

COVID-19 Exposes Italy's Vulnerability to US-China Antagonism

by Riccardo Alcaro

Sars-Cov-2, the coronavirus that caused the COVID-19 pandemic, has put Italy's healthcare system under severe strain and indirectly plunged the economy into a massive recession, as most industrial and commercial activities have come to a standstill following the enactment of a national lockdown.¹

As it struggles to contain the spread of the virus while trying to keep the economy afloat, the Italian government will also have to navigate the rough seas of a more competitive international system. Weathering the agitated waters will not be easy, as the severity of the outbreak in Italy (at the time of writing, the third hardest-hit country in the world in terms of fatalities and infections)² has exposed

its vulnerability to systemic dynamics the pandemic is likely to exacerbate, most notably the US-China rivalry.

Both the US and China seem to see the COVID-19 crisis through the lenses of geopolitical competition. A desire to repair its international reputation and gain influence underlies China's offer of medical equipment and sanitary know-how to countries hit by the contagion – the so-called "mask diplomacy".³ The Communist Party's propaganda machine has gone the extra mile to present China as a solidary and responsible country, while also indulging in conspiracy theories claiming the virus did not originate from Wuhan.⁴

updates coronavirus cases: <https://www.worldometers.info/coronavirus/#countries>.

¹ Trading Economics estimates a fall in the Italian GDP by 18 and 10.3 per cent in Q2 and Q3, respectively. See Trading Economics, *Italy Forecasts*, <https://tradingeconomics.com/italy/forecast>.

² As of 7 May 2020, confirmed cases of Covid-19-infected people amounted to 215,858, with 29,958 deaths. The Worldometer website regularly

³ Brian Wong, "China's Mask Diplomacy", in *The Diplomat*, 25 March 2020, <https://thediplomat.com/2020/03/chinas-mask-diplomacy>.

⁴ Steven Lee Meyers, "China Spins Tale That the U.S. Army Started the Coronavirus Epidemic", in *The New York Times*, 13 March 2020, <https://www.nytimes.com/2020/03/13/world/asia/>

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The US has responded by relentlessly reminding the world of China's concealment of critical information during the early weeks of the contagion and increasingly hinting that Chinese labs may be the ultimate origin of the virus.⁵ US President Donald Trump has a further reason to keep bashing China, which he sees as politically expedient as he enters a re-election campaign that COVID-19 has made rather more unpredictable than anticipated. It is reasonable to expect that the undercurrents for conflict between China and the US will gather steam in areas where China's influence may be felt the most, such as Africa, the Middle East and ultimately Europe too. In this regard, Italy is an exemplary case.

Italy has occupied a special place in China's system of international relations since it became the first G7 member last year to sign a memorandum of understanding⁶ in support of the Belt and Road Initiative (BRI), the policy framework under which China promotes infrastructure development in a number of countries along the land and maritime trade routes between Asia and Europe. Unsurprisingly,

[coronavirus-china-conspiracy-theory.html](#).

⁵ Jacqueline Alemany, "President Trump and Secretary of State Mike Pompeo Continue to Push Unsubstantiated Wuhan Lab Theory on Novel Coronavirus Origins", in *PowerPost*, 4 May 2020, <https://www.washingtonpost.com/news/powerpost/paloma/powerup/2020/05/04/5eaf5070602ff15fb00238b8>.

⁶ Memorandum of Understanding between the Government of the Italian Republic and the Government of the People's Republic of China on Cooperation within the Framework of the Silk Road Economic Belt and the 21st Century Maritime Silk Road Initiative, 22 March 2019, http://www.governo.it/sites/governo.it/files/Memorandum_Italia-Cina_EN.pdf.

Italy rapidly became a main target of China's mask diplomacy.⁷ Beijing sent medical equipment and teams of health experts to virus-infested Italian regions, companies made donations (state-owned enterprises targeted the port cities of Genoa and Trieste, both critical to the BRI), the Chinese diaspora mobilised to provide further assistance and the Chinese embassy in Rome engaged in a sustained media campaign celebrating the new depth of the bilateral relationship.

The Italian media made a lot of fuss about Chinese assistance, often failing to mention that part of the aid was actually the result of regular commercial transactions.⁸ Public opinion apparently went along. If a sensational poll released in April is accurate, over fifty percent of Italians consider China a "friend" – a jaw-dropping 42 point leap on a year-to-year basis. Just 17 per cent of Italians think as much of the US. And China is apparently ahead of the US (36 to 30 per cent) in the race for the global power Italy should be allied to.⁹

Eventually the US administration took notice. In April President Trump personally promised Italian Prime Minister Giuseppe Conte one hundred

⁷ Francesca Ghiretti, "China, Italy and COVID-19: Benevolent Support or Strategic Surge?", in *IAI Commentaries*, No. 20|14 (March 2020), <https://www.iai.it/en/node/11436>.

⁸ Giulia Pompili, "Ma quali aiuti della Cina contro il virus, è tutta roba che compriamo", in *Il Foglio*, 12 March 2020, <https://www.ilfoglio.it/cronache/2020/03/12/news/ma-quali-aiuti-della-cina-contro-il-virus-e-tutta-roba-che-compriamo-306324>.

⁹ The European Post, "Italy, SWG poll, 20 March-12 April", *Twitter post*, 17 April 2020, <https://twitter.com/theEUpost/status/1251064470782304259>.

million dollars in aid,¹⁰ a message Secretary of State Mike Pompeo further emphasised in an interview with Italy's leading daily *Corriere della Sera*.¹¹ While US pledges have yet to fully materialise (part of the aid is coming through assistance provided by US forces based in Italy), the fact that the Trump administration felt the need to produce a presidential memorandum on assistance to Italy¹² attests to the mounting concern that China may be winning the fight for the hearts and minds of Italians.

In theory, the US's counter-offensive provides Italy with advantages both practically (the actual aid) and strategically, as US open support lends greater weight to Italy's efforts to check China's clout while safeguarding the chance to profit from Chinese investment. In practice, things are more complicated.

A first order of problems relates to Italy's domestic politics. Leading

figures within the senior ruling coalition party, the anti-establishment Five Star Movement (M5S), see China's overture as a unique opportunity to attract investment inflows and improve Italy's international status. Luigi Di Maio, former chairman of the M5S and now foreign minister, has claimed that China's aid would not have come so promptly had the M5S not been so foresighted to sign the MoU in support of the BRI back in 2019.¹³ Alessandro Di Battista, an influential foreign policy voice in the M5S, has gone even further, insisting that Italy should leverage its special relationship with China to extract concessions from its international partners, especially in the EU.¹⁴

This benevolent view of China is hardly shared by the junior member of the coalition, the centre-left Democratic Party (PD), which is more open to express concerns about the costs of a policy of proximity to China, ranging from a loss of credibility among Italy's allies to the risk of Chinese companies acquiring key assets such as high-tech firms or infrastructure facilities, opaque financial deals and greater exposure to propaganda and disinformation operations. The PD has therefore emphasised the need for Italy

¹⁰ White House, *Remarks by President Trump and Members of the Coronavirus Task Force in a Press Briefing*, 30 March 2020, <https://www.whitehouse.gov/briefings-statements/remarks-president-trump-members-coronavirus-task-force-press-briefing>.

¹¹ Giuseppe Sarcina, "Coronavirus, intervista a Mike Pompeo: 'Per l'Italia siamo quelli che fanno e faranno di più. Collaboriamo con la Cina, ma esigiamo trasparenza'", in *Corriere della Sera*, 9 April 2020, https://www.corriere.it/esteri/20_aprile_09/coronavirus-intervista-mike-pompeo-per-l-italia-siamo-quelli-che-fanno-faranno-piu-collaboriamo-la-cina-ma-esigiamo-trasparenza-2389cfa6-79c7-11ea-afb4-c5f49a569528.shtml.

¹² Memorandum on Providing COVID-19 Assistance to the Italian Republic, 10 April 2020, <https://it.usembassy.gov/memorandum-on-providing-covid-19-assistance-to-the-italian-republic>.

¹³ Luca De Carolis, "Di Maio: 'Le mascherine arriveranno. Anche la diplomazia salva vite'", in *Il Fatto Quotidiano*, 24 March 2020, https://www.esteri.it/mae/it/sala_stampa/interviste/2020/03/di-maio-emergenza-mascherine-risolta-anche-la-diplomazia-salva-vite-il-fatto-quotidiano.html.

¹⁴ Alessandro Di Battista, "L'Italia deve dire no al Mes. Senza di noi la Ue si scioglie", in *Il Fatto Quotidiano*, 19 April 2020, <https://www.ilfattoquotidiano.it/in-edicola/articoli/2020/04/19/litalia-deve-dire-no-al-mes-senza-di-noi-la-ue-si-scioglie>.

to strengthen its traditional alliances and especially its commitment to the EU, not least because that would put it in a stronger negotiating position vis-à-vis China.¹⁵

Still more critical of China are the right wing-parties now in opposition, the League and the Brothers of Italy, for which the issue is less related to strategy than it is to ideology. China-bashing fits well with their nationalist narratives of an Italy threatened by impersonal, alien forces, be them migrants from Africa and Muslim-majority countries, the partially supranational EU as well as Chinese communists.¹⁶

So far, the severity of the COVID-19 outbreak has kept such divisions under the surface. The ruling coalition has actually found common ground on expanding the power of the state to block foreign acquisitions of strategic economic assets, an important development especially as far as Italy's relations with China are concerned.¹⁷ If

¹⁵ Francesco Grignetti, "Aiuti cinesi, lite tra Pd e M5S per le parole di Luigi Di Maio. 'Sbilanciato'. 'No, ringrazia tutti'", in *La Stampa*, 25 March 2020, <https://www.lastampa.it/esteri/2020/03/25/news/aiuti-cinesi-lite-trapd-e-m5s-per-le-parole-di-luigi-di-maio-sbilanciato-no-ringrazia-tutti-1.38635468>.

¹⁶ Giovanni Drogo, "Cosa c'è dietro Salvini e Meloni che postano "alternative facts" come il video del TGR Leonardo", in *NeXt quotidiano*, 26 March 2020, <https://www.nextquotidiano.it/cosa-ce-dietro-salvini-e-meloni-tgr-leonardo>.

¹⁷ Legge 11 maggio 2012, n. 56: *Conversione in legge, con modificazioni, del decreto-legge 15 marzo 2012, n. 21, recante norme in materia di poteri speciali sugli assetti societari nei settori della difesa e della sicurezza nazionale, nonché per le attività di rilevanza strategica nei settori dell'energia, dei trasporti e delle comunicazioni*, <https://www.normattiva.it/uri-res/N2Ls?urn:nir:stato:legge:2012-05-11;56>.

and when the crisis subsides, however, the debate about China is likely to flare up again.

Here comes a second order of problems. The Trump administration may have offered Italy assistance, but it has shown no interest in coordinating with its allies in Europe or elsewhere over the health, economic and geopolitical consequences of COVID-19.¹⁸ The lack of US commitment to multilateral governance reduces Italy's ability to participate in the definition of rules and standards of international cooperation, and consequently weakens its ability to engage China from a position of strength.

Trump's unilateralism also makes it more difficult for Italian political parties to find a cross-partisan consensus on whether the relationship with China should be embedded in an EU framework (as the PD would like), leveraged to gain influence in Europe and greater autonomy from the US (as some in the M5S fantasise), or sacrificed to please the increasingly Sino-phobic Trump administration¹⁹ (as right-wing parties are leaning towards).

In conclusion, COVID-19 has expanded the convergence of interests between Italy and the US, as neither wants China to use the crisis to promote its authoritarian governance model. Yet,

¹⁸ Erik Brattberg, "The Pandemic Is Making Transatlantic Relations More Toxic", in *Carnegie Articles*, 29 April 2020, <https://carnegieendowment.org/Publications/81675>.

¹⁹ Martin Joseph, "US Looks to Step Up Economic Action Against China", in *Financial Times*, 6 May 2020, <https://www.ft.com/content/aa212bb1-0738-4c49-b44b-128c078028cc>.

the pandemic has also reduced the room for actual US-Italian cooperation, because Italy's ability to profit from trade and investment from China while checking its influence is very much dependent on the well-functioning of a Euro-Atlantic framework for cooperation the Trump administration is actively dismantling. There is no magical formula to solve this tension – if not perhaps the choice facing US voters come November.

The risk that Italy becomes a battlefield between the two superpowers of the 21st century has never been higher.

7 May 2020

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