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„Radically Transformed. How Years of Recession  
Changed Political Italy“.

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*"On my honor as a student of the Diplomatic Academy of Vienna, I submit this work in good faith and pledge that I have neither given nor received unauthorized assistance on it."*

*Signed:* (Lukas M. Denkmayr)

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**Abstract:**

*This thesis analyzes the potential effect of the economic crises in Italy on political attitudes of Italian citizens. Results indicate that the economic recession resulted in a change towards pessimistic outlooks on a wide array of political orientations, severely damaged trust in political and democratic institutions, support for the European Union, lowered voting behavior and damaged trust in political actors and their respective parties.*

*The basis of the analysis are data sets of the European Social Survey (ESS), which are conducted every two years in most European Union member states. For this particular analysis of the Italian case, the data sets of 2006, 2012 and 2016 were used to make visible changes in political orientations before, in the mid of, and after the economic recession. While scores of most values plunged to lowest levels in 2012, they slightly recovered towards pre-crisis levels by 2016.*

*A special attention was given to the analysis of already existing theories on the association between economic distress and changes in political attitudes. While some findings by this thesis confirm prior theories and hypotheses regarding the issue, others, most importantly in the area of migration and immigration, show a need of further research.*

**Keywords:** *economic crises, Italy, recession, political orientations, trust in institutions, voting behavior, European Union, European Social Survey;*

### **Zusammenfassung:**

*Diese Masterarbeit analysiert den Zusammenhang zwischen den ökonomischen Krisen in Italien und den politischen Einstellungen von Bürgerinnen und Bürgern. Die Resultate weisen darauf hin, dass die Rezession in einer geringeren Wertschätzung des politischen Spektrums resultierte. Vertrauen in die demokratischen Institutionen, Unterstützung für die Europäische Union, politische Partizipation sowie Vertrauen in die politischen Parteien und deren Repräsentantinnen und Repräsentanten wurden schwer beschädigt.*

*Die Basis dieser Analyse bilden diverse Datensets des „European Social Survey“, welcher alle zwei Jahre der Öffentlichkeit zugänglich gemacht wird und in den meisten Mitgliedsstaaten der europäischen Union durchgeführt wird. Für diese Analyse wurden Datensets der Jahre 2006, 2012 und 2016 verwendet um eventuelle Verschiebungen bezüglich politischer Einstellungen vor, während und nach der Rezession überprüfen zu können. Während die meisten Werte den Tiefpunkt im Jahre 2012 erreichten, erholten sie sich mehr oder weniger zu den jeweiligen vor-Krisen Niveaus.*

*Ein spezieller Fokus wurde auf die bereits existierenden Theorien zum Thema gelegt. Während einige Befunde dieser Analyse vorherige Studien in ihrer Legitimität stärken, verdeutlichen andere die Notwendigkeit einer intensivierten Aufarbeitung der Verbindung, was im Besonderen im Bereich der Migration offensichtlich wurde.*

Keywords: ökonomische Krisen, Rezession, politische Orientierungen, Vertrauen in Institutionen, Wahlverhalten, Europäische Union, European Social Survey;

## 1. Introduction

In September 2008, the world became witness to an economic collapse unprecedented in modern history. When the investment bank of Lehman brothers collapsed, it kicked off a domino effect which would shake the financial foundations of the world we live in to its grounds. Roughly ten years after the great crash, scholars are still asking to what extent the economic crisis influenced the world we live in today. What Adam Tooze (2018) calls “the first crisis of a global age”, resulted in severe implications for the international system of 2019 and ultimately influenced all social spheres. The US- American subprime - mortgage crisis of the year 2007 was downplayed at first, but was a mere tremble of what stood before. Banks had to be saved by outrageous sums and the crisis gave way to a global deterioration in economic output, triggered the European debt crisis, which would test the unity of the European Union member states countries to exhaustion, and kicked off the euro-crisis. In early 2019, global financial transactions which use the Euro as currency, are not back to pre-crisis levels. The big crash, however, also had vast implications for the political stage. The West witnessed the spectacular rise of the far-right in the aftermath of the crisis, which can be linked to the growing discontent among citizens for years of austerity measures and high rates of unemployment. Populism, once ridiculed for its unrealistic views on social phenomena, triumphed in the form of Brexit, US-President Donald Trump and has many successful European parties in its grasp. Undoubtedly, the financial crash would drastically change the world as we know it and its shadow still haunts the financial world.

The contention of this thesis is that the macroeconomic consequences of the crash, mainly unemployment and financial pressure for citizens, did result in significant changes in political attitudes of Italian citizens. To explore the phenomena that years of recession left Western societies with, I will dedicate this contribution to the body of literature to the peculiar Italian case. Italy was drastically hit by the crash and went through years of recession. In 2008, Italy's GDP shrunk by roughly 1% and deteriorated to its worst state in 2009 where it would shrink by another 5.5%. Although numbers were slightly positive in following years (1.7% GDP growth for 2010 and 0.6% in 2011), the national economy of Italy would plunge by -2.8% again by the year of 2012 (data by World Bank Group 2019). The Italian political stage was of course drastically affected by the global crash and was radically transformed in the years after 2008. Not only did Italy witness a whole series of different governments in the discussed timeframe, it also made possible the political breakthrough of two key players of 2019 – the MoVimento 5 Stelle M5S (Five Star

Movement) and the Lega Nord (Northern League). Today, Italy is troubling the European political stage with its plans on future national budgets and its stern stance on migratory policies. Furthermore, the crises had severe consequences for Italy as a member of the European Union. Not only did the supranational actor exert pressure on Italian political leaders to ease public spending, the crisis also resulted in an unprecedented polarization in political Europe. While countries such as Germany were still economically quite well off, other countries such as Greece, Italy, Spain or Portugal found themselves with unacceptable unemployment rates and a frustrated populace as a consequence. It seemed that Europe was divided into a rich North and a poor South. In Italy, however, the financial and economic crises that ensued after the year of 2008 are still very much present in the year of 2019, as can be observed during the current discussion revolving around Italy's national budget.

If the global financial crash indeed triggered a severe transformation of so many parts of political life in Italy, then one has to be able to measure the alteration of citizen's political and social attitudes over time. By means of quantitative empirical research, I am embarking on a journey which sheds light on possible implications for the Italian nation, which stem from the arguably biggest crisis in modern history.

For what reason, however, should academics be concerned about how nations develop under economic turmoil? In the following, more extensive, section of the literature review, I will give valuable insights as to how authors view the impact of economic turmoil on political attitudes of (Italian) citizens. If political attitudes and perspectives have been as drastically altered as some theories suggest, it is in the general interest of scholars to be able to explain *how* attitudes on politics developed over time and towards *what* direction attitudes shifted. The 1930's are a prime example in this regard, as the economic recession led to the worst period mankind witnessed in its existence. What started as Black Friday greatly contributed to political deterioration around the globe and is often directly linked to the emergence of the Second World War. Although the surrounding circumstances are different today and society and its institutions are arguably a lot more stable than roughly a hundred years ago, many draw parallels between our times and the 1930s. In today's time, many ask about the obvious economic consequences of the catastrophic events of 2007/2008. However, the consequences within the societal sphere are often disregarded and neglected, although as one might assume, consequences are plentiful in this regard as well. In light of these views, this thesis is a valuable contribution to the understanding of how domestic

politics within a nation are subject to change during times of economic pressure. If austerity measures and widespread unemployment indeed lead to a deterioration of societal and political stability and, simultaneously, alternatives to democracy, as a means of state government, become more attractive to citizens, it has to be in the interest of all of us to conduct research in this field. It is not only of scholarly interest, but a humanitarian necessity.

## 2. Literature Review

Within the following, more extensive, section of this thesis, I will address contemporary theories and hypotheses by (Western) scholars who have conducted research on the subject at hand. While key contributions are by Italian citizens, other Western authors have been taken into consideration for the literature review as well.

Economic turmoil undeniably has severe consequences for a society and its political landscape. While research in this particular field has a long-standing tradition, we are able to make out several implications for modern societies in times of high unemployment, financial pressure and austerity policies. Surprisingly, there is also an extensive body of surveys and studies asking for the association at hand in the particular case of Italy. To only mention a few, there is substantive evidence of changes in voter turn-out and voting behavior in times of economic distress (Arcelus & Meltzer 1975, Fiorina 1978, Passarelli & Tuorto 2014, Rosenstone 1982, Schlozman & Verba 1979, Tuorto 2006), or the re-emergence of direct social actions of citizens who directly aim at transforming society instead of addressing problems to power holders on the Italian peninsula (Bosi & Zamponi 2015, Della Porta & Diani 2006, Tarrow 1998, Tilly 1998). Further, there is conclusive evidence that the crisis resulted in erosion of trust in democratic institutions (Bosi & Zamponi 2015: p.382, Forno & Graziano 2014). Lastly, many authors contribute to findings in the area of how the crisis affected Italy's relationship with the European Union as a supranational policy maker (Thorhallsson & Rebhan 2012, Braun & Tausendpfund 2014, Sacchi 2015, Del Pino & Pavolini 2015, Falagiarda & Gregori 2015).

In the following section, I will discuss the current state of the art in the research area of economic crises and its implications for political attitudes of Italians. Theories and hypotheses which do not directly apply to the Italian case but still emerged on the basis of analyses of European and/or Western societies were still taken into consideration. A special attention will be given to the analysis of Italy as a nation state and also as a member of the European Union and the Euro group.

For comprehensive reasons, a short analysis of the Italian political scene from 2008 to 2018 will be presented also. Lastly, I will include relevant political science theories, which show potential in explaining the causal relationship between economic recessions and changes in political attitudes and orientations. To conclude the section, a comprehensive conclusion on the current state of research will be given.

### 2.1 The Impact of Economic Crises on Voting Behavior

Due to the fast-paced nature of Italian politics, one is used to seeing fluctuation in the Italian political system. In the aftermath of the 2008 financial crash, Europe witnessed the emergence of populist parties within the middle class, who were gaining broad support in elections. If we take Italy as an example, it is important to note that the populist movement founded by the Comedian Beppe Grillo, MoVimento 5 Stelle (M5S), was able to gain 25% in the 2008 Italian general election (Passarelli & Tuorto 2014: p.150), but was relatively weak before the recession. After Berlusconi, a possible constant in contemporary Italian politics, had to resign while facing accusation of corruption, fraud and various sex scandals, a technocratic government was installed in 2011, which was led by Mario Monti. In 2018, we witnessed yet another drastic change in domestic Italian politics. One would have thought that Italians would have become immune against populist politics after having dealt with Berlusconi as the main political leader. However, scholars and political observers were proven wrong when Italians gave big shares of political power to the M5S and the Lega Nord – two openly populist parties willing to tear apart established styles of politics. Especially the Lega Nord seems to be a consolidated political force by 2019, with a landslide victory in the elections for the European Parliament. For these reasons, it is crucial to understand how political attitudes, perspectives and positions of citizens in Italy were altered by the financial crash of 2008. If one wants to understand the political landscape of Italy after the era of recession, one has to look into the relationship between economic distress and changes in political attitudes of voters. Further, voting turnout was the enabling factor for the rise of populist parties into mainstream politics.

Scholars are torn on the effect of economic crises on voting behavior (Passarelli & Tuorto 2014). There are competing theories as to how the body of voters reacts to poor economic performance. Different hypotheses explain different phenomena and are applicable to the Italian case in parts.

(1) The Mobilization theory suggests that voters punish their leaders by favoring the challenger in elections (Arceneaux 2003). From this perspective, Italians felt let down by the hard austerity measures introduced firstly by Berlusconi (Di Quirico 2010, p. 3). As the technocratic Monti Cabinet did not show signs of relief and still held on to reducing public expenditure, it is intuitive to think Italians were more drawn to populist movements as they seemingly gave easy solutions to very complex problems. The mobilization theory is thus a reasonable approach to analyzing the reason for possible changes in voting turnout after the financial crash in Italy.

(2) The Withdrawal hypothesis on the other hand suggests that economic turmoil significantly lowers participation in elections. As citizens, from this view, link personal suffering in economic terms more to their very persona, they do not search for solutions in politics (Arcelus & Meltzer 1975, Fiorina 1978). Accordingly, the incumbent is not punished and we witness a decline in voting turnout.

In the case of contemporary Italy, I see more potential for (1) as the political landscape has undergone significant changes. The hypothesis regarding the degree of correlation between economic distress and punishing the incumbent seems plausible for the peculiar case of Italy. However, this hypothesis will be tested via available data for Italy (provided for by the European Social Survey data) via statistical analysis. In light of the ongoing changes on the Italian political scene, I therefore theorize that voting turnout was higher in the aftermath of the crisis than it was before the crash (i.e. H1). This article thus argues that the (1) mobilization theory is to be supported in the Italian case.

## 2.2 The Economic Crises Eroded Trust in Italy

Moving on to possible changes from political participation to political attitudes and values, there is again an established stream of theory in contemporary literature. Institutions are the very backbone of democratic societies and are of utmost importance to successful governance, stability and the working of bureaucratic mechanisms.

Most generally, and this is perhaps one of the most important consequences of the economic crises, trust was eroded on a societal level. Italian citizens, according to scholars, showed a strong decline in trust in representative as well as democratic institutions (Bosi & Zamponi 2015: p.382, Forno & Graziano 2014). Erosion of trust has severe consequences for the political and economic stability of a state as it builds the very foundation of modern societal systems. Without trust in political



institutions, such as the parliament or established parties, a state will ultimately become inefficient in fulfilling its tasks and new institutions, perhaps of non-democratic nature, are to be endowed with potential trust. Interestingly, the aspect of trust in economics is gaining ground in economic thought as well and scholars have made valuable contributions to the association between corporate social responsibility (CSR) and economic performance in times of financial crisis. It was found that businesses with higher degrees of CSR had stock returns that were up to seven percent points higher than firms which displayed a lack in corporate social responsibility (Lins et al. 2017: p. 1785). Political and societal institutions are also seen as crucial in various niches of economic thought. In the field of development economics, it is often stated that (state) institutions are the very heart of a satisfying economic performance, as they enable property rights, establish trust between individuals and social groups and overall enhance economic activity and performance (Acemoglu et al. 2001, La Porta et al. 1997/1998, Engerman & Sokoloff 1997). If trust really eroded in institutions of great importance, one must be able to measure it chronologically. I therefore see potential in the analysis of trust in institutions over time. As mentioned earlier, various waves of the European Social Survey (ESS) ask for trust in institutions. Lastly, leading policy makers repeatedly pointed towards the erosion of trust, both on an economic and societal level, for the main consequence of the financial crash. In 2009, then OECD Secretary General Angel Gurría very fittingly remarked: “The global financial and economic crisis has done a lot of harm to the public in the institutions, the principles and the concept of the market economy”. By operationalizing the question at hand, I will be giving an answer to whether trust in various institutions has indeed decreased in Italy during the aftermath of the 2008 financial crash (i.e. H2). So, what theories are able to explain the connection between economic distress and low trust in democratic institutions? Newton and Norris (2000, p.6ff) make out at least three different schools of thought which show potential in explaining the phenomena.

- (1) Social-Psychological explanations suggest that trust is individually constructed and is much dependent on individual life stories, experiences in life and ultimately hard to influence from outside. Trust, according to main scholars in the field, like Gabriel (1995) or Easton (1965), is more of a character trait than anything else. I give low preference to this theory, however, as it ties the alteration of trust in political institutions rather to individual characteristics of citizens than to social and political circumstances.

- (2) The Social and Cultural Model focuses on the societal circumstances within the framework of a society. The roots of this theory lie in the work of the likes of Alexis de Tocqueville and John Stuart Mill, who both stressed the importance of social engagement for consolidating democracy as a political system. Modern theorists, however, carried on the thought that strong social cooperation and an established civil society results in strong trust in political institutions. In other words, “[...] there is a direct and mutually reinforcing relationship between the types of people who express trust and confidence on the one hand and strong and effective social organizations and institutions on the other.” (cit. Newton and Norris 2000, p.7). While this theory is plausible, I give again low preference to it because social and cultural factors are hard to measure and very hard to pin down. Accordingly, I do not see much potential for this analysis.
- (3) Lastly, the Institutional Performance Model (Newton & Norris 2000) suggests that low trust in democratic institutions is tied to the performance of said institutions. If we want to understand a drop in trust in democratic institutions, we have to analyze the performance of political leaders who influence institutions. This theory also opposes other more individual approaches, like social-psychological explanations, because it sees the roots of low trust in institutions in the political system, not in the behavior of individuals. Still, some groups of a society are harder affected than others. Unemployment, one key consequence of the Italian recession, mainly hit younger people and did not exert pressure in the same way on every Italian citizen. I give high preference to this approach of explaining a potential drop in trust in political institutions in Italy. I will show in a later section of this thesis that Italy witnessed a whole series of governments over the period of the economic recession. Hardly anyone could possibly argue that the respective governments, from Berlusconi to Monti, performed exceptionally well during their time in office, nor were they able to reduce the pressure of the economic recession on Italian citizens. Unemployment, to only mention one aspect, remained exceptionally high, especially in the South of the country and for the younger generations of Italians. Lastly, Newton and Norris (2000, p.8) emphasize that the best way to measure trust in political institutions, is by relying on confidence based questions. Luckily, the European Social Survey offers these to a great extent.

### 2.3. Attitudes on Immigration During Economic Crises

As for the predominant issue in politics of 2018, one also has to ask for political attitudes on migration and the respective changes that occurred in the period after the crash. The current success of the Lega Nord is built on the question of migration and how it should be approached. It is therefore intuitive to think that there must have been considerable changes in support for anti-migration policies. However, one has to raise the question as to when the supposed shift in the Italian population happened – Was it before the mass arrival of refugees in 2015 or can we see a shift earlier? For years, migrants have been landing on the Southern tips of the Italian peninsula, mostly on the infamous isle of Lampedusa. In a historical context, Italy has been an emigration country, however, in the mid 1970s the situation started to change and Italy became a country of immigration (Fasani 2016). Ever since this turning point, scholars have been asking about consequences on a national level and changes in attitudes towards migration policies (Bonifazi 2000, King & Rybaczuk 1993). This article asks for the connection between economic crises and stances on migration policies. I argue that (financial) resources were scarce among Italians and hence a possibly existing welcome culture eroded after the financial crash (H3). To test this hypothesis, I will again rely on statistical methods and the data set described in the methods section.

So, how can we describe the relationship between attitudes on migration and economic distress in theory? Dustmann & Preston (2007, p.5) make out three broad factors which contribute to changes in perspectives towards migration among citizens. The scholars therefore make out (1) labor market concerns, (2) welfare concerns and (3) cultural and/or racial prejudice as the most important factors which contribute to changes in migration attitudes. Clearly, economic performance is a decisive factor in this analysis of the connection between the economic crises in Italy and attitudes on migration policies. Dancygier & Donnelly (2012) empirically proved that economic crises generally dampen support for further influx of migrants when the economy is not thriving or confidence in the economic sector is below average. Further, one can expect changes in public opinion when considering the Heckscher-Ohlin (HO) model. Scheve & Slaughter (2001) as well as Mayda (2006) showed that especially low skilled workers oppose immigration, because they are, according to the HO model, running risks of suffering wage losses. Lastly, since possibilities of labor are scarce in times of recession, due to already high unemployment among the autochthone

population, one might assume that further influx of migrants is seen critically by citizens due to pressure on the labor market.

In conclusion, due to already existing theories and empirical research, one has to assume that support for further immigration to Italy was reduced from the time span of 2006 to 2016. This hypothesis (i.e. H3) will be tested at a later stage of this thesis.

#### 2.4 How the Crisis Contributed to Change in Support for the European Union

Italy is a founding member of the European Union and thus embarked on the journey of European integration at a very early stage by joining the European Economic Community in the year of 1957. Naturally, there are certain obligations which come alongside the many benefits of being a member of the European Union. These drawbacks in terms of a loss of policy sovereignty hence also have to be analyzed within this thesis, as they greatly affected the Italian nation during the economic recession and beyond. Interestingly, Italy displayed a ratio above 90 percent in the relationship between the GDP and its debt since the 1990s. However, like Greece, Italy never achieved the Maastricht criteria specified in the accession process of the European Union (Lane 2012: p.52) While Southern Europe is often compared in financial terms do their enormous shares of public debt, Italy has to be seen differently. For starters, while the debt-ridden countries of Portugal, Greece or Spain were closely and directly monitored by the European Commission, the ECB and the IMF (also referred to as the Troika), Italy was able to avoid that process (Morlino & Sottillotta 2017). Most generally, the years of economic hardship are often described as a critical point in European Integration as the Euro and the European Union as a political system were increasingly questioned by their respective member states (Braun 2013, Heinrich & Kutter 2013, Morlino & Ranioli 2017).

Traditionally, Italy was notorious for “inflating its debt away”, which means that it was an Italian tactic to keep inflation high in order to more easily pay back debt. However, Italy lost the ability to do so when it joined the common European currency in 1999 as it lost its monetary sovereignty in the process. Accordingly, the Euro came under heavy criticism under various governments and was, for instance, called a “German cage” by the former Italian Industry Minister Paolo Savona (The Guardian 2018.) Although this is an entirely political argument, there are still voices calling for a comeback of the Lira in Italy in 2019, mainly by the ruling populist parties of M5S and the Lega Nord. To conclude, there are certain advantages for Italy as a member of the Euro group,

such as a stable currency, but there are also drawbacks, such as giving up national sovereignty in terms of monetary policies.

The main question for this thesis is how the view of Italian citizens of the European Union as an influencing factor in the economic crisis developed from the years 2006 to 2016 (H4). Given the very EU-sceptic stance of the current Italian cabinet of 2019, I hypothesize that appreciation for the European Union as an influencing factor in the economic crisis declined after 2006. One can expect two different narratives. One side sees the European Union as a factor contributing to stability in Italy and guaranteeing the avoidance of national bankruptcy through (fiscal) reforms described in earlier paragraphs. The other side views the European Union as a cage which Italy must break out of in order to find prosperity once more. Results to this question will be explained and analyzed at a later stage of this thesis.

The connection between economic turmoil and changes in support for the European Union as a supranational actor has been subject to scholarly discussion for a long time. Accordingly, theories have emerged over the course of European integration, which contribute to its understanding.

- (1) The liberal theory, constructed by Andrew Moravcsik, suggests that the European Union exerts pressure on nation states by influencing their national economic policies. Italian parties, in this view, had to give in to European demands during the crisis to meet criteria which was sought to improve economic performance. This phenomenon, also described as “liberal intergovernmentalism” (term by Thorhallsson & Rebhan 2012) in theory had an impact on the Italian scene because the European Union’s endeavors to move towards prosperity and economic growth were opposing the Italian national government’s wishes of easing austerity measures and budget cuts. I attach importance to this theory as I believe it quite logically explains why approval of the Union within Italy declined. The European Union, as can be observed in 2019, is made responsible for many supposed negative developments in Italy and the now leading parties of Italy arguably built their comparable success on making the European Union responsible for Italy’s suffering during the economic crisis.
- (2) The second approach, also suitable to this thesis, is a utilitarian one. In a study on the impact of the Euro crisis on support for the EU, Braun and Tausenpfund (2014) emphasize that utilitarian approach would normally suggest that support for the European Union

would decrease when undergoing an economic recession. Utilitarian approaches are twofold, however, and are used on different levels of analysis.

On an individual level, one can differentiate between egocentric utilitarianism and sociotropic economic arguments. The former focuses on socioeconomic placements of citizens within a society, which ultimately determines, whether or not these citizens are supportive towards the European Union, or not. Individuals with higher socioeconomic placement are seen as winners of European integration and are thus supportive of the European Union as a supranational policy maker. The sociotropic economic argument, on the other hand, makes the case that citizens who live within the European Union assume that their membership will result in economic benefits. This, in turn, gives rise to expectations and, if not met, these can be turned into resentment towards the European Union. Lastly, one should mention that individuals are predetermined in their support for the Union due to political information, sex or age.

On a systemic and contextual level, it is equally assumed that macro-economic indicators, such as GDP growth or (un)employment rates, have a direct effect on citizens' support for the European Union. Indeed, empirical findings conducted by various scholars in the field (Anderson & Reichert 1995, Anderson & Kaltenthaler 1996, Gabel & Palmer 1995) show a clear relationship between the above mentioned macro-economic indicators and support for the European Union.

I have shown that several theories have emerged over the course of time which offer plausible explanations to a possible drop in support for the European Union during the Italian recession. I attach high importance, due to available data, to the utilitarian approaches and to the liberal theory as well. Especially the research design used by Braun and Tausendpfund (2014) to resolve the question, whether or not economic distress has a direct impact on support for the European Union, seems promising as they use similar data (i.e. Eurobarometer surveys) as this thesis envisages to do (European Social Survey).

### 2.5 From Berlusconi to Conte: The Transformation of the Italian Political Scene

Italian politics is traditionally seen as quite fluctuant and rightly so, in the aftermath of the financial crash 2008, Italian governments were frequently changed and had to end mandates earlier than foreseen. This section will hence discuss countermeasures taken to the crisis by various cabinets

and their respective results. Ultimately, it would take Italy until the end of the year of 2012 to recover to economic pre-crisis levels (Magalhães 2014: p.126). As a member of the European Union, however, Italy was not only faced with national concerns but was closely monitored for economic performance and recovery by Brussels as well (Sacchi 2015, Del Pino & Pavolini 2015, Falagiarda & Gregori 2015).

Beginning with the Berlusconi IV cabinet, in power from the years 2008 to 2011, the main response to the financial crash was cutting government expenditure and introducing austerity measures. Further, to avoid a collapse of the banking sector, the Berlusconi administration used its efforts to bail out major banks and thus avoid an even more threatening financial situation (Di Quirico 2010: p.3ff). When his predecessor, Prodi, found himself in a situation where he was in no position to lead Italy due to his dwindling support among the general populace as well as within his party, the political right rose from the ashes and Berlusconi once more got hold of political power. As mentioned above, the Berlusconi government also pushed for fiscal consolidation and centralization measures to better control Italy's finances. Despite the efforts to lead Italy out of the imminent economic crisis, Berlusconi increasingly lost support among the Italian body of voters. In addition to his already disappointing domestic reputation, pressure from European Union member states began to add up against Berlusconi's favor. Berlusconi had gained an immensely dissatisfying reputation during his political reign, both in Italy and abroad, which in turn affected Italy's credibility on the international scene (Falagiarda & Gregori 2015: p. 304). Accordingly, as Italy was not able to consolidate its economic and financial situation, Berlusconi tumbled and was led to resign in 2011, due to his growing unpopularity both in Italy and among European policy makers (Magalhães 2014: p.3, Passarelli & Tuorto 2014: p.149, Croci 2002: p.89). After Berlusconi took a step into the background of the Italian political scene, the technocratic government of Monti was installed in November of the same year, who also benefitted from broad support of an anomalous coalition among Italian ministers (Bosco & McDonnell 2013). Berlusconi, despite the severe drawback of his political possibilities, ultimately failed to live up to the challenge of saving Italy from further economic hardship. Nonetheless, he would have survived longer than his various successors in the years after, contrary to initial expectations.

After taking over power, Monti was entrusted to run the Italian government until the next Italian General Election was scheduled – in the year of 2013. The technocratic government, composed mostly of academic experts and entrepreneurs, started its reign with high hopes as the change from

the showmanship of Berlusconi to the seriousness of Monti fostered hopes among European leaders that Italy could overcome its recent struggle. While, however, Monti was well respected among his political peers, his measures to fight the crisis resulted in discontent among the Italian body of voters (Passarelli & Tuorto 2014: p.150). The down spiraling of the Monti cabinet is easily explained: as for austerity measures, Monti made Italy relive what it had witnessed after 2008 under Berlusconi. A choice, however, was hardly given to Monti as Italy ran course towards the same disastrous situation that Greece found itself in the years after 2008. Monti made himself clear on various occasions when he said: *“If I stop in my action of reforms, the whole country will break down [...] the reform package I propose should be called “Save Italy” [...] the alternative is ending up in three months just like Greece [...] we are running out of time and the margins for manoeuvre are very limited’* (La Repubblica 2011a; 2011b; 2011c). A few years into the crisis, the Italian economy still had not recovered to pre-crisis level and Italians were feeling the cold grip of the recession. Around the time the Monti cabinet pushed forward its package of austerity measures, the Italian voter base for established parties eroded and new paths were opened for previously small parties that were considered too radical to gain broad support. The development of a certain radicalization in politics became apparent in the 2013. The Movimento 5 Stelle (M5S) emerged on the political scene in the year of 2008 and first competed in elections on a local level until it was formally established in the year of 2009. The somewhat odd group of political outcasts was led by the comedian Beppe Grillo was not taken too seriously until it started gaining ground in areas most affected by the economic recession, namely in the poor South of Italy (Bordignon & Ceccarini 2013). In the 2013 Italian General election, however, M5S would prove everyone, who thought Italians would have become immune to populism, wrong after having dealt with various Berlusconi governments. A year prior, M5S already managed to install mayors in four municipalities across Italy, including the prestigious city of Parma (Garzia 2013: p.4). When Monti’s term was finished, the perhaps purest populist party across the European landscape, Movimento 5 Stelle, was the clear winner of the 2013 Italian General Election with a share of votes of 25% (Passarelli & Tuorto 2014: p.150). One can therefore observe that not too long after the beginning of the recession, the political landscape was already in transformation.

There are a few conclusions that can be drawn from the austerity policies introduced under Berlusconi and maintained under the Monti cabinet. The harsh consequences of the financial crisis for the average Italian resulted primarily in an erosion of trust in the established system of politics.



Although Italy is not per se a case of continuity, it does seem alarming that the political landscape was transformed in only five years, from 2008 to 2013. Additionally, the Lega Nord (i.e. “Northern League”) emerged as the second key populist party in Italy. Although its rise to power was not as spectacular as the M5S, Italian politics are most definitely in its grip in 2019, with approval ratings of Italians no recent government in Italy dared dreaming of. Lega Nord started out as a populist regional player and found its way into the mainstream during the development of the crisis. However, it has been involved in previous coalitions, most prominently under the second Berlusconi administration from the years of 2001-2005 (Albertazzi & McDonnell 2005). It was also during the economic recession that the Lega Nord was able to find broad support among the discontent, among the people that felt left alone in the time of economic hardship. Although Monti did not have much of a choice when pushing forward his policies, one could say that Italy was politically entirely transformed after Monti’s mandate. When he would leave as scheduled after the 2013 Italian general election, Italy was already on a path towards an unknown future.

The sixty second government of Italy was led by Enrico Letta, a member of the Democratic Party (PD). In 2013, a coalition was made which was almost immediately confronted with the split up of the People of Freedom party (PdL) which significantly weakened the credibility of the already tumbling Letta administration. Another split of a coalition partner, Civic Choice (SC), ensued shortly after. Letta, however, would hold on to power for a little while longer. Scholars have made the point that like Berlusconi and unlike Monti, Letta was confronted with a lack of credibility which in turn harmed his policy announcements as they were not expected to prove successful (Falagiarda & Gregori 2015: p.7). Although the grim situation of the Italian economy and financial situation, Letta was sure he would outlive the crisis on the political scene. With this in mind, it is interesting to note that Letta accordingly did picture the Italian some years and not months ahead during his inauguration speech in 2013 (Garzia 2013: p.10). As we know in 2018, Letta could by no means live up to potential expectations, if any, and would have to let go of power after only 300 turbulent days in office. By the end of his mandate, his party PD had taken away support for Letta and moved forward Matteo Renzi as their leader. What remained of the Letta government was an even more tumbling Italy than when he reached office. Although the economy started showing signs of recovery, with the economy hitting pre-crisis growth levels, one can hardly blame the Italian voters for looking for alternatives to established parties in Italy. The Letta cabinet

propelled populism in Italy to new heights, as mainly the M5S moved consistently towards a consolidated political party in mainstream politics.

Matteo Renzi formed his new government in February of the year 2014. The young leader of the Democratic Party (PD) was quickly subject to criticism, as almost demanded by Italian politics. However, many saw a chance in Renzi to get rid of old structures and “drain the political swamp”. Accordingly, Renzi was dubbed “il rottamatore”, which literally means “the scrapper”. The term can be explained by pointing to the fact that Renzi had big plans on reforming his own political party. Like a scrap dealer would take out parts of a car which are of no use anymore, he wanted to rid the Democratic Party (PD) of useless party members who were not living up to Renzi’s expectations. In many ways, Renzi signaled a fresh start to many Italian citizens which initially worked in his favor. Also in Western media, hopes were quite high for Renzi to get Italy back to shape and to get rid of outdated structures. Another nickname was given to him by the New York Times, which called him “the demolition man”. As for criticism, many did not put high hopes in the young Italian leader as Italians were quite used to getting let down politically. Some accused him of using populist rhetoric which would ultimately come back to haunt him. Renzi’s rise to power was also compared to Berlusconi’s (Bordignon 2014). Quickly into his mandate, Renzi aimed for drastic reforms not only on an economic level, but also on a political one. He thus proposed a constitutional reform which would drastically reduce the power of the Senate, from 315 members to 100, alter the law-making process of the Italian Republic and overall affect the wording of the Italian constitution to a degree of 30% (the Guardian 2016). Renzi took office promising to build a strong center-left base in Italy to maintain his power status. Much like Cameron tied his future to the Brexit vote in the United Kingdom, Matteo Renzi tied his to the Italian constitutional reform. Ultimately, Renzi would be crushed by the weight he put on his own shoulder, losing the proposed constitutional changes in a decisive matter. According to the Italian Ministry of Interior, a solid 59.12% of the Italian body of voters voted against the reform while only 40.88% supported Renzi’s ambitions. Interestingly, voter turnout was quite low with 65.48%. As foreseen, Renzi had to lay down his mandate after the defeat in the referendum. Again, one can draw a strong parallel to comparable developments on the British Isles in the year of 2016. It was the year that was one of the most troubling years of the European Union. The wave of refugees, mostly from the Middle East and Northern Africa, triggered the 2015 Migration crisis which still to a vast degree affect politics in 2019, Britain decided to no longer be part of the European process

of integration and embarked on an unknown journey and Italy witnessed yet another major change in politics in a short period. Although Renzi was forced to retreat from the Italian political scene, his party (PD) still had two years until the 2018 General Italian Election and hence Paolo Gentiloni would rule Italy for roughly another two years. As we know in 2019, the M5S would get the biggest share of votes in the 2019 election and lead Italy onwards. In May 2019, the Lega Nord would achieve a landslide victory in the European Parliament Elections and spearhead the right-wing populist movement in the political landscape of the European Union.

What can we draw from this decade of political uncertainty? How can we describe possible implications for social and political attitudes in Italy and how were they likely to develop? A first clue is the rapid emergence of the M5S as a purely populist party. The above described mobilization theory (Arcenaux 2013) would give clues as to how the M5S was able to reach the biggest share of votes in 2018. As voters were constantly disappointed by the instability of established parties, mostly the Democratic Party (PD), they looked for political alternatives and put hopes into populist parties like M5S and the Lega Nord. For the latter political party, we also have to take into consideration the 2015 migration crisis, as it arguably played into the favor of Italian right-wing politics. Most generally, Italy was plagued by (illegal) migration in the Mediterranean for many years and were mostly let down by the European Union. The dual development of growing discontent among voters of migration policies and the austerity measures which put pressure on Italians in financial and monetary terms, as well as constant high levels of unemployment, intuitively explain the rise of populism in Italy. I therefore argue that the austerity measures and various reform packages, also proposed by the European Union, led to a growing discontent among Italian voters in view of democracy as a political system. As politics were highly fluctuant and leaders were quickly exchanged, I expect a decline in appreciation of democracy as a political system in Italy between the years of 2008 and 2016 by Italian citizens (H5). Further, we can draw the conclusion that the established Italian parties were performing quite badly over the last decade. Not only did they erode themselves, but they also gambled at quite high stakes to stay in power, much like Matteo Renzi did when he tied his political future to the drastic constitutional reform of 2016. Accordingly, this thesis will also analyze the development of trust in political parties and politicians in Italy. I assume, understandably, that Italians endow these two political variables with significant less trust than they did before 2008 (H5.1). As will be done with all other hypotheses, the matter at hand will be analyzed by statistical means and obtained data is provided

by the European Commission in form of various waves of the European Social Survey (ESS). Results will be given at a later stage of this thesis and will be put into perspective in a the discussion.

## 2. 6 Summing up the Current State of Art – Strengths and Weaknesses

The contemporary body of literature generally agrees that the financial crash of 2008 severely affected Italy and contributed greatly to changes in political attitudes of citizens. Over the course of the literature review, several theories have been presented which represent the basis of the constructed hypotheses and research question. The contention of this thesis is to test current theories within the framework of the peculiar Italian case.

While the impact on voting behavior is unclear, the general literature does provide us with hypotheses on how we can judge possible implications of the Italian recessions. While some authors argue that economic turmoil leads to an increase in voter turnout (Arcenaux 2003) since citizens are aiming at punishing the incumbent in elections, others argue that voting turnout would decrease because citizens develop a certain degree of apathy towards politics and rather look for individual solutions (Arcelus & Meltzer 1975, Fiorina 1978). Due to the uncertainty of the link between economic hardship and voting behavior in democratic societies, the Italian case offers a possibility of investigating this issue at a deeper level. In conclusion, current theories surrounding the link between economic performance and voting behavior are plentiful (Arcelus & Meltzer 1975, Fiorina 1978, Passarelli & Tuorto 2014, Rosenstone 1982, Schlozman & Verba 1979, Tuorto 2006).

Another crucial implication on the development of political attitudes among Italians is how trust in democratic institutions was altered. While authors have already shown that a deterioration in trust indeed was the case in Italy (Bosi & Zamponi 2015: p.382, Forno & Graziano 2014), I am able to give the issue a broader approach and an analysis of a longer timeline and hence higher accuracy in this thesis. Scholars generally agree that institutions are one of the cornerstones of economic performance (Acemoglu et al. 2001, La Porta et al. 1997/1998, Engerman & Sokoloff 1997). If, however, trust in institutions declines, a country may suffer not only economic, but also societal consequences. This thesis thus also makes it its purpose to go deeper into the analysis of how the link between economic turmoil and trust in (democratic) institutions can be described over a longer period of time. Theories constructed by political scientists, which show potential in

explaining the link between economic performance and political attitudes, have a long-standing tradition. Social – psychological explanations, the social and cultural model and the institutional performance model supply scholars with suitable tools to analyze the issue at hand.

Moreover, there is conclusive evidence available that economic situation decisively influences attitudes on migration issues, especially immigration. While several authors have empirically proven a causal relationship between the two respective variables (Dancygier & Donnelly 2012, Scheve & Slaughter 2001, Mayda 2006), economic theories such as the Heckscher-Ohlin model also explain a possible connection between economic pressure and attitudes towards migration policies.

Furthermore, attitudes of Italians towards the European Union as a supranational governing structure will be analyzed within the framework of this thesis. Italy has to be seen as a special case during the crisis in the European system (Morlino & Sottolotta 2017) as it avoided being as monitored as other crisis ridden countries, such as Spain or Greece. However, the general body of literature suggests that the financial crisis was a point in time at which European integration was increasingly questioned and the European Union as a political structure started to tumble (Braun 2013, Heinrich & Kutter 2013, Morlino & Ranioli 2017). In this view, the financial crisis can be connected to diminished support for the European Union among Italian citizens as well. Several theories have emerged which are able to explain the connection between economic crises and support for the European Union as a supranational policy maker. Both the liberal theory by Andrew Moravcsik and utilitarian approaches, which can be separated into individual and contextual approaches, are suitable theories to test within the framework of this thesis.

Lastly, moving on to the Italian political scene, there again is a wide array of articles which try to analyze the transformation of Italian domestic affairs. Beginning with the Berlusconi era and its abrupt end in 2011 (Magalhães 2014: p.3, Passarelli & Tuorto 2014: p.149, Croci 2002: p.89), authors give conclusive explanations to the rise of primarily populist movements such as M5S (Passarelli & Tuorto 2014). The reign of the Italian Democratic party (PD) has been thoroughly analyzed by scholars, beginning with the rather short mandate of Enrico Letta from 2013 to 2014, who was initially criticized for a supposed lack of credibility (Falagiarda & Gregori 2015: p.7). Matteo Renzi, “il rottamatore”, followed after and arguably ruined the Democratic Party (PD) for years to come due to this gamble with the constitutional reform, ending in a decisive (personal) defeat. In light of the poor performance among Italian policy makers over the course of the

recession, the instability of the various governments discussed within the literature review and the emergence of new key players on the political party scene, it was argued that Italians' trust for political actors has diminished over the course of the economic crises. Taking into consideration the Institutional Performance Model (Newton & Norris 2000), another hypothesis was constructed to test the approach in the Italian case.

Overall, I am convinced that the current state of literature depicts various implications that the financial crisis and the following recession could have had on the Italian nation in a comprehensive and concise matter. However, if one wants to understand how Italy was affected by the crisis, one struggles to find decent analyses which are solely dedicated to the European peninsula of Italy. While I did present key findings of recent years in the literature review above, many findings were side-products of differing research questions and hypotheses. Many authors take a broader approach to the topic at hand and analyze implications of the economic crisis on a European level and thus also present findings for Italy. Further, analyses are usually static and analyze one frame of time, without presenting a possible evolution of possible changes in political attitudes. What I can thus offer to the current body of research is a different, perhaps more diverse, approach when analyzing how the economic crisis could have had implications on the Italian society on a political and societal level. I offer a wide array of aspects which are subject to analysis, including political attitudes such as trust in democratic institutions, voting behavior or stances on migration policies, as well as attitudes towards the European Union. Further, I offer more insight on how attitudes have developed over the course of the crisis. While most authors follow a static approach, meaning offering an analysis of attitudes at one point in time after or during the Italian recession, I offer a dynamic approach which looks at three different points in time: 2006, 2012 and 2016. While in 2008, the implications of the global financial crash started to be noticeable, the recession was in full force in 2012 with a shrinking in size of GDP of still 2.8%. Comparably, Austria was already over the hill in 2012 with a slight GDP growth rate of 0.8%. In 2016, Italy's growth was close to hitting the 1% threshold and started to perform better on an economic level.

In conclusion, I offer a more comprehensive approach to the Italian case and dedicate the thesis to a relatively small piece of the European puzzle. In doing so, I believe I can contribute to the understanding of how Italy developed in the last decade, both politically and socially.

### 3. Methodology

This thesis relies on quantitative methods to resolve the primary research question and the constructed hypotheses. In this following section, I will discuss the operationalization of the hypotheses, discuss the data set which will be used for statistical analysis and present suitable tools to make sense of the connection between economic distress in Italy and political attitudes of the Italian populace. As mentioned above, all constructed hypotheses are based on theories, both economic and political, which have emerged over the course of time. The contention of this thesis is also to test existing theories on their usefulness for the peculiar Italian case.

#### 3.1. Primary Research Question and Hypotheses

As should be obvious after presenting the current state of the art, the primary research question of this thesis is:

RQ: “How can we describe the implications of the economic recession in Italy for the Italian society in terms of political attitudes and orientations?”

The question is of great importance, because it asks for the consequences which the recession in Italy could have had within the political sphere. Since there is an abundance of economic consequences and a lack of analyses of other aspects, this thesis represents additional information on how we can judge changes within societies during times of economic pressure.

I have reflected various theories on how the process can be described in Italy during the literature review. Accordingly, suitable hypotheses were deducted and will be operationalized in order to be resolved via statistical means. The main tool for the analysis is the SPSS software by IBM, which offers a wide array of statistical measurements and is a well-known tool within the domain of the social sciences. While some hypotheses were analyzed by comparing fluctuations in mean values, others rely on secondary data provided for by international organizations or Italian domestic ministries. As will be shown in the sections below, concepts such as “trust in institutions” are based on various indicators which finally accumulate in a defined concept.

By means of quantitative methods of the social sciences, I am trying to shed light on both the research question and hypotheses, which are as follows:

H1: Voter turnout in Italy was increasing after the 2008 financial crash.

H2: Trust in Italian democratic institutions, such as the Italian parliament or the Italian legal system, has decreased after the 2008 economic crisis.

H3: Italians developed a more conservative stance on migration issues in the aftermath of the 2008 economic crisis.

H4: Support for the membership of the European Union in Italy declined after the 2008 economic crisis in Italy.

H5: There is an observable decline in appreciation for democracy as a political system in Italy between the years of 2006 and 2016, by Italian citizens.

H5.1. Trust in political parties and politicians has declined in the aftermath of the 2008 economic crisis in Italy.

The results of the analysis of the hypothesis will be presented during the results section. Their implications for society, scholars and policy makers, however, will be subject to the ensuing discussion.

### 3.2. Operationalization of the Hypotheses

Operationalization is crucial for statistical approaches, when analyzing phenomena of the social sciences. I will therefore briefly explain how variables are defined into measurable factors, to empirically explore the constructed hypotheses. In the domain of social sciences, the process of defining terms in a precise matter is called conceptualization and represents the base of empirical research (Babbie 2015). In order to guarantee an adequate analysis of the phenomenon at hand, I will first discuss how the respective concepts have been defined.

H1 analyzes the evolution of voting turnout in Italy from the years of 2006 to 2016. To operationalize the hypothesis, I will use one item set which checks for voting behavior in the three respective data sets. Although numbered differently across the three ESS waves used (B11 for 2006, B9 for 2012 and B13 for 2016), the wording of the question is identical which allows a comparative analysis: “Some people don’t vote for one reason or another. Did you vote in the last [country] national election in [month/year]?” Participants in the survey had a choice of answering with yes, no or to deny giving an answer to the question. Further, respondents may choose the option “Don’t know” or indicate that they are not eligible to vote. Although only one indicator has been used for the concept of voting behavior, I believe it is still accurate, as the concept is not abstract and requires no further indicators for measurements.



H2 asks for trust in democratic institutions of Italian citizens. To analyze the hypothesis, I will rely on the following question being asked, identically over the three respective ESS waves, to participants: “Using this card, please tell me on a score of 0-10 how much you personally trust each of the institutions I read out, 0 means you do not trust an institution at all, and 10 means you have complete trust”. Again, the question is placed in slightly different spots in the questionnaire in the three data sets (B4 to B10 for 2006, B2 to B8 for 2012 and B6 to B12 for 2016), but identically asked in the three respective surveys. To analyze trust in democratic institutions, I will rely on three indicators – trust in Italy’s parliament, the legal system and the police force. All three are important to the functioning of a democracy and are a good fit for the analysis of the hypothesis.

H3 asks the question how the stance of Italian citizens on migration policies has developed over the course of the economic crisis. Fortunately, the European Social Survey provides a wide array of indicators to analyze the hypothesis. To give clarity to the evolution of opinions on migration policies, I will rely on six different indicators (B35 to B40 for 2006, B29 to B34 for 2012, B38-B43 for 2016). Similar to H2, people have a choice of answering on a scale from 0 to 10 in three of the respective indicators for attitudes on migration policies. The other three questions, however, have to be responded to differently and only offer 4 different options. Since all questionnaires, again, ask the very same question with identical answer possibilities, a comparative analysis of different points in time is doable. Questions are, for example: “Now, using this card, to what extent do you think Italy should allow people of the same race or ethnic group as most Italy’s people to come and live here?”, or, “How about people from the poorer countries outside Europe?”

Since Italy is a founding member of the European Union, I argue that it is important to analyze how Italians’ views on the supranational governmental architecture has developed over the course of the economic crises. I further hypothesize that support for the European Union declined since parties, which are predominantly eurosceptic, rule Italy since the 2018 Italian General Election (i.e. H4). A first indicator to measure the hypothesize is the stance of Italians on further European integration (B34 for 2006, B28 for 2012 and B37 for 2016). Respondents may rate their desire for further European unification on a scale from zero to ten, with the latter expressing a desire for further unification. The question is: “Now thinking about the European Union, some say European unification should go further. Others say it has already gone too far. Using this card, what number

on the scale best describes your position?” The second indicator asks Italians how much they trust the European Parliament as a European policy maker (B9 for 2006, B7 for 2012 and B11 for 2016).

Lastly, the fifth hypothesis of this thesis (H5) puts the evolution of appreciation for democracy as a political system at the center of attention. To measure whether or not this political attitude changed or not, I will use one single indicators. The item set in question asks participants of the survey directly about their feelings regarding democracy: “And on the whole, how satisfied are you with the way democracy works in Italy?” (B27 for 2006, B23 for 2012 and B30 for 2016). Although this is a rather unexplored question by the European Social Survey, I believe that one indicator is sufficient for the analysis as the question is asked very directly and does not let room to interpret the question any differently than intended. Moving on to the second part of the fifth hypothesis (H5.1), I hypothesize that due to the high fluctuancy of Italian politics, trust in political parties and politicians in Italy has eroded from the years of 2006 to 2016. Much like in H2, I will rely on two indicators from an item set asking respondents to rate their level of trust in various democratic institutions on a scale from zero to ten. The indicators, which have been used in order to resolve the hypothesis, ask directly about how trustworthy politicians (B7 for 2006, B5 for 2012 and B9 for 2016) and political parties (B8 for 2006, B6 for 2012 and B10 for 2016) are to Italian respondents.

### 3.3. The European Social Survey (ESS) as a Source of Data

The European Social Survey (ESS) captures political and social attitudes of Europeans. It gives access to a wide array of attitudes from various topics, ranging from political orientations, subjective wellbeing, attitudes on migration policies or trust in core democratic institutions. Until the present day, there are eight versions of the ESS available for scholars worldwide. It has a rich tradition of being used in social sciences and is often called a main pillar of making visible societal attitudes and behavior (Bilsky et al. 2011, Davidov et al. 2008, Schwartz 1994). In addition, it shows striking similarities to the World Social Survey and thus makes comparison available to cohorts tested in a different sample (Morselli et al. 2015). The ESS is conducted every two years and features core sections, which are repeatedly asked, as well as rotating models which ask for different topics each round. For this analysis, I will rely on three waves of the ESS to give insight into the evolution of core values in Italy in the aftermath of the economic crises which had the country in its grip since 2007. In order to guarantee a chronological analysis, I will use the survey

waves of 2006 (#3), 2012 (#6) and 2016 (#8). Fortunately, the European Social Survey relies on core question sets which are repeatedly asked in the same manner over the respective years while other item sets are changed every wave and control for different attitudes. For this analysis, only the core sets will be used since the question is asked in the same way. Accordingly, I can guarantee an adequate analysis of the question at hand.

As for appropriate use of the data set, I will be recoding the set to only include answers from Italian respondents. This will drastically lower the quantity of respondents (N), of course. However, since more than 2000 Italians were included in the three waves, I do not see any major problem in this regard. Furthermore, the European Social Survey treats personal data of participants with utmost confidentiality. Although not anonymous, the survey fulfills ethical considerations in social sciences to the complete satisfaction of existing standards (Babbie 2015).

URL links to the three respective questionnaires of the European Social Survey 2006, 2012 and 2016 are available in the annex of the final document, as well as tables from which results and specific data have been drawn from. I am convinced that the ESS is a solid set of data for this analysis, as it has an extraordinarily high number of recipients which could never be gathered on a cross-national basis as an individual scholar.

#### 4. Results

The following sections shows results obtained by the various sets of the European Social Survey. While the respective value scores can be observed in the constructed tables, their implications for future as well as already existing research will be subject to the following discussion.

After analyzing voting behavior in Italy in the time span between 2006 and 2016, there is no support for H1. While the mobilization theory argues that voting behavior typically increases during crisis, there is no evidence that this was the case in Italy. The opposite, however, is much rather true. In the Italian case, there is hard evidence that the withdrawal hypothesis has to be supported. Voting turnout drastically decreased in Italy over a time span of only a decade. Both the European Social Survey data, as well as official data by OSCE and the Italian ministry of Interior confirm a significant drop in voter turnout, both on a regional, as well as on a national level. The table below shows the evolution over time. Data clearly shows a drastic decline in political participation. Before the crises hit Italy, voting turnout was between 81-84%, depending on used data. Italy, however, displayed voting turnout close to 90% in the late 1990s. When the recession was in full force, voting turnout dropped to 78.3% in 2012, and decreased to 75.20% in

2013. In the 2016 Italian general election, voting turnout still worsened to 67.6%. Although the recession was over by 2016, and Italy's economy recovered, voting turnout still dropped. In the latest general election, held in the year of 2018, voting turnout recovered slightly and resulted in 73.01% participation. In conclusion, the withdrawal hypothesis has to be supported in the Italian case.

	ESS	Accompanying data*
2006	81.4% (n=1529)	83.6% (OSCE)
2008	-	80.51% (OSCE)
2012	78.3% (n=960)	-
2013	-	75.20% (Italian Ministry of Interior)
2016	67.6% (n=2626)	
2018	-	73.01% (Italian Ministry of Interior)

\* data sources for accompanying data (i.e. OSCE and Italian Ministry of Interior) can be found in the Bibliography;

H2 analyzes trust in political institutions of Italian citizens. Data indicates that trust in institutions, such as the Italian parliament, the Italian legal system or the Italian police force, deteriorated over the course of the recession and only slightly recovered after the economy showed signs of growth. The table below shows mean values of the respective indicators over the analyzed time frame. While Italians displayed a mean value of 4.47 in trust in the national government in 2006, in 2012 the value dropped to 3.16 and only slightly recovered to 3.23 in 2016. The mean value of the legal system was 4.99 before the recession (i.e. 2006) and fell to 4.46 when the recession was in full force, only to slightly recover to a mean value of 4.55 in 2016. Lastly, while Italians displayed a mean value of trust in the police force of 6.44 before the economic crash, it dropped to 6.11 in 2012 and remained at 6.11 in 2016. In conclusion, there is statistically significant support for H2 and the institutional performance model is relevant in the Italian case.

	Trust in parliament	Trust in legal system	Trust in police
2006	mean value 4.47 n = 1509	mean value 4.99 n = 1508	mean value 6.44 n = 1525

2012	mean value 3.16 n = 951	mean value 4.46 n = 937	mean value 6.11 n = 950
2016	mean value 3.23 n = 2565	mean value 4.55 n = 2551	mean value 6.11 n = 2597

H3 argues that Italians developed a more conservative stance on migration issues during the Italian recession. Data indicates that there is no clear relationship between economic distress and stances on migration. While some indicators show a decline in appreciation of migrants in Italy, others show different development. In the year of 2006, Italians were more negative towards further immigration from the same ethnicity group as in 2012, when the recession was in full force. In 2016, Italians showed even higher distrust towards migrants from the same and different ethnicity as the Italian majority and were less in favor of allowing further immigration from economically poorer third states. The same pattern was found with regards towards enrichment of life quality by migrants. Lastly, Italians were more pessimistic towards changes in life quality due to migration during the recession than they were before or after. In conclusion, there is no support for H3. The table below shows relevant results for the years of 2006, 2012 and 2016.

	2006	2012	2016
Allow immigrants from same ethnicity as majority	mean value 2.20 n = 1488	mean value 2.12 n = 938	mean value 2.44 n = 2547
Allow immigrants from different ethnicity	mean value 2.47 n = 1499	mean value 2.27 n = 935	mean value 2.68 n = 2538
Allow immigrants from poorer third states	mean value 2.50 n = 1502	mean value 2.26 n = 933	mean value 2.61 n = 2534

Immigration is good for the economy	mean value 4.66 n = 1485	mean value 5.18 n = 936	mean value 4.21 n = 2516
Cultural life enriched or undermined by immigration	mean value 4.75 n = 1494	mean value 5.61 n = 943	mean value 4.43 n = 2544
Immigrants make country better or worse	mean value 3.85 n = 1496	mean value 3.40 n = 937	mean value 3.59 n = 2532

H4 analyzes the support for membership of the European Union in Italy over the timeframe of 2006 to 2016 in Italy. Results, obtained from the European Social Survey, indicate a correlation between economic distress and support for the European Union as a supranational actor. While the mean value of respondents in 2006 towards further European integration was 5.27, it fell to a value of 4.92 in 2012 and further fell to a value of 4.52 in 2016. Further, trust in the European parliament as a supranational policy maker fell from a mean value of 4.90 in the year of 2006 to 4.33 in 2012 when the recession was ravaging Italy. When the economy was recovering and the Italian gross national product was growing once more, trust in the European parliament once more increased to a value of 4.66. In conclusion, H4 is supported partly by available data.

	Further European integration is desired	Trust in the European Parliament
2006	mean value 5.27 n = 1436	mean value 4.90 n = 1435
2012	mean value 4.92 n = 914	mean value 4.33 n = 909
2016	mean value 4.52 n = 2471	mean value 4.66 n = 2501

The fifth hypothesis H5 predicted an observable decline in appreciation for the effectiveness of democracy as a political system in Italy between the years of 2006 and 2016. A similar pattern as

within the final hypothesis (i.e. H5.1) emerged. While Italians displayed a mean value of 4.79 in 2006, the value dropped, although not as alarming as in H5.1, to a score of 4.11 when the recession was in full force. However, by the year 2016 when the Italian economy somewhat recovered, the value dropped further to a score of 4.0. In conclusion, H5 can again be supported in parts due to available data. While the analyzed value did drop significantly, it did not recover to pre-crisis levels when the economy started showing signs of relief. Interestingly, the value dropped to an even lower point.

Satisfaction with Democracy in Italy as a Political System	
2006	mean value 4.79 n = 1474
2012	mean value 4.11 n = 938
2016	mean value 4.01 n = 2503

Lastly, H5.1 predicted that trust in political parties as well as politicians in Italy has declined over the course of the recession, meaning that trust in those political entities was higher during times of economic prosperity than turmoil. I have shown throughout the literary review that not only was Italy pressured by economic factors, also politics were quite unstable and subject to constant change. After reviewing the results for the years of 2006, 2012 and 2016, one has to come to the conclusion, that trust in political parties and politicians is severely lacking and has only partly recovered when Italy escaped the recession. Both indicators of the concept indicate a consistent pattern, as is shown in the table below. For starters, one has to acknowledge that trust in both politicians and their respective parties is and was astonishingly low in Italy, even before the crises hit the peninsula. On a scale from 0 to 10, Italians rated their trust in political parties and politicians 3.29 and 3.28, respectively, in 2006. The value then dropped to a devastating score of 2.00 and 1.95 when the recession was in full force and only slightly recovered, however not to pre-crisis levels, of 2.28 and 2.29 in the year of 2016. For both parts of H5, the data shows that the hypotheses

which were derived from contemporary theories about the relationship between the variables, has to be supported.

	Trust in Political Parties	Trust in (Italian) Politicians
2006	mean value 3.29 n = 1516	mean value 3.28 n = 1521
2012	mean value 2.00 n = 942	mean value 1.95 n = 946
2016	mean value 2.28 n = 2566	mean value 2.29 n = 2573

## 5. Discussion

I have shown throughout the respective sections of the literature review and the results, that the performance of the economy had consequences for the political orientations of Italian citizens. The contemporary body of literature displays a wide array of possible explanations for the relationship between economic depression and political orientations. However, there are competing theories to explain certain phenomena, as for the impact of an economic recession on voting behavior, just to mention one. The contention of this thesis was to make the Italian case more comprehensive and to answer the question, which theories are applicable and valid, how we can describe the combination between economic distress and changes in political attitudes, and most importantly, to make sense of the analyzed phenomenon. Naturally, the Italian recession is only part of the big picture which could have had a decisive influence on the analyzed political orientations. This became especially evident when analyzing stances on migration by Italian citizens. The contemporary literature would suggest that societies develop a more negative attitude towards further influx of migrants, due to labor market concerns or welfare concerns. However, this seems to be false in the Italian case. Data in this case does not paint a clear picture in this regard and one has to wonder what aspects, be it political or economic, also influenced the relationship between the two variables at hand. Accordingly, I will now discuss the implications of the findings and put them into perspective by elaborating on them in a more extensive matter.

While some theories, which claim to explain the theoretical relationship between economic distress and developments in political attitudes of citizens, such as the withdrawal hypothesis, which



predicts lower voting turn-out after economic recessions, show great potential, others do less. Most importantly, the relationship between political orientations towards migration and immigration in Italy and economic distress seems unclear and has not been thoroughly answered by the available data. There has been conducted a vast amount of research on the changes in voter turnout and voting behavior in times of economic distress (Arcelus & Meltzer 1975, Fiorina 1978, Passarelli & Tuorto 2014, Rosenstone 1982, Schlozman & Verba 1979, Tuorto 2006), to mention the most substantial contributions to the topic. The two most important theories which emerged and seem to be consolidated in scholarly thought are (1) the withdrawal hypothesis and the (2) mobilization hypothesis. Given the drastic changes on the political scene in Italy, most importantly the spectacular rise of the new right and purely populist movements such as M5S, I attached higher importance to (2). Available data, however, proved that the opposite is true and that the withdrawal hypothesis has to be supported in the Italian case. While turnout was quite high before the economic crises, with a participation rate between 81.4% and 83.6%, depending on the available data, the rate dropped to 78.3% in 2012 and dropped again to a mere 73.01% in the most recent Italian general election of 2018. While we can observe a drop in voting behavior, it is hard to attach the actual effect of the crisis on the phenomenon. The economy is of course a decisive factor in politics, but it only explains a fragment of the whole picture. While evidence does support the argument that economic distress leads to diminished political participation, one also has to recall that Italian politics were highly fluctuant over the last decade. In a nutshell, one could argue that people were increasingly getting tired of politics because governments were either of technocratic nature and thus not subject to pre-election debates or because one political leader after another failed to live up to expectations. Ultimately, the recession was an influence within the framework of the phenomenon, but lower voting behavior might also be attached to general political disenchantment. More research will have to be done to explain the relationship between the two variables, but a connection can be observed. In conclusion, the withdrawal hypothesis gains importance when applying it to the Italian case. However, due to the special nature of Italian politics, the mobilization theory might be more applicable to different nations or countries.

A major concern of this thesis was to show the evolution of trust in various political institutions in Italy, arguing that the economic recession severely hurt trust endowed in political parties. This phenomenon, as is shown in the literature review, would have substantial consequences for Italy in the long run, as reciprocal trust between individuals, but most importantly the trust of citizens

in political institutions and representations, is a key element to economic prosperity and societal stability (Acemoglu et al. 2001, La Porta et al. 1997/1998, Engerman & Sokoloff 1997). The results obtained by the analysis above clearly illustrates that the before cited statement by OECD Secretary General Angel Gurría has to be thoroughly underlined. The worldwide financial crisis and the crises that ensued in Europe after, severely eroded trust in institutions. The approach which best explains this phenomenon is the institutional performance model by Newton and Norris (2000). The analyzed institutions, such as the Italian Parliament, have not performed exceptionally well over the course of the last decade. Not only did the various leaders fail to successfully lower the impact of the economic crises, but they also did not stay in office for a very long time, meaning that stability was not achieved over the course of nearly a decade. Not only did politicians have to step down because of scandals and inappropriate behavior (Silvio Berlusconi) as well as pressure from other European Union members (again, Silvio Berlusconi), they also gambled with consolidating their political position by forcing risky referenda (Matteo Renzi). Trust in analyzed institutions, across the board, was higher before the recession hit the Italian peninsula. All three indicators of the dependent variable show that trust was indeed at its lowest point in the year of 2012. When GDP growth was present once more in the year of 2016, the value slightly recovered towards pre-crisis levels. The fact that recovery towards pre-crisis levels occurred at all, is even more of a surprise within the Italian peninsula. One also has to take into account that starting in the year 2012, populist parties consistently increased power over the Italian electorate. It is no secret that populist parties generally reduce democratic institutions to not fully necessary structures, which are mostly outdated in not “in favor of the people”. In this view, trust in institutions does not seem to be very much connected to political rhetoric and gives further credibility to the argument that the wellbeing of a national economy is a direct influencer in how much democratic institutions are endowed with societal trust. I can therefore clearly state that the independent variable of the economic recession clearly influenced the dependent variable of trust in political institutions. Although one has to point out that the economy is not capable of explaining the phenomenon as a whole, it clearly influenced the equation, as all chosen indicators reacted in the same manner. Consequently, H2 has to be thoroughly supported when taking into account the obtained results. If, however, institutions are as important to economic and societal stability, more research will have to be done to understand the relationship between the chosen variables in order to lessen the impact of economic distress.

The relationship between economic turmoil and attitudes towards migration leaves a question mark behind. The analysis does not show a clear pattern of how the recession influenced attitudes, although the contemporary body of literature has empirically proven that lower levels of economic prosperity are associated with a dampened support for immigration (Dancygier & Donnelly 2012, Scheve & Slaughter 2001). My analysis shows that a consistent pattern of a lower support for further influx of immigrants during times of recession is not the case in Italy. In fact, some indicators even show that the reverse might be accurate. The analysis presented in this thesis thus leaves open some questions which might have to be answered by looking at different variables which might also influence the phenomenon. Perhaps, the economy plays a minor role in the Italian case because other aspects within the domestic framework overshadowed its impact. Italy was way ahead of Europe when the “2015 migration crisis” made major headlines and started to shake up political Europe. Italy was on the forefront of migration issues for more than a decade due to repeated and consistent arrivals by migrants on the island of Lampedusa. Accordingly, the issue of migration has long been subject to political discussion on a societal level and it has further consistently kept busy political debates on high level politics. The situation in Italy is therefore hardly comparable with other countries in Europe, who only felt the pressure of migration in the aftermath of 2015. Migration in Italy, however, has been instrumentalized by political parties, most prominently M5S and the Northern League, and therefore has been more prominent in societal political debate. Taking into account that the Italian case might follow a different logic, one has to search outside the findings by Dancygier & Donnelly (2012), as well as Scheve & Slaughter (2001) to make sense of the Italian case. Perhaps, political attitudes towards migration and immigration in Italy are more influenced by political discourse, which heavily shifted towards migration over the last half of the decade. This argument gains importance when considering that more liberal political parties were in power during the economic crisis, most importantly the PD. During the recession, attitudes towards immigration were, for the most part, most welcoming. Accordingly, one could argue that although the recession was in full force, migrants were not as blamed for Italy’s problems as they were when populist parties benefitted from increased support. In this regard, the Lega Nord is especially important, since starting in the year of 2012 it would gradually gain power among the general electorate and would ultimately be strong enough by the year of 2018 to form a populist coalition between the Lega Nord and the M5S. However, one has to conduct more thorough research on the Italian case to make sense of the phenomenon and the

influence of political rhetoric remains more of an afterthought than an empirical finding. All things considered, there is no support for the third hypothesis, against prior expectations. The relationship between economic distress and attitudes towards migration policies seems to be the most complex of this analysis and is, unfortunately, mostly unanswered. Perhaps, existing theories are again applicable to different scenarios and different countries or nations. Italy may have to be seen as a peculiar case.

How can we judge the impact that the recession in Italy had on support for the European Union as a supranational policy maker? I have shown throughout the literature review that the contemporary body of literature, which surrounds the issue, has come up with plausible approaches to explain a supposed drop in support towards the European Union. In general, both the liberal theory (Moravcsik 1993/1998, Thorhallson & Rebhan 2011) as well as the utilitarian approaches (Braun & Tausenpfund 2012) are given further legitimacy by the available data and the conducted analysis. For both indicators, variables which indicate support for the European Union by Italian citizens, a considerable drop has been observed in the aftermath of the economic recession. However, while one indicator (i.e. trust in European Parliament), as predicted, recovered towards pre-crisis levels by the year of 2016, the other one did not (i.e. further European integration is desired). Further European integration was heavily discussed over the past years, due to the ambitions of the Western Balkans to ascend, despite the resistance of various European Union member countries. Also, one can argue that the European Union lost prestige over the analyzed timeframe, due to the various crises which are subject to discussion. Political theories, however, generally agree that the reputation of the European Union got increasingly damaged over the last decade and as a result, European integration significantly slowed down. This aspect can be observed today as well, when taking into consideration that even the inclusion of small states on the Western Peninsula, most importantly Northern Macedonia as well as Albania, are still waiting for accession processes to start, although they fulfill most of the needed criteria and also represent a combined population of below 5 Million inhabitants. All things considered, European Union policy makers are showing themselves a lot more cautious with the idea of further European integration than before the economic crises. Further, the Brexit referendum put a drastic stop to further expansion of the Union as an important member decided to leave. The political discourse over the further development of the European Union might have been a decisive factor in the expression of support for the supranational body by the (Italian) citizens. However, these thoughts

on possible explanations for the non-existent recovery of the second indicator by 2016 are subject to speculation and would need a more thorough scientific analysis. Political discourse, especially by the parties which have risen from the crises as the strongest benefitters, most importantly the Northern League and M5S, furthermore seems promising in understanding the full picture of how support for the European Union developed over the course of the analyzed timeframe.

Another concern of this thesis was the question of how support for democracy as a political system developed over the course of the last decade in Italy. Not only did Italy suffer from a highly unstable financial and economic situation, also political leaders and parties were subject to severe change. As I have shown throughout the more extensive phase of the literature review, Italy witnessed several governments within a relatively short timeframe. Not only were politics a highly fluctuating matter, leaders also came from all sides of the political spectrum. I argued that it is because the political system of Italy was so unstable, that democracy lost in support as a way of governance. Indeed, as was expected before analyzing available data, democracy has been gradually losing support in Italy. The mean value (scale of 0-10) was already low in the year of 2006 (4.79), but dropped considerably to 4.11 by 2012 and 4.01 in 2016. This is perhaps the weakest finding of the analysis, as the data set was quite limited in terms of possible indicators for support of democracy. I could show, however, that the general concern that democracy as a system is losing support among the globe, is also apparent in the Italian case. Of course, support for democracy is a highly complex concept and needs a more thorough investigation. Especially in times in which the democratic system is on the back foot and competing forms of governance, such as the illiberal democracy model which is pushed forward by primarily Eastern European leaders, such as Hungarian Prime Minister of Hungary Viktor Orbán or Polish Prime Minister Mateusz Morawiecki. Most importantly, however, populist leaders with tendencies to disregard democratic structures are gaining momentum in Italy itself. Matteo Salvini, Deputy Prime Minister and Minister of Interior, has been making headlines all across Europe with his hard stance on minority issues and media restrictions. The current Italian government, despite the polarization it causes among Italian citizens, made clear it is here to stay and is pushing for a more authoritarian political framework. The consolidation of the Lega Nord as the primary political force again was obvious after the European Parliament elections, as Salvini managed to achieve a landslide victory and is now increasingly pressuring M5S for top positions within Italian domestic politics.

Lastly, I hypothesized that potential trust in both politicians and political parties dropped dramatically over the course of the analyzed timeframe. Taking into account the above described developments in the Italian political system, no one could blame Italian citizens for endowing lower trust in political representatives. Italian politicians, however, were under pressure because of austerity measures and high unemployment rates. The economy, in this sense, exerted extreme pressure on the framework of Italian politics as well. As was expected by the hypothesis, both variables developed in the same manner over the last decade. Not only were the displayed values already low when the Italian economy was still prosperous, they worsened by more than a whole point until the year of 2012 (2.00 and 1.95, respectively, for a scale between 0 and 10) – a shockingly low value. The values then did not recover nearly enough to pre-crisis levels, but a certain recovery is observable nonetheless. These findings are alarming and raise concern over the political future of Italy. If trust in both politicians and their parties, but also support for democracy are only slightly recovering after the great crash, one has to ask the question which other decisive factors influence the respective concepts. Consequently, more research will have to be done by social and political scientists, as well as economists to understand underlying mechanisms in an even more comprehensive and decisive manner.

To conclude, this thesis is a valuable contribution to the body of literature as it gives the existing theoretical framework, on the connection between changes in political perspectives and economic turmoil, further legitimacy. The peculiar case of Italy explains how times of exceptionally high unemployment, budget cuts and austerity policies lead to negative perspectives towards the political system, damages trust in democratic structures and the very concept of democracy as well. Also, partly due to the recession, the Italian political system got under immense pressure during the various economic crises in Europe, which lead towards extraordinary low trust among citizens in political parties as well as their representatives. However, one cannot deny that of the once successful leaders, and the prime example in this regard is Matteo Renzi, are partly responsible for their own failure which culminated in a political earthquake.

## 6. Limitations

This thesis faces several limitations which are addressed in this section. These include the limited possibilities of the data set, the difficult operationalization of the chosen research question and hypotheses, which have been derived from the current body of literature, as well as the overarching

argument that the recession in Italy cannot explain changes in political attitudes by itself. The most obvious limitation of this thesis is that not all variables can be considered. If we take trust in political institutions as an example, the economy has had an influence on people's perceptions. This analysis, however, is only able to explain the phenomenon in partly, meaning that other influencing factors which have influenced trust in institutions were not taken into account by the analysis. These issues, however, are predominant in social research, especially when measuring social constructs such as "support for the European Union". They are hard to capture and vary in terms of interpretation, as well as meaning, from one social stratum to another, or are understood differently by different cultures and nations.

Another limitation is the available data set. While the European Union does provide scholars with a wide array of question sets, the asked questions are usually quite open and wide in their aim, meaning that people could understand the questions differently. This, in turn, could water down how the representative the findings actually are of a whole population. Further, I especially view the European Social Survey data sets, which let recipients rank their feelings on a scale from zero to ten, as problematic, as it is hard to answer to complex questions under time pressure and recipients would need more time than an item per minute to thoroughly think about their answer. Lastly, only a portion of the European Social Survey is dedicated to core question sets, which get repeated in all waves. This means that half of the item sets are only featuring in one single wave and do not allow for comparisons over time.

## 7. Conclusion

In conclusion, Italy undoubtedly has been affected by the economic crisis of 2008, in a variety of political attitudes. I was able to show, by means of statistical analysis, that the political climate deteriorated towards negative attitudes concerning trust in political and democratic institutions, voting behavior, support for the European Union as a supranational policy maker and trust in politicians and political parties, as well as democracy as a political system over the timeframe of the Italian recession. Most importantly, however, most values recovered towards pre-crisis levels when the Italian economy was back to augmenting wealth within the Italian peninsula. Other aspects which have been analyzed by this thesis, mostly how the economic recession affected attitudes towards migration, seem unclear and need a more thorough investigation by future research.

I have shown throughout the literature review, that over the course of time theorists from various disciplines have come up with valid theories on how economic turmoil has an effect on political attitudes of citizens in liberal democracies. While some theories were given legitimacy by this thesis, others showed less potential in the Italian case. Overall, however, the contemporary body of literature surrounding the topic agrees that the economy is a decisive factor in influencing political attitudes. Adam Tooze (2018) is, after all, quite right when he claims the effects of the economic crash of 2008 to be much greater than just relevant to the economic sphere. The initial mortgage crisis was only a mere tremble of what stood before and gave way to the European debt crisis and the Euro crisis in general. Parallel to the economic development, a close attention was paid to the evolution of the Italian political scene. Italy witnessed a long series of governmental changes during the recession, which can at times be attached to the consequences of the crises per se. While some political actors failed due to their dwindling support among the general populace, others did so because of risky political gambles. Silvio Berlusconi shook up the European political scene with his scandalous behavior, ultimately costing him his mandate due to low support both in Italy and the European Union (Magalhães 2014: p.3, Passarelli & Tuorto 2014: p.149, Croci 2002: p.89). To fight the consequences of the recession, a technocratic government, led by Monti, was a drastic change in political perspective. It was succeeded by a wave of social democratic leaders, which seemed to hold on to power at first but failed to live up to expectations nonetheless. Especially the charismatic leader Matteo Renzi has to be mentioned at this point, since he, much like David Cameron in the United Kingdom, tied his fate to a risky but ambitious referendum which aimed at revolutionizing the political system and lead to an overall more efficient system. The PDs plan, however, failed incredibly and led towards the rise of yet another populist centered policy system. Although the spectacular rise of both M5S and the Northern League have to be seen in a wider context of the success of populist parties across the entirety Western states, it is a picture-perfect example of how economic turmoil in combination with austerity measures, increased societal tensions due to the influx of migration and mismanagement and general instability lead towards increased negativity terms of political orientations of citizens. It is undisputed that there is a direct and causal link between the performance of an economy and the wellbeing of citizens. In times of crises, however, it becomes apparent that democratic structures are viewed as less positive, which can have broad consequences for a nation. In a normative view, a democracy



should do everything within its power to guarantee the stability of its institutions, for they represent the very foundation of both societal and economic prosperity in Western societies.

While I am aware that the economic recession is only partly responsible to their evolution of political attitudes, I did show that it had major influence. Until the year of 2016, political attitudes, most importantly trust in political actors and political institutions, recovered towards pre-crisis levels. If, however, Italy wants to succeed economically, a lot more will have to be done to restore trust on a societal level. The concept of trust has gained significant ground in economic and sociologic thought over the last two decades and is today portrayed as one of the very cornerstones to economic prosperity (Acemoglu et al. 2001, La Porta et al. 1997/1998, Engerman & Sokoloff 1997). Recent developments in Italy make it obvious that the new Italian policy makers are not interested in finding consensus on a European level, which was made obvious when the national budget plan was presented. The European response was drastic and warned of slipping back into increased financial pressure. Italy's plan foresaw disregarding the bloc's financial rule in a severe manner, despite the Italian debt of 131% of its GDP, which is more than double of the current European Union average. Taking into consideration recent developments, the next crisis might be just around the corner. While political attitudes are starting to recover slightly, they may just drop to unprecedented levels in the foreseeable future, if Italian policy makers provoke more mismanagement in the attempt of satisfying voters.

## 8.. Bibliography

### 8..1. Books and Peer- Reviewed Articles

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