

ITALY AND GERMANY DURING THE CRISIS: SUPPORT FOR THE EU AND RECIPROCAL VIEWS¹¹³

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Mutual trust among citizens of different EU Member States is a cornerstone for the establishment of a sense of European identity and the strengthening of the EU integration process (Hooghe and Verhaegen 2017). However, the current multifaceted crisis that the EU is experiencing and some side effects of the integration process have not only exacerbated public opposition to the EU, but are also eroding the stock of mutual trust among the citizens of the different Member States that was accumulated after the end of the Second World War. In particular, the recent Eurozone crisis has increased the tension between core countries of Northern Europe, with strong macro-economic performances, and countries of the Southern periphery, struggling with excessive deficits and increasing public debt. Two competing narratives about who is to blame for the crisis are at play. The core countries' narrative is about feckless Greeks and Italians and the inability of their national institutions to adopt structural reforms to keep their public debt under control and thereby render the Euro sustainable. The narrative running in peripheral Member States blame the Northern countries, Germany *in primis*, for their austerity measures and their lack of solidarity towards

countries facing severe economic and financial difficulties. As Grabbe (2012) pointed out, the sovereign debt crisis is more than the breakdown of both a currency and a political project, as it is also causing a loss of trust between EU Member States.

By taking Germany and Italy as illustrative examples of this “Core-Periphery” divide, this article aims to investigate the evolution of public support for the EU in these two countries, both before and after the Euro crisis, and its relation with the mutual perceptions of both countries as expressed by public opinion and the political élites. I postulate that, given the leading role played by Germany within the EU institution and the different narratives fuelled in the core and peripheral Member States, Italian citizens and representatives tend to blame Germany both for the Euro crisis and for the bad Italian economic situation. Therefore, we expect to find a significant association between the orientations of Italians towards the EU and their view of Germany. Empirical analyses have been conducted using cross-sectional survey data at both the mass and élite levels taken from multiple sources. The findings obtained confirm our expectations.

Political Commonalities but Long-lasting Stereotypes

Germany and Italy share numerous historical commonalities, such as a late nation-building process which occurred only in the second half of the nineteenth century, and the experience of authoritarian regimes during the two world wars. Germany and Italy are both founding members of the EU and, since the end of WWII have been characterised by a pronounced Europeanism by both their political élites and citizens. Moreover, both countries have undergone major political changes after the end of the Cold War: the re-unification of West and East Germany following the tearing down of the Berlin Wall in 1989, and the collapse of the traditional party system in Italy, following the *Mani Pulite* corruption scandal(s)

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in the 1990s. Italian-German relations are intense and co-operative at the cultural, economic and societal level, as well as in daily political life. In 2015, Italy ranked third among EU countries for the total value of German imports, and Germany is the biggest source of Italian imports and the first destination for Italian exports (Diedrichs 2010; [Dinger 2013](#)).

However, Germany and Italy have been also characterised by longstanding stereotypes and prejudices. Germans express a high self-esteem and consideration of their leading role in Europe, and, while they admire Italy for its lifestyle, they consider its institutions to be inefficient and corrupt. On the other hand, Italians appreciate German efficiency and the hardworking ethic of its people but, at the same time, criticise their excessive rigour and their harsh and uncompassionate nature. ([Pew Research Center 2012, 2013](#); [Friedrich Ebert Stiftung 2016](#)). Gian Enrico Rusconi (2008), one of the most important scholars of Italian-German relations, argues that, since the end of the Cold War, several political events have represented sources of tension in Italian-German bilateral relations and have contributed to exacerbating the divergent views that the two countries have of each other.

Core versus Periphery: Germany-Italy Relations in Times of Crisis

With the outbreak of the Euro crisis, the EU and the integration process, which, for many years, had represented the common denominator of German-Italian bilateral relationships, have become the most challenging source of tension between these two countries. A new sharp dividing line over the issue of fiscal stability and, ultimately, cross-national solidarity has polarised German and Italian publics, their media and their political élites. Thus, two opposing narratives about who is to blame for the crisis and the initiatives that should be taken to manage its detrimental consequences are in play.

In Germany, the debate over the Euro crisis has been framed as a conflict between “Northern saints” and “Southern sinners” (Matthijs and McNamara 2015). Hard work, prudent savings, moderate consumption, wage restraint, and fiscal stability – primarily in Germany, but also in Austria, Finland and The Netherlands – were seen as northern virtues and were juxtaposed to the southern vices of low competitiveness, meagre savings, disproportionate consumption, inflated wages, and fiscal profligacy which characterised the offensive acronym of “PIIGS” (the countries of Portugal, Ireland, Italy, Greece and Spain). Therefore, Germany supports a markedly “disciplinarian” approach, deeply rooted in the ordoliberal doctrine ([Bulmer 2014](#); [Meiers 2015](#)), according to which the burdens of fiscal adjustment should fall exclusively on national governments and taxpayers.

In contrast, a large part of the Italian media and of the political élite, even among mainstream political parties, blame the excessive rigour and lack of solidarity of the EU institutions and northern governments, Germany *in primis*, and advance the notion of debt pooling in the form of Eurobonds or fiscal equalisation schemes. They oppose the conditionality regime and austerity measures, and call for more flexibility in the application of rules, the mobilisation of EU resources for investment and growth, and, most importantly, the “mutualisation” of risks (Ferrera 2017). The REScEU (Reconciling Economic and Social Europe: Values, Ideas and Politics) Mass Survey provides evidence in support of the difference between the Germans’ and the Italians’ approval of financial bailouts, and their views about who is to blame for the recent Eurozone crisis (Ferrera and Pellegata 2017).

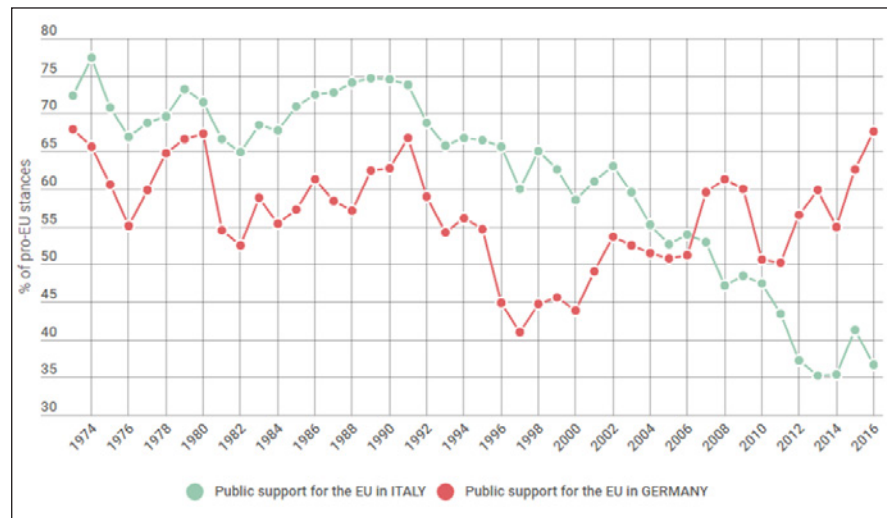
Previous research has shown a positive relation between support for the EU and macroeconomic performance (Anderson 1998; Anderson and Kaltenhaler 1996). Considering that the economic crisis, fiscal austerity measures and the conditionality regime have produced clear and tangible losses in the Euro periphery, we expect to find a sharper decrease in public support for the EU in

Italy than in Germany caused by the onset of the Eurozone crisis. However, we push our expectations a step forward by postulating an association between support for the EU and the Italians' view of Germany. The narratives of both the media and the Italian political elite scapegoat EU institutions and their policy initiatives for the stagnant Italian economy and its excessive public debt. Given the strong relations that have occurred historically between Germany and Italy, and the leadership that the former plays within the EU institutions (Paterson 2011; Kundnani 2015), Italian citizens and its political elite tend to identify the EU behaviour with that of the role of Germany. Thus, we expect to find evidence in support of a decline in the level of trust of Italians *vis-à-vis* Germans relating to their decreasing support for the EU.

Assessing the Relation between Support for the EU and Mutual Feeling

A vast amount of the literature has argued that, from the early 1990s, the EU and the integration process started to be politicised in domestic politics, and became increasingly disputed after the onset of the financial crisis (Hooghe and Marks 2009; Hutter, Grande and Kriesi 2016). In order to estimate the preferences of the Germans and the Italians for the EU, we have built a measure of public mood based upon several EU-related issues. This measure stems from the concept of policy mood developed by Stimson (1999), which is an aggregate and longitudinal estimation of the opinions of citizens on one or more controversial policy issues. More precisely, we have aggregated the frequency distributions of responses to survey questions related to general attitudes towards the EU gathered from Eurobarometer series conducted between 1973 and 2016.

Figure 1. Public Mood towards the EU in Germany and Italy



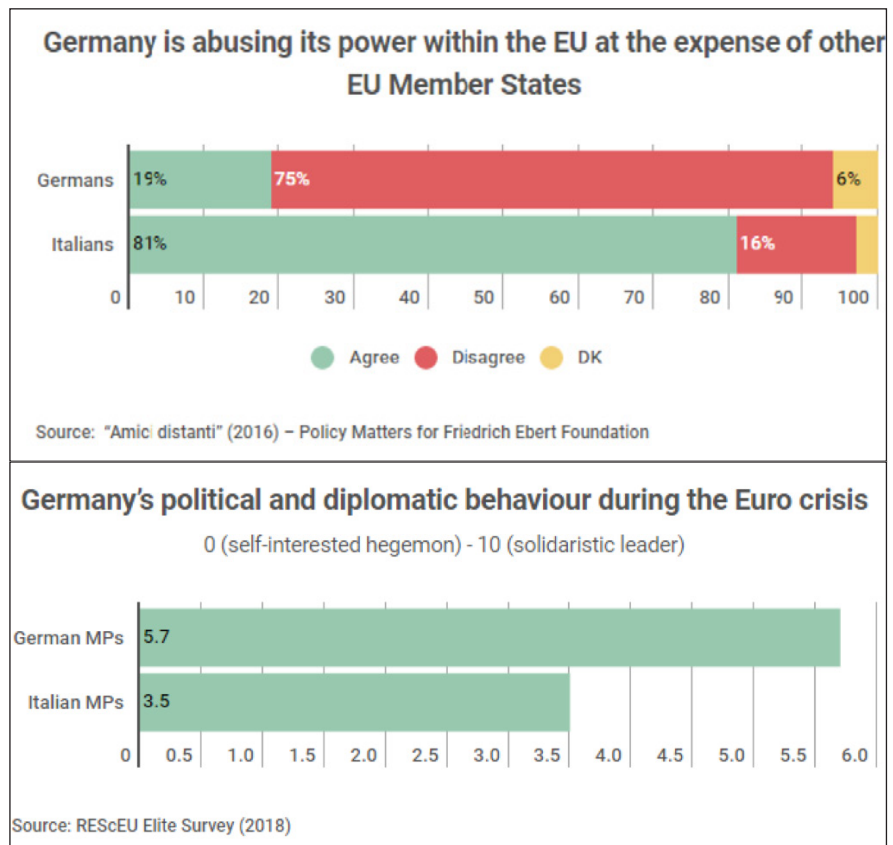
Notes: Mood in the two countries has been estimated through the dyad ratio algorithm (WCalc software, Stimson 1999).

Source: Eurobarometer 1973-2016.

The green line in the graph plotted in Figure 1 represents our estimate of the public mood of Italians towards the EU, while the red line indicates that of the Germans towards the EU. This indicator should be interpreted as the annual share of citizens who express “pro-EU” stances. The average level of public mood towards the EU is quite high in both Germany (65.7%) and Italy (70.0%), confirming the marked Europeanism that has characterised the two countries from the beginning of the EU project. However, the two countries show different patterns of variation over time. The public mood of the Germans towards the EU remained high and fairly constant during the 1970s and the 1980s. It decreased during the 1990s, after the re-unification process and the decision to abandon the *Deutschmark*, but subsequently increased again to remain high even in recent years. As expected, the Italian mood, in contrast, relentlessly decreased from 1993, following the adoption of the Maastricht Treaty, and fell below the threshold of 50 per cent after the onset of the sovereign debt crisis. While, in 2016, two Germans out of three expressed positive orientations towards the EU, only 37 per cent of Italians supported the integration process.

Unfortunately, we could not rely on a yearly estimate of the reciprocal views of the Germans and the Italians to allow us to make a longitudinal description of their evolution. However, a number of recent surveys provide us with data that depict alarming signals regarding the mutual feelings of the Germans and Italians. The Friedrich Ebert Foundation (2016) shows important differences in the opinions of the Germans and the Italians regarding the role of Germany within EU institutions. While 68 per cent of the Italian respondents agreed with the statement that Germany should contribute more to the EU budget since it receives more advantages than other Member States, 66 per cent of Germans took the opposite position. Furthermore, while an impressive 81 per cent of Italian respondents believe that Germany is abusing its power within the EU at the expense of other EU Member States, only 19 per cent of their German counterparts agree on this position (see Figure 2). Few available data at the elite level confirm this discrepancy. A recent elite survey conducted by REScEU between 2017 and 2018 among the national representatives of seven EU Member States, including Germany and Italy, asked the respondents to evaluate Germany's political and diplomatic behaviour during the Euro crisis on a scale ranging from 0 (a self-interested hegemon) to 10 (a solidaristic leader). As the lower panel of Figure 2 indicates, the average value of German MPs is 5.7, while the average score among Italian MPs is 3.5.

Figure 2. Germany-Italy mutual feelings. Mass (upper panel) and elite (lower panel) level



Then, to test our conjecture that the orientations of Italians towards the EU and their views about Germany are related, we have investigated empirically which individual-level factors are associated with the view of Germany expressed by Italian citizens and their political representatives. Unfortunately, as already observed, data on the reciprocal views of Germans and Italians do not systematically cover a long period. As a result, we have selected two partially different questions in order to operationalise Italian views of Germany in the last ten years taken from the Transatlantic Trends Survey and the LAPS-PRIN PEI survey.¹¹⁴ The first survey question asked respondents to evaluate their feelings towards Germany, its institutions, and people using either a 100-point or 10-point

114 For Transatlantic Trends Survey, see <http://www.gmfus.org/initiatives/transatlantic-trends-%E2%80%93-public-opinion>, and for LAPS PRIN PEI data, see the Special issue "Italian Foreign Policy: To Take Arms against a Sea of Troubles?" of the *Italian Political Science Review*.

“thermometer” scale, with 100 (or 10) meaning a very warm, favourable feeling, 0 meaning a very cold, unfavourable feeling, and 50 (or 5) meaning not particularly warm nor cold. For the sake of consistency, we re-scaled the original values in order to obtain a 10-point scale. This survey item was available in 2006, 2008 and 2016. In 2012, we selected an item which presented a different wording. This item asked respondents whether they had a favourable or unfavourable opinion of Germany. We have recoded the original Likert scale, which included four response categories into a dummy variable: “tend not to favour” (0) and “tend to favour” (1). The main explanatory variables included in the regression models refer to individual perceptions of the economic and migration crises, the role of Germany and its leadership during and after the crisis, and their opinion of the EU and their country’s membership of the Eurozone.¹¹⁵ The results are controlled for the inclusion the ideological orientations, gender, age, and education of the respondents.¹¹⁶ Table 1 summarises the main findings obtained in regression analyses.¹¹⁷

As expected, the lower the level of support for the EU expressed by Italian citizens and their political élite, the lower their feeling towards Germany. This result is consistent, including a control for the impact of ideology, which is never significantly related to Italians’ views of Germany. Not surprisingly, the negative association between the perceived threat of the economic recession for Italy/Europe and feeling towards Germany is significant only after the onset of the economic crisis. In contrast, the perceived cultural threat posed by immigration is never significantly associated to the dependent variable. Finally, the negative evaluation of the influence exerted by Germany within the EU expressed by Italian public opinion and its élite is strongly associated with the negative feeling of Italians towards the former.

Table 1. Main Regression Results

Italian public opinion				
	View of Germany			
	2006	2008	2012	2016
Negative attitudes towards the EU	-	-	-	-
Economic downturn is a threat to Europe/Italy	n.s.	n.s.	n.s.	-
Immigration is a threat to Europe/Italy	n.s.			n.s.
Negative evaluation of Germany’s influence in Europe			-	-
Italian national MPs				
	View of Germany			
	2006	2008	2012	2016
Negative attitudes towards the EU	-	-	-	-
Economic downturn is a threat to Europe/Italy	n.s.			n.s.
Immigration is a threat to Europe/Italy	n.s.			n.s.
Negative evaluation of Germany’s influence in Europe				-

115 Detailed information on the exact wording of different questions and their sources is provided in Olmastroni and Pellegata (2018) and its Online Appendix.

116 Because of the very low number of observations and in order to maximise the number of cases for each predictor, we have decided to omit controls from the regression models for political élites.

117 For a detailed presentation and discussion of all the regression results see Olmastroni and Pellegata (2018) and its Online Appendix.

Note: -: negative and significant regression coefficient; n.s.: not significant regression coefficient.

Source: Transatlantic Trends Survey (2006; 2008; 2012); LAPS, PRIN-PEI (2016).

Conclusions

The empirical results that emerge from this study undoubtedly represent a serious challenge to the integration process. The multiple crises that Europe is recently experiencing and the policy initiatives implemented by the EU to address them have detrimental effects not only on support for the EU and its institutions, but also on the laboriously accumulated capital of respect and mutual trust among both the national governments and the citizens of the different Member States. In particular, Italian citizens and their political élite are likely to assimilate the EU and its behaviour with Germany's "hegemonic" role within the EU institutions.

However, recent public opinion surveys also show that the EU is re-gaining confidence in the eyes of the citizens, and, more interestingly, that there is a broad support, even in core countries such as Germany, for policy initiatives aimed at strengthening pan-EU solidarity (Ferrera and Pellegata 2017; PEW Research Center 2017). Many European citizens still believe in the EU, provided that the EU changes its course, carrying on solidarity-enhancing measures to re-assure voters worried about the negative consequences of the integration process and the recent crises. Our results suggest that European leaders should follow this strategy with due diligence to avoid new losses of intra-European cohesion and the consequential damage to the stability, security and development of the EU community.

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