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## CHAPTER FIVE

### *Antica Terra della Libertà* The Republic of San Marino

*Figure 5.1: Location and Map of San Marino<sup>1</sup>*



#### 1. Introduction: the Ancient Land of Freedom

Entering the Most Serene Republic of San Marino<sup>2</sup> from the main road that leads up from the Adriatic coast to the *Monte Titano* on which the microstate was founded, one cannot miss the border signals that welcome the visitor to the “*Antica Terra della Libertà*” – the ancient land of freedom. This nickname accurately summarizes the qualities that San Marino wishes to confer to its many day-trip visitors – that the place is antique, and that it has a tradition of safeguarding and promoting liberty. When it comes to age, San Marino claims to be the world’s most ancient republic, having been established in 301 AD according to the legend of its foundation. In terms of liberty, the country can rightfully claim to have frequently and at critical times functioned as a hiding place for political refugees. The hero of the Italian *Risorgimento*, Giuseppe Garibaldi, for example found refuge in San Marino during the summer of 1849

<sup>1</sup> Retrieved from the CIA World Factbook (2011).

<sup>2</sup> Translated from the country’s full name in Italian; “*Serenissima Repubblica di San Marino*”. Henceforth, the country will be simply referred to as ‘San Marino’.

when he was chased by Austrian troops. At the end of the Second World War, more than 100.000 Italian citizens fled to the Republic in order to escape the allied crossing of the Gothic Line and the ensuing Battle of Rimini.

In addition to functioning as a hiding place for political refugees, San Marino's domestic political history provides a second justification for its reputation as a bastion of liberty. From its foundation up to the present day, the microstate has been known for its republican traditions and its respect for individual rights and freedoms. In addition to its historical respect for personal liberties, San Marino also has a longstanding tradition of participatory decision-making, even though the microstate has also experienced periods of more autocratic rule. At present, with a territory of 61 square kilometers and approximately 30.000 inhabitants, the country is the second smallest state of Europe when it comes to population, and the third smallest in terms of territorial size.<sup>3</sup> Like its Italian neighbor, the Sammarinese population speaks Italian (in the form of the *Romagnolo*-dialect) and is religiously almost entirely Roman Catholic, but with a GDP per capita-level of US \$61.223 (the 9<sup>th</sup> highest in the world), the country is clearly more wealthy than its larger neighbor, as the Italian equivalent figure is at US \$38.385 (World Bank 2011). A remarkable demographic characteristic is that one third of the Sammarinese nationals (between 12.000 and 13.000 people) live outside their country, primarily in Italy, France, the United States, and Argentina (San Marino Statistics Office 2011). In addition, twelve percent of the people residing in San Marino (about 3.500 individuals) possess Italian nationality.

In the present chapter, the influence of size on San Marino's democracy is analyzed by examining the presence, manifestation, and characteristics of the two dimensions of polyarchy - contestation and inclusiveness (cf. Dahl 1971: 6). Before this analysis however, an overview is given of some of the pivotal moments in this microstate's political history and its pathway to democracy. Subsequently, an attempt is made to explain the present-day democratic institutional structure of the microstate by pointing to a number of contributing factors, and San Marino's contemporary political institutional structure is outlined. In four succeeding sections, the influence of size on contestation and inclusiveness is analyzed on the basis of the list of indicators that was formulated in the methodological chapter. In sequence, attention is paid to 1) the role of ideology, political parties, and the political opposition, 2) the horizontal balance

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<sup>3</sup> The Vatican is smaller both in terms of population and territory, and Monaco is smaller in territory (it has only 2 square kilometers of land) but not in population size (CIA World Factbook 2011).

of power between institutions, 3) the relations between Sammarinese citizens and politicians, and 4) the characteristics of political participation. The chapter ends with a summary of the findings and an assessment of the influence of size on Sammarinese democracy.

The current analysis of San Marino's political system is based on field research conducted in the country in November 2010. As part of this in-depth analysis, eighteen Sammarinese individuals were interviewed, among whom former heads of state, government ministers, parliamentarians affiliated with both the government and the opposition, (former) members of the Council of Twelve, journalists, leaders of unions and employers' organizations, academics, business leaders, and the Sammarinese ambassador to the United States. In this light, one effect of smallness instantly surfaces; many of the respondents fulfill multiple roles in society, and often combine functions that would usually be separated in larger states. One of the journalists I interviewed was for example also active as an opposition MP, and one MP combined her job with being president of the state museum. In addition to combining functions, many interviewees have already been active in Sammarinese public life for decades, and also in varying functions. One minister told me that he had fulfilled all political-institutional roles in the country; that of Captain Regent, minister (four times), party group leader, and member of the Council of Twelve. A complete list of the people I interviewed can be found in Appendix A of this book.<sup>4</sup>

## 2. Political History and Democratization of San Marino

Wandering through the narrow streets of San Marino's capital town that bears the same name as the country, one is struck by the sense of pride that the microstate derives from its political history. On the corner of almost every street, tribute is being paid to the well-documented Sammarinese history and its accompanying heroes. According to the legend,<sup>5</sup> San Marino was founded on the 3<sup>rd</sup> of September 301 by the stonecutter Marinus the Dalmatian, who was later canonized as Saint Marinus – San Marino in Italian (Duursma 1996: 216; Sundhaussen 2003: 274; Eccardt 2005: 278-279).<sup>6</sup> On the slopes of Mount

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<sup>4</sup> In the following discussion, I will occasionally present quotes from these interviews to illustrate some arguments. Some of my interviews were conducted in English and others in Italian. Whenever the interview was in Italian, I have translated the quote to English and presented it as such, with the original Italian citation in a footnote.

<sup>5</sup> It is not clear to what extent this legend must be taken for true, but historians and archeologists have found evidence of the existence of an autonomous society on the slopes of Mount Titano going back to at least the 9<sup>th</sup> century (Miller 1901: 635; Bacciocchi 1999: 27).

<sup>6</sup> Marinus originated from the island of Arbe (or Rab) in contemporary Croatia, but traveled to the coastal town of Rimini to assist in the reconstruction of its fortifications, which had been

Titano, Marinus and a small number of his followers founded a community based on the freedom to practice their religion, and although Marinus died in the autumn of 301,<sup>7</sup> his followers continued to preserve and defend the values of liberty on which the tiny society was built (Eccardt 2005: 278).

Although not much is known about the first ages that followed the foundation of the commune, writings from the early Middle Ages substantiate the existence of the *Arengo* (or *Arringo*), a council composed of all Sammarinese heads of family (the *capifamiglia*), which at the time constituted the most important decision-making institution of the polity (Miller 1901: 635; Sundhaussen 2003: 217). Attendance at *Arengo*-meetings was compulsory, and although only (male) heads of family could participate, for at least part of the Middle Ages San Marino thus had a system of popular and participatory decision making. Due to the growth of the population and ensuing logistical problems of organizing *Arengo*-meetings, the largest part of the *Arengo*'s powers were transferred to a representative body, the Council of Sixty, at the end of the fifteenth century (Giannini 1899: 31; Bacciocchi 1999: 28-29; Casali and Crescentini 2003: 57-58).<sup>8</sup> Hence, the society transformed from a system of direct decision-making into a representative polity, even though the *Arengo* continued to exist and was still convoked on instances of extraordinary importance.

Already in the 13<sup>th</sup> century, the duumvirate (joint leadership) of the Captains Regent (*Capitani Reggenti*) constituted the political leadership of the Sammarinese polity (Sundhaussen 2003: 217; Casali and Crescentini 2003: 61). This institution, which originated in the Roman Republic (in the form of consuls) and was very common in medieval Italian republics, has been preserved up to the present day. In the year 1600, the first complete Statutes of San Marino were established and written down, thus forming one of the most ancient written constitutions in the world (Catudal 1975: 194; Bacciocchi 1999: 28).<sup>9</sup> In its

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demolished by pirates. When the Roman Emperor Diocletian issued laws that called for the persecution of Christians (known as the Diocletianic Persecutions), Marinus supposedly fled inland and found a hiding place on Mount Titano, which nowadays is the location of San Marino's capital. Another version of this history assumes that Marinus came to Mount Titano to find material (stones), and then remained to live there.

<sup>7</sup> This year is now viewed as the founding date of the Republic, and is used as the starting point in San Marino's own calendar. As a consequence, the period between 1 September 2011 and 1 September 2013 is seen as year 1712 d.F.R. (*dalla Fondazione della Repubblica*).

<sup>8</sup> The *Arengo* and the Council of Sixty (*Consiglio dei Sessanta*) exist up to the present day, but the former is only very rarely convoked, and the latter has been renamed as the Great and General Council (*Consiglio Grande e Generale*).

<sup>9</sup> In these Statutes, the legislative and constitutional competences of the Council of Sixty have been formulated, and also its task to nominate and appoint people to the main political positions of the polity. In addition, the Statutes of 1600 also describe and delineate the powers and

external relations, the Republic maintained a policy of neutrality and abstinence from international affairs, and largely succeeded to remain independent by not arousing the attention of its neighbors (Sundhaussen 2003: 217).<sup>10</sup> The Vatican recognized the sovereignty of San Marino in 1291 and again in 1627, but despite its clever diplomatic tactics the country was occupied for two brief periods; first in 1503 by the Italian former Cardinal Cesare Borgia, and in the years 1739 and 1740 by Cardinal Giulio Alberoni, in an attempt to bring the Republic under the influence of the Vatican (Duursma 1996: 216).<sup>11</sup>

Over the course of the seventeenth century the democratic traditions of the Sammarinese Republic had declined significantly, as the *Arengo* was not convoked anymore and the Council of Sixty (which at times consisted of far less than sixty members) had become an oligarchic assembly of which the members were selected by hereditary cooptation (Bacciocchi 1999: 31-32). As a consequence, the political power of the Republic was in the hands of the few powerful families that controlled the Council of Sixty, and who became the aristocracy of San Marino.<sup>12</sup> Due to its isolated location and its withdrawal from international political affairs, the Republic has mostly been severely underdeveloped economically and only very few people were literate, a situation which endured well into the 20<sup>th</sup> century.

When Napoleon began his conquest of northern Italy in 1796, a treaty of friendship was signed between the French Empire and San Marino, in which Napoleon pledged to respect the autonomy of the tiny Republic (Duursma 1996: 216). The Emperor even offered San Marino a significant increase of its territory, which the country's leaders (under the leadership of the skillful Antonio Onofri) however refused. Napoleon was well aware of the exceptional history of the microstate, and had been particularly fond of its republican and democratic traditions (Casali and Crescentini 2003: 74). Additionally, the geo-strategic insignificance of San Marino and the positive propagandistic effects of refraining

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competences of the main jurisdictional and administrative organ of the Republic, the Council of Twelve (Casali and Crescentini 2003: 64).

<sup>10</sup> Sundhaussen calls this the "leave us alone"-attitude (2003: 217). In San Marino, the motto "known to us, unknown to others" (*Cogniti Nobisque Incogniti Aliis*) was used as an expression of the Republic's longstanding policy with regard to international relations.

<sup>11</sup> This *Occupazione Alberoniana* ended when Pope Clement XII, after receiving numerous pleas from the Sammarinese population, restored the independence of the Republic.

<sup>12</sup> In the beginning of the 19<sup>th</sup> century, it was decided that only a third of the Council should exist of nobles, whereas the other two thirds were to be occupied by the inhabitants of Sammarinese towns, and by farmers (each one third).

from an invasion of the Republic probably made Napoleon decide not to violate its autonomy.<sup>13</sup>

During the *Risorgimento*, San Marino offered a hiding place to numerous supporters of the unification movement, among whom Giuseppe Garibaldi and 250 of his followers (Miller 1901: 646-647). Due to these events the leaders of the newly established Kingdom of Italy respected San Marino's sovereignty, and in 1862 a treaty of friendship was signed between the two countries (Sundhaussen 2003: 215-216; Eccardt 2005: 100). Since then, San Marino has been able to retain its independence, and remained neutral during the two World Wars, with the exception of a short period in 1944 when the country was erroneously bombed by the British air force and later briefly occupied by the Allies (Baccocchi 1999: 101).

On the eve of the 20<sup>th</sup> century, San Marino's internal political organization was to experience a number of profound changes. For the past ages, the country had been controlled by the oligarchic Council of Sixty (a period now known as the *Oligarchia*).<sup>14</sup> However, subsequent to similar developments in Italy, the first socialist and democratic movements emerged in the Republic and started the fight for democratization and representation (Baccocchi 1999: 34-35). Under the leadership of well-educated and competent figures like Gino Giacomini and Pietro Franciosi, the socialists and democrats succeeded in attaining their goals. The struggle for democratization culminated in the 1906 convocation of the *Arengo*, for the first time in several hundred years (the last time it had been convoked was in 1571). In what has now come to be seen as a pivotal moment in Sammarinese history, the *Arengo* decided that the Council of Sixty – henceforth called the Great and General Council (*Consiglio Grande e Generale*) – should be elected by universal male suffrage (Baccocchi 1999: 50-54; Casali and Crescentini 2003: 59). The introduction of universal male suffrage in San Marino thereby preceded the same development in Italy by a number of years.<sup>15</sup>

The newly established democracy in San Marino was however short lived. After the establishment of Mussolini's fascist regime in Italy in 1922, the

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<sup>13</sup> At the Congress of Vienna in 1815 San Marino's autonomy was not discussed, which allowed the Vatican to proclaim that the territory of the Republic should become an indirect dominion of the Papal State (Duursma 1996: 217). Although this never happened, the relations between San Marino and the Vatican remained tense until the Italian unification in 1861.

<sup>14</sup> Despite the oligarchic nature of its politics and the limited opportunities for political involvement of citizens, San Marino in this period continued to be regarded as a shining example of liberty, democracy, and constitutional republicanism, and was cherished as such by among others Napoleon and Lincoln. As Doyle remarks, in the mid-19<sup>th</sup> century Republics were an endangered species, as only the war-torn United States, Switzerland, and San Marino upheld the republican ideal (Doyle 2011).

<sup>15</sup> The first election under universal male suffrage was held in Italy in 1913.

Sammarinese Fascist Party (PFS<sup>16</sup>) was formed and finally took over power in the Republic in 1926. For San Marino, the fascist era marked a return to the pre-1906 *Oligarchia*, which is demonstrated by the fact that the fascist rulers of San Marino (with Giuliano Gozi<sup>17</sup> as the most prominent one) came from the same families that controlled the Great and General Council before 1906 (de Visser 1941: 49-51; Pelliconi 1995: 86). Under the fascist regime other parties and their publications were forbidden, and the electoral law of 1906 was abolished. Apart from this however, the fascist regime of San Marino was less motivated by ideology than by the aspiration of several influential conservative families to restore the pre-1906 oligarchic system (Pelliconi 1995: 89). As a consequence, Sammarinese fascism had a much less totalitarian character than in Italy, and can by and large be categorized as a 'regular' authoritarian or oligarchic regime instead. On 20 September 1944 the fascists were decisively defeated, and democracy was restored.<sup>18</sup>

After the war, a coalition government of communists (PCS<sup>19</sup>) and socialists (PSS<sup>20</sup>) took over power in San Marino, and would remain in office for twelve years. As such, San Marino was the only country in Western Europe with a (democratically elected) government that included communists.<sup>21</sup> During the twelve years of its existence, the left-wing government had a strained relationship with the government of Italy, resulting even in a blockade of San Marino's borders in 1950 and 1951 that lasted for eighteen months. In 1957, the defection of five socialist MPs led to a perfect split in parliament (thirty government MPs versus thirty opposition MPs).<sup>22</sup> When one of the communist MPs decided to withdraw his support as well, the government was faced with a minority of seats in the Council, upon which it decided to close parliament and call for new elections.<sup>23</sup> The opposition did not accept this decision and instead

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<sup>16</sup> *Partito Fascista Sammarinese*.

<sup>17</sup> Gozi was five times Captain Regent during the fascist regime, intermittently ruling the country as such for two and a half years. More importantly however, is that he was in charge of the most powerful ministry - that of foreign affairs - for twenty-six years between 1917 and 1943.

<sup>18</sup> Even though its sovereignty had been largely respected, the war had enormous consequences for San Marino, as the country's (economic) infrastructure had been completely demolished.

<sup>19</sup> *Partito Comunista Sammarinese*.

<sup>20</sup> *Partito Socialista Sammarinese*.

<sup>21</sup> Unlike the Italian socialist party, the Sammarinese socialists initially chose to align themselves with the communist party instead of the Christian-democratic party (PDCS - *Partito Democratico Cristiano Sammarinese*), which has since the end of the war always been the largest party in San Marino (Baccocchi 1999: 104).

<sup>22</sup> The defection of the socialist MPs was a consequence of international political developments: they no longer accepted the alliance of the Sammarinese government to the Soviet Union after the events in Hungary in 1956.

<sup>23</sup> It was a practice of the communist and socialist parties to enforce party discipline by having all their elected legislators sign letters of resignation after each election, before the start of their



formed a provisional government in the industrial village of Rovereta, in the north of San Marino. This government was immediately recognized as legitimate by Italy, France, and the United States, and the Italian government decided to send 150 *carabinieri* (military policemen) to the Republic. Under this pressure, the left-wing government resigned, and Christian-democrats together with the new social-democratic party that was established by the dissenting socialist and communist MPs<sup>24</sup> formed a new government, without organizing new elections (Catudal 1975: 194; Duursma 1996: 220-221; Bacciocchi 1999: 114-117; Sundhaussen 2003: 218; Bonelli 2010: 163-165).

*Table 5.1: Vote Percentage and Seats of Sammarinese Parties at General Elections<sup>25</sup>*

Year	PDCS		PCS		PSS		PSDIS, PSU, PPDS, PD, PSD		AP		RCS, SU		NPS		Other		Total
	V%	S	V%	S	V%	S	V%	S	V%	S	V%	S	V%	S	V%	S	S
1945	34.0	20	-	-	66.0	40	-	-	-	-	-	-	-	-	-	-	60
1949	42.3	25	-	-	57.7	35	-	-	-	-	-	-	-	-	-	-	60
1951	43.0	26	29.3	18	22.2	13	-	-	-	-	-	-	-	-	5.6	3	60
1955	38.3	23	31.6	19	25.5	16	4.7	2	-	-	-	-	-	-	-	-	60
1959	44.3	27	25.6	16	13.8	8	15.9	9	-	-	-	-	-	-	-	-	60
1964	46.8	29	24.1	14	10.7	6	16.2	10	-	-	-	-	-	-	2.2	1	60
1969	44.0	27	22.8	14	11.9	7	18.0	11	-	-	-	-	-	-	3.4	1	60
1974	39.6	25	23.6	15	13.9	8	15.4	9	-	-	-	-	-	-	7.5	3	60
1978	42.3	26	25.1	16	13.8	8	11.1	7	-	-	-	-	-	-	7.7	3	60
1983	42.1	26	24.4	15	14.8	9	13.9	8	-	-	-	-	-	-	4.8	2	60
1988	44.1	27	28.7	18	11.1	7	13.6	8	-	-	-	-	-	-	2.5	-	60
1993	41.4	26	-	-	23.7	14	18.6	11	7.7	4	3.4	2	-	-	5.2	3	60
1998	40.9	25	-	-	23.2	14	18.6	11	9.8	6	3.3	2	-	-	4.2	2	60
2001	41.9	25	-	-	24.2	15	20.8	12	8.2	5	3.4	2	-	-	1.5	1	60
2006	32.9	21	-	-	-	-	31.8	20	12.1	7	8.7	5	5.3	3	9.2	4	60
2008	31.9	22	-	-	-	-	32.0	18	11.5	7	8.6	5	6.3	4	9.7	4	60

terms. Being confronted with a minority in parliament, the heads of these two parties handed in 35 letters of resignation, including those of the MPs that had switched allegiance to the opposition. As a consequence, the quorum of 30 seats could no longer be met, and the incumbent Captains Regent scheduled new elections for the 3<sup>rd</sup> of November, 1957. Since the term of the incumbent Captains Regent would however transpire on October 1<sup>st</sup>, and no new ones could be elected (since the quorum could not be met), a constitutional crisis ensued.

<sup>24</sup> This party was called the Sammarinese Independent Democratic Socialist Party (PSDIS – *Partito Socialista Democratico Indipendente Sammarinese*).

<sup>25</sup> **PDCS** = *Partito Democratico Cristiano Sammarinese* (Christian-democratic party), **PCS** = *Partito Comunista Sammarinese* (communist party), **PSS** = *Partito Socialista Sammarinese* (socialist party), **PSDIS** – *Partito Socialista Democratico Indipendente Sammarinese*, **PSU** – *Partito Socialista Unitario*, **PPDS** – *Partito Progressista Democratico Sammarinese*, **PD** – *Partito dei Democratici*, **PSD** = *Partito dei Socialisti e dei Democratici* (social-democratic parties), **AP** = *Alleanza Popolare* (liberal centre party), **RCS** - *Rifondazione Comunista Sammarinese*, **SU** = *Sinistra Unita* (new left parties), **NPS** = *Nuovo Partito Socialista* (social-democratic party). In 1945 and 1949, the PCS and PSS still formed one party, the *Comitato della Libertà*.

The events of 1957 are currently known as the “*Fatti di Rovereta*”<sup>26</sup>, and Sammarinese people have since then been divided on the issue, with both sides accusing the other one of committing a *coup d'état*. Several decades later, documents from United States-archives demonstrated that the CIA and the U.S.-government had close links with the Sammarinese Christian-democratic opposition, and actively endeavored to destabilize the left-wing government (Bacciocchi 1999: 117-118). Christian-democrats and socialists ruled the country in subsequent years, and succeeded in realizing an impressive economic growth and the development of a large financial sector in the country. Female suffrage was introduced in 1957, but due to a slow implementation of laws, women could only vote for the first time in 1964, and passive electoral rights were granted to women only in 1973 (Duursma 1996: 227; Bacciocchi 1999: 123-124).<sup>27</sup> In 1978 the communists returned in a coalition with the socialists and in 1986 the so-called ‘historical compromise’ (*Compromesso Storico*) led to a coalition between the two traditional archrivals in Sammarinese politics, the communist and Christian-democratic parties.

*Table 5.2: Composition of Sammarinese Postwar-Governments*

1945 - 1957	PCS-PSS	Communists and Socialists
1957 - 1973	PDCS-PSDIS	Christian-Democrats and Social-Democrats
1973 - 1978	PDCS-PSS	Christian-Democrats and Socialists
1978 - 1986	PCS-PSS-PSU	Communists, Socialists, and Social-Democrats
1986 - 1992	PDCS-PCS	Christian-Democrats and Communists
1992 - 2000	PDCS-PSS	Christian-Democrats and Socialists
2000 - 2001	PDCS-PPDS	Christian-Democrats and Social-Democrats
2001 - 2002	PDCS-PSS	Christian-Democrats and Socialists
2002 - 2006	PDCS-AP-PSD	Christian-Democrats, Liberals, and Social-Democrats
2006 - 2008	PSD-AP-SU	Social-Democrats, Liberals, and New Left
2008 - 2012	PDCS-AP-NPS	Christian-Democrats, Liberals, and Social-Democrats

Just like in neighboring Italy, the fall of the Berlin wall and the collapse of communism marked the disintegration of the communist party of San Marino, out of which two new left-wing parties appeared (Bacciocchi 1999: 158). On the right side of the political spectrum new parties emerged as well, mainly as split-offs from the Christian-democrats – most notably the liberal *Alleanza Popolare*. Thus, the Sammarinese party system which had always consisted of three or four stable parties fragmented, and governments became more unstable. At present,

<sup>26</sup> This can be translated to English as ‘the events of Rovereta’ or the ‘Rovereta affair’.

<sup>27</sup> Since it was assumed that women would be more inclined to vote for the Christian-democratic party, the left-wing coalition refused to allow female suffrage at an earlier stage. Their assumptions turned out to be correct however, as the proportion of votes for the PDCS rose significantly after 1957.

twelve parties are represented in the *Consiglio Grande e Generale*, and due to an electoral law that was introduced in 2006 and aimed at countering further fragmentation, parties now have to form pre-electoral alliances (just like in Italy). Although the Christian-democratic party can still be considered as the largest and most important party in the Republic, at elections it now obtains close to thirty instead of over forty percent of the votes. In table 5.1, the percentages of votes received by Sammarinese parties at parliamentary elections have been presented, and in table 5.2 the governments that have ruled the Republic since the Second World War.

At the dawn of the new millennium, an emerging worldwide combat against money laundering and fiscal evasion presented new difficulties for San Marino. With a large part of its economy based on finances and banking, the country has been recurrently accused of engaging in harmful tax practices. Even though the Republic managed to avoid being named on the 'black list' of the OECD, after 2008 the Italian government significantly increased its pressure on the microstate (IMF 2011: 11). Specifically, the Italian government announced a tax amnesty for Italians who repatriated their offshore assets, while concurrently announcing further legal action against those who maintained their bank accounts in San Marino. In addition, the Italian government discouraged Italian companies to do business with San Marino, and when a money-laundering scandal in San Marino's largest bank (the *Cassa di Risparmio della Repubblica di San Marino*) became public and the executives of the bank were arrested, San Marino's image as a malevolent fiscal paradise was complete (IMF 2011: 14).<sup>28</sup> Whereas the Sammarinese economy had been growing with over four percent annually during the 1990s and the beginning of the 2000s, in 2008 this declined to two percent, and for 2009 a shrink of over twelve percent was noted.<sup>29</sup> In the context of the severe crisis that is now plaguing the country, for the first time in history Sammarinese politicians are openly debating the option of EU-membership.<sup>30</sup>

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<sup>28</sup> Many of my respondents pointed to hypocrisy on the part of the Italians in this regard; whereas rich Italians used San Marino as a bank for decades, and eagerly exploited its flexible financial laws and low taxes, San Marino is now suddenly being treated as a malicious fiscal paradise. Furthermore, several politicians highlighted the fact that many Sammarinese banks are at least partially owned by Italians, implying that the root of the problem is for some part to be found in Italy itself, and that the Sammarinese government has a limited capacity to solve it.

<sup>29</sup> Statistics derived from the Sammarinese Chamber of Commerce (*Camera di Commercio*) website ([www.cc.sm](http://www.cc.sm)).

<sup>30</sup> A referendum on the issue was scheduled to be held on March 27<sup>th</sup> 2011, but several days in advance the government blocked the referendum on the grounds that it will set in motion the accession procedures itself. As a consequence, the process towards EU-membership has been

### 3. Explaining Democracy in San Marino

Now that the historical process by means of which San Marino became a democracy has been outlined, a number of factors that can explain or have contributed to San Marino's democratic institutional framework can be listed. The participatory *Arengo*-system by means of which political decision-making occurred in medieval San Marino can be seen as a pre-modern democratic system, in which participation was limited to a small number of citizens. Full democratization arrived with the realization of universal male suffrage in 1906, but the fascist regime constituted an eighteen year-long return to authoritarianism. Seeing that the appearance of pro-democratic forces was strongly influenced by the rise of similar movements in Italy, which were virtually mirrored by the Sammarinese ones, regional and diffusion effects can effectively explain San Marino's (re-)democratization in the early 20<sup>th</sup> century. Regardless of whether it was a coup d'état, the 1957 *Fatti di Rovereta* demonstrate Italy's readiness to intervene in case it perceives a threat to San Marino's (capitalist) democracy. In this sense, San Marino's location in the heart of a presently democratic country (which is located in a democratic continent), and its economic, military, and political dependence on its larger Italian neighbor can be deemed to have contributed to the development and sustainment of the Republic's democracy after 1945.

Whereas San Marino for centuries maintained a policy of abstinence and isolation from international affairs, after the Second World War this policy shifted dramatically, and the country now maintains connections with many international actors. In 1988 the Republic became a member of the Council of Europe, and in 1992 it entered the United Nations. Interviews with Sammarinese political figures indicate that this reorientation in foreign policy was fueled by a desire to decrease the country's dependence on Italy. Be that as it may, the relations with Italy remain of extreme importance to San Marino, especially in light of the far-reaching monetary, economic, postal, and customs agreements that have been signed between the two countries over the years (Duursma 1996: 232-245).<sup>31</sup> Although San Marino is formally and legally completely autonomous,

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stalled for now, but the public discussion continues. Especially the social-democrats (PSD) have been strongly advocating the entrance of San Marino into the EU.

<sup>31</sup> In 1862, the newly established Italian Kingdom by means of a treaty recognized San Marino's sovereignty (Sundhaussen 2003: 215-216; Eccardt 2005: 100). The bilateral relations between the two countries were reconfirmed with new treaties in 1939 and 1971, in which the special relation between the countries is further emphasized. The treaties envisage extensive cooperation in judicial, economic, administrative, and commercial areas, in which Italy will support San Marino in exchange for loyalty to Italy's foreign policy objectives (the so-called 'protective friendship'; Duursma 1996: 233-234).

in practice the Republic is crucially dependent on its larger neighbor, and the relations between the countries are in this sense obviously extremely unequal.<sup>32</sup> In light of San Marino's dependence on Italy, and due to the EU and OECD's focus and emphasis on democracy and good governance in Europe, the international environment of San Marino offers formidable inducements for the persistence of democracy.

In addition to the role played by international actors, virtually all the Sammarinese people I interviewed pointed to the increased political awareness, attachment to the public good, and involvement of the country's citizenry as an explanatory factor of the country's democracy. In the words of one of the politicians I interviewed:

"Participation in politics is very important, and it is one of the reasons why the Republic of San Marino has remained independent, while being so small. This collective participation in public life has determined the success of the Sammarinese republican model after all these ages, and the success of the microstate."<sup>33</sup>

Apart from the influence of international factors on San Marino's democracy, the Sammarinese historical tradition of republicanism and liberty should according to a majority of respondents not be discounted in explaining the country's contemporary democracy. Other European microstates that are currently located in a similarly democracy-friendly environment as San Marino, like Monaco and Liechtenstein, continue to have powerful and occasionally controversial monarchs.<sup>34</sup> Whereas these microstates originated as autocratic personal fiefdoms and to a significant extent remain to be governed as such, San Marino was actually created on the creed of (religious) liberty, and has traditionally steered away from the concentration of power in the hands of single individuals.<sup>35</sup>

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<sup>32</sup> Several interviewees pointed out that the personal sympathies and beliefs of individual Italian ministers with regard to San Marino and its autonomy have a decisive effect on the bilateral relations, which further demonstrates the vulnerability and dependence of San Marino on its larger neighbor.

<sup>33</sup> *"Questa partecipazione alla politica è molto importante, ed è una delle ragioni per cui la Repubblica di San Marino è rimasta indipendente così piccola. Questa partecipazione collettiva alla vita pubblica è stata la ragione che nei secoli ha determinato il successo del microstato."*

<sup>34</sup> These two countries are often criticized by European actors and organizations for the less democratic aspects of their political systems. The Council of Europe, the OECD, and the European Parliament for example strongly and vocally criticized the outcomes of the 2003 Liechtensteiner referendum, which according to their perceptions increased the power of Prince Hans-Adam II at the expense of democratically elected institutions in the country.

<sup>35</sup> This difference between the European microstates is most clearly visible in the organization of executive power. Whereas the Monegasque and Liechtensteiner monarchs assume an exceptionally powerful position in their respective political systems (especially in comparison to other constitutional monarchies), the position of head of state of San Marino is shared by two

It is also clear, however, that the democratization movement of the early 20<sup>th</sup> century was spearheaded by a handful of intellectuals, which means that the actions of several single individuals had a great impact on the establishment of democracy in 1906. The country was at this time economically underdeveloped and primarily consisted of a poor, uneducated, and illiterate peasantry (Sundhaussen 2003: 220), which according to Bacciocchi had lost all hopes of participating in public life (1999: 36-37). In combination with the enduring economic malaise, the expression of demands for popular representation by a small number of educated individuals like Giacomini and Franciosi, aided by Italian sister movements, eventually mobilized the Sammarinese people into opposing the oligarchy. Although trade unions and political parties did appear, the constraints of San Marino's small size prevented the emergence of pro-democratic mass movements that arose in larger countries, and democratization therefore appears to have primarily been a consequence of the actions of a few determined individuals, who largely copied Italy's model of democratization.

#### 4. Political Institutions of San Marino

In many ways, the present-day political-institutional structure of San Marino has the appearance of that of a medieval Italian city-state. Although the country has unmistakably made the transition to representative democracy, its pre-modern institutions have remained virtually intact. In this sense, Sammarinese political structures have been more resilient than those of many larger states in Western Europe, in which institutional renovation and transformation have intermittently occurred. In addition to the antiqueness of the microstate's institutions, in many ways they also seem to be specifically devised and suitable for a small society. Many of the former Italian city-states (like Lucca, Venice, and Ferrara) which later were incorporated in the Italian Kingdom had the same type of councils, consuls, and tribunals that continue to exist in present-day San Marino.<sup>36</sup> In this respect, the political institutions of the microstate can be seen as relics from the past, which have accidentally survived against all odds, and which can give some unique insights in the workings and structures of pre-modern Italian city-states.

The contemporary political system of San Marino can be characterized as a parliamentary democracy, with a government (the State Congress - *Congresso di Stato*) that is accountable to parliament (the Great and General Council). San

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persons with an office term of only half a year, after which they cannot be appointed to the same position for the next three years.

<sup>36</sup> For example, many of these city-states (like Lucca and Venice) also had the adjective *Serenissima* in their names, and whereas Venice was ruled by a *Doge* and Lucca was governed by a *Capitano del Popolo*, in Florence the city council (*Signoria*) controlled political decision-making.

Marino's heads of state and heads of government are the two Captains Regent, and together with Andorra (which has two Co-Princes) San Marino is the only country in the world with two heads of state.<sup>37</sup> The Captains Regent reside in office for only half a year, which is the shortest of any head of state in the world, and they are elected by and from the members of the Great and General Council. Decision-making by the Captains Regent occurs on the basis of collegiality, meaning that any decision has to be approved by both officeholders. After having served as Captain Regent for half a year, it is by law forbidden to be elected to this position again for at least three years (Duursma 1996: 220; Eccardt 2005: 287-288).<sup>38</sup> The position of the Captains Regent is largely ceremonial, and even though they preside over the main institutions of the state (such as the Great and General Council, the State Congress, and the Council of Twelve) and represent their country in external contacts, they have little factual powers. Due to the tiny population and the rapid turnover in Captains Regent, practically every Sammarinese family has one or more members who have been the head of state of their country.

San Marino's legislative power is vested in the Great and General Council, which has sixty members who are elected every five years on the basis of proportional representation.<sup>39</sup> With sixty MPs representing a population of approximately 30.000 people, the number of citizens per MP is about 500, which is the lowest number in the world.<sup>40</sup> The Council has the competence to nominate and appoint people to important organs of the state such as the *Reggenza* and the judiciary, and in line with the parliamentary system the survival of the Sammarinese government depends on a parliamentary majority (Duursma 1996: 219-221). Whereas the relationship between the executive,

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<sup>37</sup> In the literature, this is referred to as a diarchy or duumvirate (Sundhaussen 2003: 217).

<sup>38</sup> Together with the extremely short period in office, and the fact that there are two heads of state instead of one, this rule is said to be designed in order to prevent for the concentration of power in the hands of one person, which is evidently a risk in a small state with only a few people that are willing and able to assume political positions.

<sup>39</sup> Specifically, San Marino has a system of List-PR in which the entire country is treated as one constituency. Since 2008, an electoral threshold (between 0.4% and 3.5%, depending on the number of competing coalitions) has to be reached in order to gain representation in parliament. In order to curb the increasing fragmentation of the country's party system, a 'majority bonus' or *premio di stabilità* (premium of stability) was introduced to bestow the winning coalition of parties with at least 35 of the 60 seats. However, this majority bonus is only awarded if the winning coalition gains at least 50% of the votes, which creates a strong incentive for parties to cluster in two opposing coalitions, as is now the case. If no coalition reaches 50% of the votes, a second round is organized in which only the top two coalitions of the first round can participate (Consiglio Grande e Generale 2011). Voters can choose between voting for a coalition or for one party in the coalition, and electoral coalitions are obliged to present their programs and the composition of their potential government before the polling day.

<sup>40</sup> Based on own calculations and data from the Inter-Parliamentary Union (Inter-Parliamentary Union (IPU) 2011).

legislative, and judicial powers in the Sammarinese system always used to be somewhat unclear (Duursma 1996: 223), in recent years a more strict separation between these powers has been established (Pelliconi 1995: 67).<sup>41</sup> Out of the sixty members of the Great and General Council,<sup>42</sup> twelve members are elected to form the Council of Twelve (*Consiglio dei Dodici*), a remarkable institution that used to have a number of significant judicial competences (as it was for example the administrative judge in third instance), but with the recent separation of powers has lost much of its duties, and is now primarily an administrative organ. However, the Council of Twelve does continue to decide on matters that involve the acquisition and possession of territory by foreigners, which is an important matter in a country with an area of only 61 square kilometers of land (Duursma 1996: 226).

The State Congress (*Congresso di Stato*) of San Marino is composed of ten secretaries of state, and exercises the executive power in the country. Every minister heads his or her own functionally specialized ministerial department, which each has its own public administration. The Captains Regent preside over the State Congress, but in the absence of a prime minister the Secretary of State for Foreign Affairs is generally considered to be the most authoritative minister within the Congress, and thus also the most important political figure in the country. Unlike the Captains Regent, for a long time there were no term limits for the function of secretary of state, and because the number of potential ministerial candidates is inherently small it was and is not uncommon for secretaries of state to be in office for many years, often also at different departments.<sup>43</sup> Although they preside over the State Congress, the Captains Regent have no voting rights.

In addition to the upper layer of national government, San Marino is subdivided in nine communes (the *Castelli*<sup>44</sup>), which each have their own local administration, the *Giunta di Castello*. Each *Giunta* has its own assembly, which is directly elected by the inhabitants of the commune, and is headed by a *Capitano*

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<sup>41</sup> Other than before, members of government can now no longer be MPs at the same time.

<sup>42</sup> A number of typical (size-related) restrictions with regard to the membership of parliament have existed over time, such as the rule that husband and wife or father and son cannot be members at the same time.

<sup>43</sup> The most illustrious (yet somewhat dated) example is found in the person of Domenico Fattori, who in the 19<sup>th</sup> and 20<sup>th</sup> centuries was Secretary of State for Foreign Affairs for 48 years, twelve times Captain Regent, and also secretary of state for internal affairs, and for finances for a couple of years. More recently, the de facto leader of the Sammarinese fascists, Giuliano Gozi, was secretary of state for external affairs for 26 years (de Visser 1941: 50-51).

<sup>44</sup> These are Acquaviva, Borgo Maggiore, Chiesanuova, Città di San Marino, Domagnano, Faetano, Fiorentino, Montegiardino, and Serravalle. In addition, the Republic is made up of 43 *curazie* or parishes.



*di Castello* (Duursma 1996: 221-222). The local administrations have the competence to deal with issues related to health, culture, and sport, and can also manage their own budget. Additionally, they have the right to initiate laws and to call for a referendum (ibid.). In order to preserve impartiality in a society where everybody knows each other, San Marino's judges and policemen are mostly hired from Italy (Catudal 1975: 197; Duursma 1996: 223). The Great and General Council appoints judges for a four year period, which can be prolonged indefinitely. In 2002, a three-member constitutional court (*Collegio Garante della Costituzionalità delle Norme*) was set up, of which also only non-Sammarinese judges can be members.<sup>45</sup>

In addition to the representative political institutions, San Marino also maintains a number of direct democracy-instruments. The historically most salient of these is the *Arengo*, which technically continues to exist but is only very rarely convoked. Instead, twice a year the so-called *Istanze d'Arengo* occur, in which citizens can present petitions and requests of public interest to the newly elected Captains Regent.<sup>46</sup> The Captains Regent can choose to propose these requests to parliament, which can transfer them into law. In addition to the biannual *Istanze d'Arengo*, San Marino occasionally also organizes and holds referendums, which can be abrogative, confirmative, or proposing (in the form of a popular initiative). For a proposing referendum to be held, the signatures of sixty Sammarinese citizens and admission by the constitutional court are required, whereas an abrogative referendum requires the signatures of 1.5 percent of the number of eligible votes. Referendums can also be initiated by at least five of the nine *Giunte di Castello*.

On the basis of both its history and its contemporary political-institutional structure, San Marino's tradition of democracy and liberty stands out as a recurrent and defining characteristic of the microstate. In spite of its smallness, as such the Republic managed to catch the attention of many statesmen from larger countries, among whom Abraham Lincoln, who in 1861 became an honorary citizen of San Marino.<sup>47</sup> In the academic community, the peculiarities

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<sup>45</sup> In addition to regulating disputes between political institutions and controlling whether proposals of law are in line with the constitution, this constitutional court also functions as the so-called *Sindacato*. After the term of the Captains Regent has expired, citizens have three days to present claims or complaints to the *Sindacato*, which has the capacity to pursue legal action against former Captains Regent.

<sup>46</sup> As the term of new Captains Regent starts on April 1<sup>st</sup> and October 1<sup>st</sup> of every year, the *Istanze d'Arengo* occur on the first Sunday after these dates.

<sup>47</sup> Lincoln was impressed with the Sammarinese republican principles and practices, and wrote to the leadership of the Republic: "Although your dominion is small, your state is nevertheless one of the most honored, in all history. It has by its experience demonstrated the truth, so full of

and achievements of San Marino were at the basis of several publications in the late 19<sup>th</sup> century, such as those by Bent (1879), Tucker (1880), Giannini (1899), and Miller (1901). At present however, academic publications on Sammarinese politics are exceptionally rare, and many recent publications are only available in Italian and can only be retrieved in the country's state library. In this sense, a secondary aim of this chapter is to (partially) fill this gap in scholarly attention to the Republic. As the political history and institutional structure of San Marino have now been outlined, the subsequent sections will pay attention to the characteristics of the two dimensions of democracy – contestation and inclusiveness – as they exist in San Marino, and to the way in which these are influenced by the country's small size.

### 5. Size and Democracy in San Marino

According to Freedom House, which is the only aggregate democracy index that includes San Marino, the microstate is a full-fledged democracy, acquiring the most favorable scores on both political rights and civil liberties (Freedom House 2012). The overwhelming majority of my respondents agreed and confirmed that elections in San Marino are free and fair, and in annual Freedom House-reports the freedom and fairness of elections is always underscored (Freedom House 2012).<sup>48</sup> It can therefore be ascertained that San Marino organizes free and fair elections for its national parliament and local assemblies, and the microstate additionally offers its citizens alternative channels of political involvement through the *Istanze d'Arengo* and occasional referendums. Active suffrage rights are awarded to every Sammarinese citizen who is at least eighteen years old, and passive rights (i.e. the right to be elected to the Great and General Council and therefore to the Council of Twelve and the Regency) are granted to those who have reached the age of twenty-five. In conclusion therefore, the formal institutional requirements for both contestation and inclusiveness are present in the Republic, which according to Dahl's standards unquestionably qualifies as a polyarchy. In order to fully examine the influence of size on the characteristics of contestation and inclusiveness however, it is essential to look beyond the formal channels and institutions in San Marino. In the subsequent four sections, analyses of the influence of size on contestation (4.1. and 4.2.) and inclusiveness (4.3. and 4.4) in San Marino are offered.

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encouragement to the friends of humanity, that government founded on republican principles is capable of being so administered as to be secure and enduring" (Doyle 2011).

<sup>48</sup> Since it was included in the dataset in 1992, San Marino has always received a score of 1 on both Freedom House-dimensions, based on a 7-point scale in which 1 is most free and 7 is least free (Freedom House 2012).

### 5.1. Contestation: Ideology, Political Parties, and Opposition

According to Dahl, contestation refers to “the extent of permissible opposition, public contestation, or political competition” (Dahl 1971: 4). In San Marino, contestation occurs in the form of elections for representative institutions and occasional plebiscites in which citizens can express their opinions on specific issues or policies. Elections for the Great and General Council are organized once in five years,<sup>49</sup> and the members of this Council nominate and appoint people to the Council of Twelve, the judiciary and the Regency. Since the State Congress depends on a parliamentary majority, virtually all political offices are either directly or indirectly open to contestation. Passive electoral rights furthermore ensure that every Sammarinese citizen of at least twenty-five years old has the opportunity to take part in political competition for public office, and this inclusiveness provides the necessary conditions for contestation to occur in the first place.

On a more substantive level, contestation also refers to the availability of alternatives, in the sense that citizens actually have a choice when they express their political preferences. In this respect, the degree to which parties articulate different political interests can be regarded as an important indicator. On the basis of a comparison of the election manifestos of the two electoral coalitions of parties in the 2008 elections, it appears that the parties do not really advance divergent substantive political platforms, as more or less similar issues are raised in these programs. Although Sammarinese parties do publish lengthy and wide-ranging manifestos, and therefore do appear to articulate political interests, seventeen out of eighteen respondents indicated that electoral programs are rather similar and do not really determine the dynamics of Sammarinese politics. Since virtually all interviewees hence shared my tentative conclusion that the political parties of San Marino do not really represent substantially different political orientations, the relative insignificance of political ideas and ideology appears to be a first fundamental characteristic of Sammarinese politics.

Although the history of San Marino appears to be dominated by ideologies like communism, socialism, fascism, and Christian-democracy, on closer inspection these ideologies have always been fairly superficial and generally concealed the personal rivalries that undergirded the competition between them

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<sup>49</sup> In practice this figure is much higher, due to the frequent government changes that have occurred in the last two decades.

(cf. Bacciocchi 1999: 145, 147). As Pelliconi notes, Sammarinese fascism should be essentially understood as a reversion to the pre-1906 *Oligarchia* and the return to power of the old aristocratic families, and not as an ideologically motivated attempt to transform the country's society along fascist lines (1995: 86, 89).<sup>50</sup> In similar fashion, the Sammarinese communists surely were in close contact with their Eastern European and Soviet counterparts, but never attempted to radically reorganize San Marino according to the Soviet model (Muccioli 2011: 5). Nevertheless, before the end of the Cold War ideologies at least to some extent determined Sammarinese domestic political competition.

After the collapse of communism and the disintegration of the Sammarinese communist party (the PCS), the entire party system of the country fragmented, just as happened in neighboring Italy. According to Laakso and Taagepera's measure the effective number of parties (ENP) in San Marino has risen from 1.80 in 1945 to on average around 3.0 in the 1960s, 1970s, and 1980s, to over 4.0 in the two most recent elections (Laakso and Taagepera 1979).<sup>51</sup> At present, no less than twelve parties are represented in parliament, albeit that the most recent electoral law has instigated the formation of two blocs of parties – the governing *Patto per San Marino* (Pact for San Marino) and the opposition that is united in the *Riforme e Libertà* (Reforms and Freedom) coalition. Although the number of competing factions has grown, it paradoxically appears to be the case that the diversity in terms of political ideas and substantial alternatives has diminished.

With only one exception, all my respondents agreed that no significant substantive differences exist between the contemporary Sammarinese parties. When asked about the role of ideology in the Sammarinese political context, one of the politicians associated with the left for example answered:

“Unfortunately, there are not many ideological differences. Take for example the differences that have arrived in the socialist field; we presently have three socialist parties, and they are not based on ideological motivations or on the question how to manage the state. They are probably due to personal relationships (...). Within a reality like ours, personal relationships affect politics a lot, and most of all also affect the composition of governments.”<sup>52</sup>

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<sup>50</sup> This is also demonstrated by the fact that the Sammarinese fascists left the country's institutional structure almost completely intact, but just abolished the organization of elections, banned other political parties, and repealed universal suffrage.

<sup>51</sup> Based on own calculations, using data from the Inter-Parliamentary Union (Inter-Parliamentary Union (IPU) 2011).

<sup>52</sup> “Purtroppo, differenze ideologiche non ce ne sono molte. Penso, ad esempio alle divisioni nell'area socialista, al fatto che oggi siamo tre partiti di area socialista; e sono dovute ai rapporti personali. (...) All'interno di una realtà come la nostra, i rapporti personali incidono molto sulla politica, e soprattutto incidono anche nella formazione di governi.”

Although discrepancies between the Sammarinese parties can be observed on certain specific issues, such as whether San Marino should accede to the EU or whether the country should open a casino, in terms of the broader political orientation of the microstate the parties express more or less similar viewpoints.

The fact that parties from across the political spectrum have cooperated in coalitions further illustrates the insignificance of ideology. With regard to the indicator of alternation in office, table 2 already demonstrated that Sammarinese governments have traditionally consisted of various combinations of parties, and that it remarkably appears as if every combination between parties is possible, regardless of these parties' respective ideological and programmatic orientations. Christian-democrats, communists, socialists, and liberals have at various times all cooperated with each other in coalition governments.<sup>53</sup> One academic in this context said that:

“The fact is that we now have a coalition in government that has the extreme right, *Alleanza Nazionale*, and also the socialists, NPS – the new socialist party, which is a little socialist formation, and they are in the same government. It's transversal. Between the two coalitions, the programs are almost equal.”

According to various respondents, the relative unimportance of ideology in San Marino is primarily a consequence of the intimate social relationships between citizens and politicians that result from the smallness of the country. Since virtually all citizens personally know one or more politicians, voting behavior appears to be essentially motivated by personal considerations, as a result of which the importance of programmatic ideas seems to diminish.<sup>54</sup> One journalist explained this as follows:

“You have to compare it to the difference between a city election and a national election in Italy. When you vote in a city election, you don't look at left or right, you look at the people that are there. Here it is the same thing; you do not vote for a person because he is left or right, but because it's him you want. You don't worry if it's *Sinistra Unita* or *Democrazia Cristiana*; it does not matter.”<sup>55</sup>

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<sup>53</sup> In this regard the *Compromesso Storico* of 1986 can be seen as a watershed moment in Sammarinese political history, since it brought together the formal archrivals of Sammarinese politics (communists and Christian-democrats) in one government. A similar agreement was never achieved in the First Italian Republic.

<sup>54</sup> Volatility between elections might theoretically constitute a good indicator of personalistic voting behavior, in the sense that if people constantly vote for the same persons volatility can be expected to be low. Due to the fragmentation of the Sammarinese party system however, volatility remains around European averages (on average 11.6% (0.116) over the period 1949 - 2008, compare Dalton et al. 2000: 41).

<sup>55</sup> In this sense, voting behavior in San Marino can perhaps be compared to voting behavior in other non-political elections with a very small number of voters, like for example university-elections to form a student council. In this sort of elections people also tend to vote primarily on the basis of their personal relations, and although student parties might for instance present

With one exception all interviewees argued that the differences between the parties are primarily personalistic in nature. Sammarinese politics therefore appears to revolve essentially around personalities, and the case study-literature indicates that since the Second World War, government coalitions have largely been constructed and terminated on the basis of interpersonal relationships. The three or four main traditional parties of San Marino have to a large extent disintegrated due to personal conflicts, and new parties have been established on the basis of political opportunism on the part of several individual politicians (Bacciocchi 1999: 97, 145, 147, 175).<sup>56</sup> One politician for example pointed out that:

“The micro-parties are evidently personalistic; they originate from personal contrasts within the larger parties. Then there are some parties which are only and exclusively formed out of political opportunism. I can see at least two of them. They will align themselves with anyone.”<sup>57</sup>

Whereas contestation for political positions definitely occurs in the Republic, the political alternatives therefore appear to be much more defined in terms of personalities than in terms of policies.

In the introduction to this chapter, I pointed out that Sammarinese politicians often combine their political job with other societal functions or positions, and that many of them have been active in Sammarinese public life for a long time. In terms of contestation, this implies that the group of people who compete for political offices is inherently small, and that these individuals know each other really well. Due to the tiny population size, only a handful of people are willing and able to assume political positions and pursue a political career, and these people form the closely interlinked and well-connected political elite of San Marino. It is hardly surprising that in such an environment, political decisions are often not made on the basis of a cost-benefit analysis of different policy options, but on the basis of alliances and feuds between persons within

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certain policy-proposals, the differences between such ‘parties’ are mostly mainly personal instead of programmatic.

<sup>56</sup> The formation of coalitions has arguably served to enhance this opportunism. The current governing coalition, the *Patto per San Marino*, consists of seven parties among which a (supposedly) extreme-right party (the *Alleanza Nazionale*) and a social-democratic party (the *Nuovo Partito Socialista*). This latter party seems to have joined the right-wing coalition only for opportunistic reasons. The contemporary opposition, united in the *Riforme e Libertà*, consists of socialists, neo-communists, Christian-democrats, and liberals, and is therefore as ideologically incoherent as the governing coalition.

<sup>57</sup> “I micro-partiti, è evidente che sono partiti personalistici; provengono dei contrasti personali nei partiti più grandi. Poi ci sono alcuni partiti che si formano solo ed esclusivamente per opportunismo politico. Io ne vedo almeno due. Questi si alleano con tutti.”

the elite instead. According to a historian I interviewed, this circumstance strongly impedes on the creation of continuity:

“It is difficult when you do something positive in politics; a nice project or something positive for the country, then it’s difficult to have continuity, because when there is a change of government (...) the changer will break off the project started, without thinking about it on the theoretical level.”

The absence of ideological divergence in the Sammarinese party system is matched by the absence of strong (ideological) cleavages in the country’s society. A majority of respondents asserted that the country’s population is categorically really homogeneous, and that the strong economic development from the 1960s onwards has created a high level of prosperity across the board. Although no data on income differences (such as the Gini-coefficient) are available for San Marino, in 2011 unemployment figures were for example at around 5%, which is half of Italy’s figure (San Marino Statistics Office 2011). Although San Marino receives a score of 0.29 in Alesina et al.’s fractionalization index (2003),<sup>58</sup> this score is due to the Italians that compose about 12% of the microstate’s population, but these have no say in domestic Sammarinese politics. On account of the categorical homogeneity of the Sammarinese society, in conclusion no major socio-economical cleavages appear to exist between different segments of the country’s population.

As a consequence of the absence of politicized cleavages and the absence of major socio-economic differences in the Sammarinese society, no major differences in political preferences appear to exist among the Sammarinese population; respondents asserted that the country’s extensive welfare provisions and facilities are undisputed, and that nobody would argue in favor of tax increases. Some respondents pointed to the likelihood that the current economic crisis leads to a political reconfiguration and economic restructuring, but this remains to be seen. In combination with the closeness and intimacy of San Marino’s small society, the absence of cleavages and the presence of categorical homogeneity thus can be assumed to create the basis for personalistic instead of programmatic contestation.

Virtually all of my respondents have described San Marino’s society as heavily politicized, in the sense that politics permeates all segments of the country’s public life. Since contestation is essentially personalistic in nature, and since the small population size implies that every Sammarinese family has one or

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<sup>58</sup> This index measures ethnic, religious, and linguistic fractionalization, and ranges between 1 and 0, with 0 indicating the absence of fractionalization, and 1 indicating a completely fractionalized society.

more members who are politically active, people are often judged or identified on the basis of their surname or place of residence. As various respondents indicated, the members of a family which has for example always supported the Christian-democratic party are unlikely to change their support; on the one hand because of the traditional allegiances of the family, and on the other hand because of the family members that continue to be active for the party. As one interest group-representative explained in this regard:

“There is this political classification, because traditions within the family might entail a certain political orientation. We automatically know who people are, and it’s an old habit to classify people.”<sup>59</sup>

These political classifications and branding also have their drawbacks however, because various individuals explained to me that they can impede on equal treatment and impartiality in for example schools and non-political offices. When it comes to the indicator of freedom to support the opposition, it can therefore be remarked that although no major constraints exist on supporting a particular political party, the smallness of San Marino entails that people are generally highly aware of each other’s political preferences, and that this may influence their behavior vis-à-vis one another.

### 5.2. Contestation: the Balance of Power between Institutions

In addition to the presence of competition for public office, contestation also alludes to the horizontal distribution of power between the various public offices that are contested, and between non-elected institutions that nevertheless play an important role in a democratic political system, like the judiciary, the media, and the civil service. Among Dahl’s eight criteria for polyarchy is the availability of alternative sources of information, which can be translated into the existence of an independent press. In similar fashion, political contestation is meaningless if the institution that is open to competition is actually powerless or controlled by a non-elected body. Number eight of Dahl’s criteria is the existence of “institutions for making government policies depend on votes and other expressions of preference” (Dahl 1971: 3), and this condition calls for the presence of certain checks and balances (or at least a reasonable horizontal distribution of power) between the various institutions for which contestation occurs.

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<sup>59</sup> “C’è la catterizzazione politica perché tradizioni interne di una famiglia avevano un indirizzo politico di un certo tipo. Conosciamo automaticamente le persone, e questa è una vecchia abitudine, di classificare le persone.”



Since the ministers in the Sammarinese government are for the main part powerful individuals that have been in politics for a relatively long time, and since they establish and sustain strong relations with people from all segments of society, a clear majority or interviewees argued that the Sammarinese government has an exceptionally powerful and dominant position in relation to other political or societal institutions. The Sammarinese parliament only consists of part-time politicians, who often exercise important societal functions in addition to their parliamentary job, allowing them to accumulate a great amount of influence as well.<sup>60</sup> This means that it can be hard for institutions that ought to function autonomously or as a check on the power of government and parliament, such as the judiciary and the media, to preserve their independent and neutral positions. The smallness of San Marino exacerbates this tendency, since respondents emphasize that it causes these other institutions to suffer from a lack of resources in terms of finances, qualified personnel, and therefore professionalism.

Since the Sammarinese parliament appoints people to many other state institutions, the Great and General Council has been described as an exceptionally strong legislature (Sundhaussen 2003: 219; Eccardt 2005: 287). Due to the fragmenting party system governments have become more unstable, which could have further enhanced the position of parliament. However, the 1990s-reforms that were aimed at creating a more clear separation of power between the executive, legislative, and judicial powers arguably have strengthened the position of government vis-à-vis parliament. Since government ministers are no longer members of parliament, the legislators that I interviewed perceive their control over the actions of government to be diminishing rather than augmenting in recent years. Respondents affiliated with the opposition indicated that the parliamentary opposition is ignored by a much more powerful government and parliamentary majority, but interviewees associated with the government expressed an opposite opinion. Therefore it is hard to estimate the status of the Sammarinese legislature in relation to the country's government.

In addition to more common legislative functions, the Council also has a number of judicial powers, such as the competence to grant pardons, amnesty, and to repeal a criminal judgment (Duursma 1996: 219). The fact that judges are appointed by and responsible to the Council is a source of concern, and according to some of the politicians I interviewed frustrates the autonomy of the judiciary;

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<sup>60</sup> On the website of the Great and General Council ([www.consigliograndeegenerale.sm](http://www.consigliograndeegenerale.sm)), it can be seen that virtually all MPs have a secondary profession, such as lawyer, doctor, businessman, or freelancer.

“The judiciary is not independent; the judges are nominated by the government. All systems, from health care to the judiciary, all of them, depend on the government. And this brings distortions, because there is no real freedom. I am not saying that there is a dictatorship because some things do not work. But judicial choices are never free; they are always influenced by politics, always.”<sup>61</sup>

The opinion that the judiciary is not independent was definitely not shared by most of my other respondents, and especially journalists asserted that judges had often ruled in their favor, i.e. against politicians or the government. In addition, a wide majority of interviewees cherished the fact that most judges are Italians, which they perceived to enhance the impartial and independent status of the judiciary. Whereas virtually all respondents argued that the Sammarinese judiciary is free and fair, concerns about the disproportional influence that politicians have on the appointment of judges were also voiced by some of them. Without details, Freedom House simply concludes that the judiciary of San Marino “is independent” (Freedom House 2012).

The Sammarinese media landscape consists of three daily newspapers,<sup>62</sup> one television and radio station (San Marino RTV) that is owned by the government, and a handful of weblogs and online newspapers.<sup>63</sup> Whereas the television station has a big staff and according to all respondents receives ample state funding, the newspaper-journalists complained that they have a very small staff of mostly non-professional journalists, are for the predominant part owned by persons with extensive public and financial interests, and receive only very limited financial resources from the state. Since the potential public and hence also the sales revenues are inherently limited,<sup>64</sup> the newspapers of San Marino find themselves in an unfortunate position to start with, which is further amplified by a lack of staff, lack of professionalism, and lack of financial support. Being financially dependent on others, the Sammarinese journalists I interviewed complain that they do not always feel free to publish their news reports, since these might run against the interests of some of their donors;

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<sup>61</sup> “*La giustizia non è indipendente; i giudici vengono nominati dal governo. Tutti i sistemi, dalla sanità alla giustizia, tutti, dipendono dallo stato condizionalmente. Questo porta distorsione, perché non c'è libertà vera. Non sto dicendo che c'è una dittatura perché qualcosa non funziona. Però le scelte giudiziarie non sono mai libere, sono sempre comunque influenzate dalla politica, sempre.*”

<sup>62</sup> *La Tribuna Sammarinese*, *San Marino Oggi*, and *l'Informazione*. The existence of (formally) non-affiliated newspapers is rather novel, because until the 1990s only partisan newspapers existed in the Republic.

<sup>63</sup> Of which *Libertas – Notizie San Marino* ([www.libertas.sm](http://www.libertas.sm)) and *Giornale.sm* are among the most prominent.

<sup>64</sup> Newspaper journalists told me that a Sammarinese newspaper typically sells a few hundred copies a day.

“We don’t know who is behind our journals, and for democracy this is not a good thing. It’s very difficult to be independent here, because the government gives some money to the journals, but very little. And so we have to take advertisements, and we give away our control. You always have a lot of pressure.”

The fact that the ownership of the newspapers is in the hands of persons with public interests who occupy a central position in San Marino’s public life may well go at the cost of the quality or impartiality of the newspapers. Despite these limitations, in the Freedom of the Press-index San Marino receives a score of 17 on a 100-point scale in which 100 stands for ‘least free’, indicating that the press has ample freedom of expression (Freedom House 2012).<sup>65</sup> In comparison to the written press, the only existing Sammarinese television station has much more resources, staff, and professionalism, but the fact that it is owned by the government and occupies a monopolistic position readily leads to questions about its autonomy. Interviews with newspaper journalists and politicians have revealed that there are indeed some concerns with regard to the position and independence of San Marino RTV;

“This is a major limitation for San Marino. The only television, the state television, is monopolistic, which means that it is not possible to establish another. And this is really bad.”<sup>66</sup>

Since Sammarinese political contestation focuses on persons and not on policies or ideas, it is no wonder that the bulk of news is also oriented towards individual persons and politicians. This is a source of great annoyance to the public officials I interviewed, and by accusing them of defamation, legal action against journalists occurs frequently. According to one politician;

“Unfortunately, scandals or sensational things in politics are often more important than other issues. Here, there is not really any substantial attention on the part of the media for the true interests of San Marino. Often, stories get published that are incorrect or exaggerated.”<sup>67</sup>

The Sammarinese journalists, on the other hand, perceive recurrent legal action as an attempt on the part of politicians to reduce their independence. In recent years the number of online newspapers and blogs has grown dramatically, and

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<sup>65</sup> In its reports, Freedom House emphasizes that Sammarinese people have broad access to Italian print media, which obviously increases the number of alternative sources of information (Freedom House 2012).

<sup>66</sup> “Questo è un grande limite di San Marino. L’unica televisione, di stato, è monopolistica, cioè non è possibile farne un’altra. E questo è molto grave.”

<sup>67</sup> “Purtroppo, lo scandalo o la cosa eclatante in la politica diventa più importante delle altre cose. Per cui non c’è una attenzione da parte dei media veramente sugli interessi di San Marino. Spesso vengono sparate le notizie che non sono vere, oppure sono esagerate.”

according to many respondents these can be a fruitful alternative form of journalism, since they are widely accessible and are not financially dependent.

In terms of contestation, two major effects of size on San Marino's politics can be noted. Even though political competition does occur and a political opposition is free and active, contestation is essentially based on personalistic issues and interpersonal relations instead of ideologies, policies, or programmatic considerations. With regard to the balance of power between political institutions, it can be observed that the legislative and executive powers occupy a relatively dominant position vis-à-vis the judiciary and especially the media, although this does not appear to significantly harm the independence and autonomy of these institutions. In line with the academic literature on the politics of small states, governmental dominance appears to result from size in the sense that smallness puts constraints on the number of resources available to other institutions, as a result of which the government is the only really professionally organized institution in the country (Sutton 2007a). Both patterns are therefore a direct consequence of the small size of San Marino, which creates a closely connected, homogenous population that is ruled by a minute, cohesive, yet often quarrelling elite.

Contrasting these findings with the theoretical literature, it can be seen that the predictions of Benedict (1967b) and Sutton (2007a) with regard to (exaggerated) personalism and governmental dominance are at least partially confirmed by the Sammarinese case. Additionally, the supposition of small-state homogeneity that follows from the work of Dahl and Tufte, and Anckar is corroborated by this analysis. However, whereas Anckar (1999: 30) hypothesized that homogeneity would create a spirit of "cooperativeness and accommodation", the Sammarinese case demonstrates that the absence of cleavages does not automatically generate more consensus or less factionalism. Instead of ideological competition, contestation in San Marino occurs on the inter-personal level, and in this sense political parties appear to camouflage the personalistic competition that drives politics in the country. Personalistic competition can obviously be more ferocious than policy-based contestation, and smallness in the Sammarinese case therefore absolutely does not imply more unity or consensus.

### 5.3. Inclusiveness: Relations between Citizens and Politicians

According to Dahl, inclusiveness refers to "the proportion of people entitled to participate on a more or less equal plane in controlling and contesting the conduct of government" (1971: 4). When it comes to political participation, the

literature on size and democracy, from Plato to the present, emphasizes that citizens of small states are likely to display increased feelings of attachment to the public good, awareness, and efficacy, and are therefore more likely to participate. On the other hand, the absence of strong societal cleavages might also diminish participation rates, especially if this limits the number of available alternatives. The closeness between citizens and politicians is supposed to foster opportunities for direct communication, which according to Dahl and Tufte has the potential to create a higher quality of responsiveness and representation (1973: 87). As the present section will demonstrate, the effects of closeness and direct contacts on the quality of inclusiveness in the case of San Marino are not as encouraging as this literature suggests.

The smallness of San Marino creates an environment in which citizens are not only closely connected to each other, but also to their politicians. It is very common for citizens to meet politicians when going out for dinner, to the supermarket, or when having a drink in a bar. Additionally, all Sammarinese citizens know at least some politicians because they are family members, neighbors, friends, colleagues, or because they used to go to the same school. As the literature suggests, this creates a situation in which people know each other through multiple role-relationships (Benedict 1967a: 6-9; Ott 2000: 94-95). Under such circumstances, there evidently is a risk that personal interests enter the political domain, with conflicts of interest looming large. Since personal relations determine political competition, the interminglement of public and private issues in Sammarinese politics is further facilitated. All eighteen of my respondents pointed to the significance of this closeness for politics in San Marino, and almost all of them argued that closeness has both advantages and disadvantages.

On the positive side, many respondents stressed the benefits of direct access of citizens to politicians, and the opportunities for direct and face to face communication. Reciprocal communication means that Sammarinese politicians are generally more aware of the political preferences and opinions of their electorate, which also means that they have increased opportunities with regard to political responsiveness. As two of the country's politicians said about direct contacts:

“That could be positive according to some measures. Positive, because it gives a real, a constant measure of the problems and the items that the people, the citizens of San Marino, feel to be very important.”

“Here, politicians are questioned every day, because (...) there is direct contact with the people. So I think that the political commitment is stronger here in San Marino, and this is also the reason why politics here is more lively.”

Other respondents argued that the smallness of San Marino also enhances feelings of political involvement among citizens, since political decisions can more clearly have a direct impact on their lives. Although no data are available to support it, on the basis of interview data it certainly appears to be the case that meetings between Sammarinese citizens and politicians occur much more often than in larger states, both inside and outside formal institutional settings. With regard to the indicator of awareness and efficacy, among the Sammarinese citizenry it certainly appears to be the case that these figures are very high.

Although these positive effects of San Marino’s size were mentioned by the majority of my interviewees, a larger part of them primarily highlighted the negative consequences of smallness. From the interviews, it can be extrapolated that the topics that are discussed during face-to-face contacts between citizens and politicians are mostly not matters of public interest, but private and individual interests instead. One of the former civil servants I interviewed pointed out that:

“In this way citizens consider all that is possible. So you will go to a restaurant this evening, there is a minister there, and you can ask him what you want, about anything. And this is not completely correct, because in this way the citizens consider (...) that they can ask for everything. “I have a problem with my kid in school, would you be so kind to take a look at that school?”, or “I have been to the hospital but the queue was too long; can you do something about that?” And if the politician is a clever guy or clever girl, they could use it”.

Along the same lines, from the opposite perspective one of the politicians argued that:

“In San Marino everyone, even the most insignificant individual, can influence politics. And this is a great limit of small countries, a very great limit. Every citizen has access to political leaders; because they are friends, because they are related, or because they love each other. (...) And this closeness makes it difficult to respect the law; in this country it is very difficult to respect the law. Especially because of this reason, because everyone seeks a way to circumvent the law. (...) So the minister who one day of every week receives the public does not receive people who ask for respect of their rights, but he receives people who ask him to break the law in their interest.”<sup>68</sup>

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<sup>68</sup> “A San Marino tutti, anche l’ultimo cittadino, può incidere sulla politica. E questa è un limite dei paesi piccoli, un limite molto grosso. Perché ogni cittadino ha accesso ai leader politici, e può farlo per amicizia, per parentela, o perché lo ama. (...) Questa vicinanza rende difficile il rispetto della legge; in questo paese è difficilissimo fare rispettare la legge. Proprio per questa ragione, perché tutti cercano delle strade alternative alla legge. (...) Quindi il Ministro che un giorno alla settimana riceve il pubblico, non riceve persone che chiedono il rispetto dei loro diritti, riceve persone che chiedono la violazione della legge nel loro interesse.”

On the basis of a wide majority of the interviews, it appears that citizens often do not use their access to politicians to talk about politics and policies, but because they demand personal favors from politicians. Citizens thus appear inclined to mostly ignore or circumvent the official institutional channels for representation, and instead often directly pressure their politicians to bestow them with benefits. In this situation, multiple-role connections can obviously become a disadvantage, because personal, political, and public interests may become intertwined. According to three quarters of my respondents, clientelism and patronage are recurring phenomena in Sammarinese politics, and the smallness of the country increases the tendency to develop particularistic relationships.

Since clientelism is a covert and mostly unobservable practice, it is hard to gauge the extent to which it influences Sammarinese politics, and no data on this phenomenon are available. Several of my respondents attempted to downplay its significance, whereas others argued that it is a determining characteristic of politics. Due to the frequent contacts between citizens and politicians, the intimacy of San Marino's society, and the existence of multiple role-relationships, it seems that there generally is a high awareness among citizens about the actions and behavior of their politicians, although unfortunately no data is available to prove this. As a consequence of awareness, the citizens of San Marino recognize that clientelism has an influence on their country's politics, and the specific instances of politicians who have taken advantage of their position are generally well known. Paradoxically however, politicians are only seldom in any way penalized for their behavior, and continue to receive many votes despite their bad reputations. According to some of my respondents, clientelism is tolerated because everybody at some point benefits or has benefitted from it. Furthermore, clientelism leads to a situation in which many citizens are (financially) dependent on their government, which according to some respondents also discourages them to undertake any action against their politicians.

Although the prevalence of particularism is also common in larger countries, and San Marino's larger neighbor has a reputation for clientelism, it can be ascertained that the size of San Marino creates additional incentives to develop particularistic relationships. As discussed before, citizens often approach politicians with demands for favors, and due to multiple-role relations the pressures on politicians to comply with these demands can be formidable. Due to smallness, citizens therefore have stronger capacities to induce their politicians to deliver on them. On the other hand, as a result of the smallness of electoral districts and the increased likelihood that one or a few votes will make

the difference between winning and losing an election, Sammarinese politicians can have a strong enticement to attract these voters by offering rewards in return. On the sides of both citizens and politicians, smallness thus reinforces the profits that clientelistic bonds can entail.

In addition to clientelism, a majority of respondents alluded to patronage in the civil service as one of the major problems of the country, and one of the major effects of San Marino's small size. About a quarter of the Sammarinese workforce is hired by the state, which means that more than 5.000 people are working in the public sector (San Marino Statistics Office 2011). On the one hand, the oversized Sammarinese bureaucracy can be explained by the fact that being a small yet independent country, the government of San Marino has to execute all the duties and services of a larger state. On the other hand however, over half of my respondents believe that jobs in the public administration are often distributed by politicians to voters in exchange for political support, as the following business leaders mentions;

"Everybody wants to go into the public administration, because you will have money and certain work for the rest of your life. So everybody will do everything to get into the public administration; even giving their votes in exchange for work. And this thing happens everywhere, but in a small country you feel it stronger."

According to respondents, salaries of Sammarinese civil servants are relatively high, jobs in the public sector are comparatively undemanding, and working conditions are excellent. As a consequence, jobs in the public sector are much more popular than in the private sector. In addition to the costs of running an oversized bureaucracy, various interviewees highlighted that patronage also impedes on the impartiality of the administration.

The large size of the bureaucracy also has consequences for San Marino's private sector. Firstly, since many parliamentarians are active in or even run some of the country's larger companies, conflicting private and public interests repeatedly emerge. The boundary between these two sectors often gets blurred, which makes it especially hard to implement economic reforms.<sup>69</sup> Secondly, since public sector-jobs are generally preferred over those in the private sector, the Sammarinese companies are left with less qualified employees. Whereas hiring Italians or other foreigners could be a solution to this problem, private sector-

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<sup>69</sup> In the context of the recent economic crisis and Italy's determinacy to bring an end to fiscal evasion and the preferential tax regime of San Marino, it is clear that an economic reorientation is necessary and that new and stringent rules will have to be introduced in the financial sector. However, with so many politicians directly involved in Sammarinese banks, until now this has been very hard to realize.



spokespersons point out that San Marino has stringent laws that force businesses to hire Sammarinese personnel;

“Because the government wants to preserve the occupation in San Marino, if a company needs a person for itself, the office of government will check if there is a person in San Marino who has the same skills as the person you ask for in Italy. And so companies have a lot of problems, because they would like to take highly skilled persons, but there is the government that would like companies to take persons with no skills.”

In this way, the smallness and closeness of San Marino not only create a civil service that is oversized and prone to partiality, but also undermine the efficiency and competitiveness of the country’s private sector.

In addition to clientelism and patronage, several scholars have argued that small states are particularly prone to cronyism (particularistic relations with friends) and nepotism (particularistic relations with relatives). A large majority of my respondents however indicated that these two forms of favoritism are not very common in San Marino, in large part due to the extensive social control that prohibits such behavior. At the moment of my field research a large scandal had just erupted about a secretary of state who had allegedly changed the law to create a job for his son, and this instance of nepotism was very well-known and broadly condemned not only by my interviewees, but also among other Sammarinese citizens with whom I had conversations about politics.

#### 5.4. Inclusiveness: Participation of Citizens

On the basis of the closeness and face-to-face contacts described in the previous paragraph, scholars have repeatedly assumed that levels of participation in small states are higher than in larger states. Inclusiveness first and foremost refers to the extent to which citizens participate in politics, and therefore take part in political contestation. As table 5.3 demonstrates, the participation of Sammarinese citizens at general elections has not been very high in comparison to the Western European average, but on closer inspection this is primarily a result of low turnout figures among emigrant voters. Domestically, voter turnout has usually reached levels of above 90 percent, and this is comparable to Italian figures, but whereas voting in Italy is compulsory this is not the case in San Marino. The table also reveals the declining significance of emigrant voters, who constituted almost half of the votes in 1959, but in 2008 only represented one tenth of the votes that were cast. This is both an effect of the shrinking

proportion of the external electorate, as well as strongly decreasing turnout levels among this group of voters.

In addition to general elections, voter turnout figures for the six most recent referendums have been presented in table 5.4. In this table, it can be seen that turnout varies strongly between different referendums, and no pattern can be detected here. Although separate figures for domestic and external turnout are only available for the two most recent referendums, the strong differences between these two measures are again clearly visible. Whereas data and statistics for voter turnout – which according to many scholars is the principal manifestation of participation – are available, unfortunately no data exist on membership of political parties and interest groups or participation at demonstrations, rallies, *Giunta*-elections, or *Istanze d'Arengo*. The turnout statistics reveal that political participation in San Marino is perhaps not as high as a part of the literature on size suggests, with domestic turnout at parliamentary elections as the major exception. For this figure, the smallness of San Marino indeed seems at the root of higher rates of political participation. Since interest in public matters and substantial political issues however appears to be generally low, an alternative explanation for high domestic turnout figures has to be found.

*Table 5.3: Voter Turnout at Sammarinese Parliamentary Elections<sup>70</sup>*

Year	Turnout				
	Total	%Domestic Votes	Turnout Domestic	% External Votes <sup>71</sup>	Turnout External
1945	57.5%	100	57.5%	-	-
1949	67.5%	100	67.5%	-	-
1951	62.5%	100	62.5%	-	-
1955	70.1%	100	70.1%	-	-
1959	85.7%	52.3	99.1%	47.7	74.7%
1964	84.0%	60.4	97.3%	39.6	69.5%
1969	80.1%	65.8	94.0%	34.2	61.2%
1974	79.7%	70.8	94.2%	29.2	58.0%
1978	79.0%	75.2	93.1%	24.8	53.3%
1983	79.7%	76.2	93.4%	23.8	54.3%
1988	81.1%	73.8	94.9%	26.2	57.6%
1993	80.3%	73.7	94.9%	26.3	56.1%
1998	75.3%	n.a.	n.a.	n.a.	n.a.
2001	73.8%	n.a.	n.a.	n.a.	n.a.
2006	71.8%	n.a.	90.8%	n.a.	33.3%
2008	68.5%	88.6	89.8%	11.4	24.0%

<sup>70</sup> Source: [www.elezioni.sm](http://www.elezioni.sm). For several elections and referendums, no separate data and statistics for domestic and external votes have been published or reported.

<sup>71</sup> Expatriate Sammarinese citizens can vote in Sammarinese elections since 1959.

*Table 5.4: Voter Turnout at Sammarinese Referendums<sup>55</sup>*

<b>Year</b>	<b>Total Turnout</b>	<b>Domestic Turnout</b>	<b>External Turnout</b>
1997	46.4%	n.a.	n.a.
1999	56.2%	n.a.	n.a.
2003	35.1%	n.a.	n.a.
2005	21.7%	n.a.	n.a.
2008	35.4%	49.8%	5.6%
2011	40.4%	59.1%	4.7%

When it comes to the more informal characteristics of participation in San Marino, personalism and particularism are again the defining terms. The notion of Montesquieu and Rousseau that small state-citizens display higher levels of interest in public matters must be disconfirmed for the Sammarinese case. According to a wide majority of the persons I talked with, many citizens of San Marino are primarily politically interested and active because of the direct effects of politics on their personal well-being, and not because of a genuine interest in the well-being of the country. As one of the MPs I interviewed explained:

“We are really close but also really far away from each other, because the population is generally apolitical or disinterested. They have not participated much in order to be involved.”<sup>72</sup>

Since political contestation principally revolves around personalities instead of policies, it can be no surprise that political participation in San Marino is also primarily oriented towards individuals and personal benefits. According to a large majority of respondents, electoral clientelism occurs regularly and is a major problem for the country. Clientelism however also partially seems to be an explanation of high (domestic) turnout rates at national elections, since this is the primary instance in which voters demonstrate political loyalty and support to their political patrons.

Clientelism during elections can for a large part be attributed to San Marino’s small electorate, as a consequence of which the significance of a single or a few votes rises markedly (Riker and Ordeshook 1968). Due to face-to-face contacts and the intimacy of the country’s society, politicians can relatively accurately estimate the number of (preferential) votes they need in order to be elected. The Sammarinese electoral law invites voters to cast three preference votes on their ballot, which gives Sammarinese elections a strongly personal dimension. This voting rule according to many respondents further encourages

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<sup>72</sup> *“Siamo molto vicini ma molto distanti, perché la popolazione è tendenzialmente apolitica o disinteressata. Non ha fatto molto per essere coinvolta”.*

clientelism, and election results demonstrate that several of the ‘dinosaurs’ in Sammarinese politics gather an impressive number of preferential votes, especially in comparison to the total number of votes that their party receives. In table 5.5, which lists the ten politicians with the highest number of preferential votes in the 2008 parliamentary elections, it can be seen that a small number of politicians collect the wide majority of preferential votes of their party, and that many of these politicians have been politically active for multiple decades. The table hence accurately illustrates the personal nature of Sammarinese politics.

*Table 5.5: Candidates with Highest Number of Preferential Votes in 2008 Election<sup>73</sup>*

<b>Name</b>	<b>Party</b>	<b>Preference Votes and % of Party Votes</b>	<b>Total Votes for Party</b>	<b>Years Active in Politics</b>
Giancarlo Venturini	PDCS	1.225 (18.3 %)	6.692	15
Antonella Mularoni	AP	1.174 (48.6 %)	2.415	19
Pasquale Valentini	PDCS	1.118 (16.7 %)	6.692	24
Gabriele Gatti	PDCS	1.107 (16.5 %)	6.692	38
Paride Andreoli	PSD	881 (13.1 %)	6.702	40
Fiorenzo Stolfi	PSD	762 (11.4 %)	6.702	34
Fabio Berardi	PDCS	700 (10.5 %)	6.692	34
Silvia Cecchetti	PSD	607 (9.1 %)	6.702	-
Claudio Podeschi	PDCS	569 (8.6 %)	6.629	24
Marino Riccardi	PSD	566 (8.4 %)	6.702	40

According to my interviewees, clientelism has been especially poignant with regard to the votes of expatriate Sammarinese citizens. Table 5.3 demonstrates that the vote share of emigrants is quite significant, although it is steadily decreasing. At times of poverty and economic and financial hardship, many Sammarinese citizens have emigrated, primarily to Italy, the United States, France, and Argentina. In total, over 12.000 Sammarinese nationals now live abroad, which represents approximately one third of the population (San Marino Statistics Office 2011). After the Second World War, a protracted political discussion evolved over the question of emigrant voting rights, especially because it was believed that their votes would benefit the Christian-democratic party at the expense of the socialists and communists. Since correspondence voting was abolished in 1966, citizens living abroad have to come to San Marino to cast their vote, and the travels of those wanting to do so were paid by the state

<sup>73</sup> Source: [www.elezioni.sm](http://www.elezioni.sm). Since the order of candidates on the party list is alphabetically determined, this indicator cannot be used to measure the political appeal of individual candidates.

until 1996 (Bacciocchi 1999: 143). Many people think that individual politicians or parties are now paying the emigrants to come to San Marino to vote:

“A large part of our population lives outside of San Marino. There was a great scandal here in San Marino, because politicians went to Argentina or the United States to really buy the votes of emigrant people. This vote is very important, because it can really decide who governs and who not. Someone made a video of Argentineans who came to hotels in Rimini, and who were paid to come here and vote.”

Since the rewards of clientelism are so direct and obvious, and since at least some politicians appear to win elections primarily due to their particularistic networks, not engaging in clientelism is likely to result in a defeat at the polls. This provides additional incentives for politicians to establish and develop such networks, and makes it very hard to counter this trend.

If the findings of this section are contrasted with the theoretical literature on inclusiveness and participation in small states, it becomes clear that the non-substantively politically interested populations that have been found to exist in Eastern Caribbean, (Peters 1992; Duncan and Woods 2007), African (Seibert 1999), and Pacific (Larmour 1994; Powell 2007) microstates for a large part can be identified in San Marino as well. This finding is remarkable in light of the fact that San Marino is neither a new democracy nor located in a lesser developed region of the world, which all the non-European microstates both are. It appears to be the case, however, that the arguments of Benedict, Lowenthal, and Sutton with regard to the effect of size on participation can be substantiated; in the case of San Marino smallness indeed leads to personalistic and particularistic forms of participation, and high turnout rates can be explained on the basis of particularistic rather than programmatic reasons. In summary, my research has revealed that although the positive elements of closeness and face-to-face contacts are present in San Marino, these are largely overshadowed by the more ominous effects of favoritism and personalism.

## 6. Discussion and Conclusion

On the basis of both its political history and contemporary political institutions, the political system of San Marino by all means appears highly democratic. All eight of Dahl's criteria for polyarchy are met, political contestation for the most important political institutions takes place, and all adult Sammarinese citizens have the right to participate in their country's political system. With the exception of a number of idiosyncratic institutions like the Council of Twelve and the Captains Regent, the impact of smallness on San Marino's institutional structure seems limited, since the country employs representative institutions

that are comparable to those of other, larger democracies in the region. From a formal institutional perspective, San Marino thus in many ways appears to be a rather typical Western European democracy.

*Table 5.6: San Marino's Scoring on the Indicators of Contestation and Inclusiveness*

<b>Dimension</b>	<b>Section</b>	<b>Indicator</b>	<b>Classification of San Marino</b>
Contestation	Presence of Political Alternatives and a Political Opposition	Free and Fair Elections	Present
		Party System	Multiple (ENP >5)
		(Frequency of) Alternation in Office	Regularly
		Interest Articulation by Parties	Does occur in manifestoes but voting behavior and political dynamics are person-oriented
		Freedom to Support the Opposition	Present, but political branding is common
	Horizontal Balance of Power between Institutions	Freedom of the Press	Press free (FotP-score 17), but weak and unprofessional
		Status of the Legislature	Not really clear; different opinions among respondents
		Status of the Judiciary	Impartial, but concerns about appointment procedures of judges; most judges foreigners
		Status of the Bureaucracy	Oversized and influenced by government due to patronage
	Inclusiveness	Relations between Citizens and Politicians	Contact With and Access to Representatives
Nature of Contacts between Citizens and Politicians			Particularistic and personalistic
Political Awareness and feelings of Efficacy of Citizens			High
Political Participation of Citizens		Universal Suffrage	Present
		Turnout at Elections and Other Plebiscites	(Very) high at elections, mixed at referendums
		Party Membership	No data available
		Participation in Political Activities	No data, but according to respondents seems to be high

The present in-depth analysis of the practical and informal aspects of Sammarinese politics however reveals that size actually has a strong impact on the conduct of politics in the microstate. If the findings of this case study are matched with the theoretical discussion on the effects of size in chapters 2 and 3, it can be seen that the arguments of more skeptical scholars like Benedict, Lowenthal, Sutton, Peters, and Baker turn out to be more valid than those of the academics who are optimistic about smallness. In the case of San Marino, homogeneity leads to the absence of cleavages, the prevalence of personalistic over programmatic contestation, and personalistic voting behavior. The closeness between citizens and politicians induces multiple-role relations, conflicts of interest, and perhaps most disturbingly, the incidence of various forms of particularism and favoritism. In the absence of resources and professionalism, and due to politicization and multiple-role relations, the autonomy and capacity of the judiciary, media and the civil service vis-à-vis government and parliament are sometimes challenged, as a consequence of which these latter institutions assume a considerably more powerful position.

On the basis of its classification on the indicators of contestation and inclusiveness that were formulated in the methodological chapter, table 5.6 provides a summarized overview of the influence of size on the Sammarinese political system. The table adequately demonstrates that whereas the advantages of smallness (i.e. closeness and contacts between citizens and politicians, higher forms of participation, efficacy, and awareness) to a large degree do materialize, with regard to contestation size appears to induce personalistic rather than programmatic contestation, and with regard to inclusiveness it principally seems generate more particularistic-oriented forms of participation. On the basis of these results, the question can be posed whether the imitation or adoption of institutional structures that in large part originated in larger states (in this case primarily Italy) is a fruitful or practical way to organize the political system of such a small society. Sammarinese politics is based on the premise of competing political parties, but voting behavior seems essentially person-oriented and mostly unrelated to the political programs and platforms of these parties. In similar fashion, it should be questioned whether, as a result of the country's smallness, the Sammarinese electoral system and state organization harm rather than advance the quality of politics, as they primarily appear to stimulate clientelism and patronage. In this sense, more direct forms of participation and inclusiveness (such as the *Arengo*) might be more feasible to organize politics in such a small state.

In the wake of the global economic crisis and the recently emerging combat against preferential tax regimes, San Marino's economic and political structures have recently come under severe pressure. Whereas clientelism and patronage were much less controversial in the preceding decades of strong economic growth, in the last two years this is unmistakably changing. The option of EU-accession is now seriously debated, and the need for reform is broadly heard. However, without wanting to be overtly deterministic, with regard to particularism San Marino seems to find itself embroiled in a catch-22 situation that is not easily adjusted. In large part, particularism can be explained by the country's small size, which provides strong incentives on the part of both politicians and citizens to develop patron-client networks. Without pressure or help from external actors like the EU, it seems to be very hard to counter this political pattern. Recent debates in San Marino focus on the potential influence of the mafia in the country's politics and financial institutions.<sup>74</sup> An often-heard complaint is that whereas San Marino used to be a country of high morals and a safe-haven for the oppressed and persecuted, it now has become a corrupted safe-haven for shady people with too much money.

The suggestion that follows from the findings of this chapter is that any academic examination of microstate-politics should proceed beyond the level of statistics and formal political institutions. Precisely because of their smallness, the informal level of microstate-politics reveals much more about the political consequences of size than the formal, institutional level does (cf. Hinds 2008). This finding opens up the possibility that despite all their differences on the formal, institutional level, the informal political characteristics of St. Kitts and Nevis, Seychelles, and Palau are relatively similar to those of San Marino. Since the informal political features of San Marino are in large part determined by size, a similar pattern can be expected for the other three cases.

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<sup>74</sup> This belief is actually quite widespread, and all major newspapers have reported about it. Attention has focused on links between several politicians with the Calabrian mafia group *'Ndrangheta*. Although no legal steps have yet been taken, concerned Sammarinese citizens have established online communities and now often organize rallies and demonstrations, for example at the inauguration of new Captains Regent.