

POLITICO

Italy's beggar's nationalism

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MILAN — One of the bestselling books in Italy right now is a novel based on the life of Benito Mussolini, the Italian dictator who invented fascism. “M” by Antonio Scurati aims to be the first in a trilogy. Though several historical inaccuracies have been spotted, the novel captures well the spirit of the troubled times in which Mussolini came to power.

It also portrays a man who, as he enters office, puts tremendous energy into trying a — perhaps quixotic — attempt to straighten out Italian bureaucracy. In particular, Mussolini tries to balance the budget, not so much because he is enamored with a 19th century, liberal approach to public finance, but because he wants to establish his country as self-sufficient. He's determined to make Italy great again, and he knows that beggars can't be choosers.

Scurati's novel can be read as a timely warning in a country where the conventions of parliamentary democracy are assaulted, day after day, by the two populist parties in government — the far-right League and the anti-establishment 5Star Movement. Talk of an incoming, new “fascism” is a certainly a blatant exaggeration. But there's no denying that Italian politics is assuming a nationalist posture — something it has rarely done since it became a republic in 1946.

When it comes to public finances, however, this new nationalism is very different from what Mussolini proposed. Italy's populist government is not making a bid for national greatness or attempting to restore the country to some former glory.

Nor is it championing the self-government of the Italian people against the unaccountable European bureaucracy, as some Anglo-Saxon conservatives like to describe their effort. To the contrary, it is making a reckless gambit predicated on the idea that Italy is too big to fail, and will therefore be rescued by other member countries, for fear of financial contagion.

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Exhibit A, at the moment, is the draft budget proposed by the Italian government — the first in EU history to have been rejected by the European Commission. The issue: a 2.4 percent budget deficit for 2019, which the European Commission estimates will actually be 2.9 percent. One way or the other, the projected budget will bring Italy even further away from the long-term goal of balancing the budget.

Unlike in the past Rome has made no attempt to justify its higher spending as an extraordinary measure, to be offset by fiscal restraint in a future budget. Lax public finance is considered the

new normal, not because of investments but because of new government giveaways. It's this embrace of a reckless path toward insolvency that triggered the tensions with the Commission.

Italy's embrace of deficit spending was predictable. The two governing parties ran in the last elections as adversaries, each one claiming to be alternative to the other. They cobbled together a "contract" to regulate their cohabitation, each larding it with their campaign promise in order to buy off their conflicting constituencies.

But the real problem is ideological. Italy's new nationalist rhetoric blames Europe for the country's economic weakening, and therefore calls on it to make up for older wounds. This point of view is based upon on the commonest of fallacies: confusing correlation with causality. Italy's economic performance has deteriorated since the early 2000s, when the euro entered in circulation. Sadly, it's the EU's common currency — not the country's inability to reform — that's seen as the villain.

Tough on immigration, Italian Interior Minister Matteo Salvini has also said he's ready to fight Brussels over the Italian budget | Daniel Mihailescu/AFP via Getty Images

This reasoning is echoed in Italy's views on migration. Here, the complaint is that the country was left alone in managing its migration crisis, regardless of the fact it was supposed to be taking care of an external, European border. This may be an understandable grievance, but it's worth noting that a large part of Italy's problems with migrants is the result of its lax policies. After Italy put in place a tougher approach to migration, a sharp decline in the landings of migrants soon followed.

Italy's new nationalism revolves around an implicit claim on other countries' finances that should be hijacked to the benefit of the Italian Treasury. Why be prudent, if you can be profligate at somebody else's expense? Not surprisingly, such a claim — based upon a kind of nationalism that paradoxically abandons the quest for self-sufficiency for a demand for more "European solidarity" — has not been enthusiastically received by other member countries.

So much for nationalism extolling the virtues of self-sufficiency and self-reliance of the beloved nation. In Italy today, we have beggars' nationalism — the kind that doesn't yearn for other countries' respect. It is happy enough with their money.

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