

D'Alema for his part believes that the best therapy for Social Democracy would be to rediscover social conflict and labour (not only blue collars, but also craftsmen and minor entrepreneurs) and to improve democracy, at every level (from the local to the global one);. Also, politics must recover its supremacy over the markets, but without falling back into an outdated centrally planned economy. D'Alema wishes as well a renewal of the struggle



against social inequalities (thanks to a redistribution of wealth), which have been exacerbated by the crisis occurred in 2008; wealth must be produced not by low wages, but by innovation, both in products and in processes. Shortly, D'Alema's thesis is that Social Democracy is over, it is an old experience, depending as it is on conditions that no longer exist. However, its vital elements - democracy, equality, innovation - must be preserved, adjusting them to the present circumstances[31].

Different is Salvadori's conclusion: from the 2008 crisis, Social Democratic aims come out strengthened; what is needed is a strategy free from the race to the middle of the political spectrum and the recovery of a leftist identity, with a commitment to join together the varied world of subordinate employment, to integrate immigrants, to safeguard secularism and pluralism, and to protect the environment[32].

Berta is fascinated by New Labour's new course: under Gordon Brown and David Milliband, the party seems to take some distance from Blair's age, reminding that the task is to reduce the gap between the rich and the poor and therefore that the market cannot be left unrestrained; the language of social solidarity must be restored, even by the regulation of economic activity[33]. But what is more astonishing, in Berta's book, is that, after 110 pages spent in repeating a sentence to death for Social Democracy - warning reformist parties that they are wrong, if aiming to go back to the past - in the final part of the work the author glorifies... Keynes' relevance to the present; not Keynesianism or the mixed economy, dead and buried as well as Social Democracy, but Keynes' theories (never applied, according to Berta) about the relationship between liberalism and socialism. In other words, centre-left-wing parties have to test, with a pragmatic attitude to reassembling, if Keynesian lines of action - economic efficiency, social justice and individual freedom - can turn into their own agenda[34].

The more well-constructed proposal comes from Borioni, and, consistently with his research-field, it is inspired to the Nordic model, particularly the Danish one. Yet the core of his reasoning is not flexicurity in its Italian declination (Borioni here refers to economists like Francesco Giavazzi of Bocconi University) or in the European one (Barroso), that is to say, a mainstay of current market economy. On the contrary, Borioni emphasizes the role of flexicurity as a policy intended to influence - thanks to the Welfare State - the market itself. The way out of the crisis lies, for Social Democracy, in planning the economy on the basis of

three aims: (1) jobs (labour market policies and higher wages, in order to favour market expansion, abroad and at home), (2) Welfare (such as competitiveness incentives) and (3) innovation (i.e., a specialized system production): in other words, the shift from “turbo capitalism” to a “patient capitalism”, with finance coming back to its maidservant role. If most of the Italian scholars restrict their attention to the developments in the UK and Germany, Borioni turns to Norway as a success story: Social Democrats have once again won the elections thanks to a politics based on: few fiscal reliefs; public investments not in colossal projects, but instead in works achievable in a short time (such as maintenance of infrastructure); a good relationship with the trade unions; and a definite opposition to populism and xenophobia. The basic assumption, in the Norwegian Social Democrats’ strategy, is that competitiveness requires the inclusion of everybody and the latter must be ensured also by using State-owned oil revenues as a long-term fund to preserve the Welfare State[35].

##### *5. Concluding remarks*

There is no Italian way to Social Democracy: because of the historical reasons that have been recalled hereby, but also owing to intellectuals’ and politicians’ incapacity to face the challenged to Social Democratic policies and reformism as a whole, especially in connection with the Italian peculiarities. There is no reference to territorial lacks of balance, for example, and to the backwardness of the national economic system. The weak social groups who should constitute the target of centre-left-wing policies remain indistinct and secondary. Furthermore, inequalities are mentioned only with regards to their economic dimension, which obviously is fundamental, but not exhaustive. Gender equality is completely absent from the debate; and one can with good reason wonder how the issue can be avoided, in a country where the female employment rate is among the lowest ones in Europe, with the following economic, but also cultural and political, marginalization of women. Let alone the discrimination that other social groups (e.g. immigrants and homosexuals) also suffer from.

The poorness of the Italian debate is not unexpected, as already pointed out: the party which was the natural candidate to sponsor a debate on Social Democracy has instead



adopted a confuse profile; in the effort to seduce the moderate electorate, it has displeased the traditional one without succeeding in gaining new votes, and now it is drowning in a sea of pornographic scandals and judicial inquiries.

The party which nowadays seems inclined to receive the Social Democratic inheritance, i.e. the Party of the Communist Refoundation, has been deleted from parliamentary institutions in the last general elections and it is now engaged in safeguarding its survival, struggling between identity-oriented pressures (the preservation of a Communist tradition) and the search of economic and social policies suitable to XXI Century Italy and Europe.

As to leftist intellectuals, they seem to be marginal in a country where the public opinion spends more time in talking about the prime minister's sexual life than about the ongoing economic crisis.

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[1] On the shift from PCI to PDS to DS, see I. Ariemma, *La casa brucia. I Democratici di Sinistra dal PCI ai nostri giorni*, Venezia, Marsilio, 2000.

[2] See G. Averardi, *1989-2009 I mutanti. Perché i postcomunisti hanno rifiutato l'opzione socialdemocratica*, Roma, Datanews, 2009, p. 88. Marcello Flores, historian, is however of a different opinion: during the several transformations (from PCI until PD), the party leadership, shocked by the fall of Communism, has not been able to realize that Social Democracy as well is over; such a blindness, with the consequent attempt to merge two outdated culture, i.e. the Social Democratic one and the popular-Catholic one, in the Democratic Party, has prevented the discontinuity which is required in order to give Left a new identity. See M. Flores, *Una sinistra ancora in cerca di una nuova identità, "Italianieuropei"*, 2009, 4, pp. 39-42.

[3] See G. Averardi, pp. 109-111. See also A. Possieri, *Il peso della storia. Memoria, identità, rimozione dal PCI al PDS (1970-1991)*, Bologna, Il Mulino, 2007, p. 289.

[4] See I. Ariemma, p. 58.

[5] See E. Macaluso, *Al capolinea. Controstoria del Partito Democratico*, Milano, Feltrinelli, 2007, pp. 50-52.

[6] See G. Averardi, p. 102.

[7] See G. Averardi, pp. 120-131.

[8] See G. Averardi, pp. 144-145.

[9] See G. Averardi, pp. 160-161.

[10] See G. Averardi, p. 227.

[11] See M. D'Alema, *Editoriale*, "Italianieuropei", 2009, 4, pp. 10-11.

[12] See M. Salvadori, *Considerazioni sul passato e il presente della socialdemocrazia europea*, "Italianieuropei"; 2009, 4, pp. 31-32.

[13] On Sweden, see M. Quirico, *Il socialismo di fronte alla realtà. Il modello svedese (1990-2006)*, pp. 215-227 (*Una conclusione provvisoria. Le elezioni politiche del 2006*).

[14] See P. Borioni, *La socialdemocrazia: perché perde, perché potrà vincere*, "Italianieuropei", 2009, 4, p. 65.

[15] See G. Berta, *Eclisse della socialdemocrazia*, Bologna, Il Mulino, 2009, pp. 11-18.

[16] See A. Negri, *Sul futuro delle socialdemocrazie europee*, "Italianieuropei"; 2009, 4, p. 22.

[17] See P. Borioni, p. 71.

[18] See G. Berta, pp. 24-26.

- [19] See A. Scwall-Düren, *La SPD nella trappola della credibilità*, "Italianieuropei", 2009, 5, pp. 22-26.
- [20] See G. Berta, pp. 28-34.
- [21] See Z. Laïdi, *Perché il Partito socialista è in crisi?*, "Italianieuropei", 2009, 5, pp. 36-38.
- [22] See Panos Papoulias, *La vittoria elettorale dei socialdemocratici greci e il suo significato per il centrosinistra europeo*, "Italianieuropei", 2009, 5, pp. 53-57.
- [23] See G. Berta, pp. 52-56.
- [24] See A. Botti, *Il socialismo di Zapatero nella crisi della SD europea*, "Italianieuropei", 2009, 5, pp. 44-52.
- [25] See A. Negri, pp. 20-21.
- [26] See G. Vacca, *Il socialismo europeo e la globalizzazione. Le radici della crisi* pp. 70-73.
- [27] See G. Berta, pp. 63-64.
- [28] See G. Ruffolo, *Crisi dell'economia e declino della socialdemocrazia*, "Italianieuropei", 2009, 4, p. 43 e p. 44.
- [29] See G. Bedeschi, *La crisi della socialdemocrazia*, "Italianieuropei", 2009, 4, p. 63.
- [30] See Negri, pp. 23-24.
- [31] See D'Alema, pp. 12-14.
- [32] See Salvadori, pp. 34-35. Papoulias follows a similar line, when listing the challenges the PASOK is going to face. See Papoulias, p. 59.
- [33] See Berta, pp. 75-85. On Brown and the recent developments within Labour, see R.

Liddle, *L'impatto della crisi economica globale sul futuro della socialdemocrazia europea*, "Italianieuropei", 2009, 5, pp. 14-21.

[34] See Berta, pp. 112-126.

[35] See Borioni, pp. 72-75.