
II. China-U.S.-Italy

Italy Enhances Positive Seismic Shifts in Europe

by Claudio Celani

March 30—“This is just the beginning,” said Michele Geraci, Undersecretary of State in the Italian Ministry of Economic Development, and the architect of the strategic partnership forged by Italy and China on Nov. 23, with a Memorandum of Understanding (MOU) on the Belt and Road Initiative—the BRI.

Italy’s official participation in the Belt and Road is of major importance and marks a breakthrough in the advancement of the New Paradigm of economic development and international relationship inaugurated by the BRI. Italy is the first industrially advanced country, the first G7 member and the first founding member of the European Union (EU) to formally join the BRI. Furthermore, Italy is the second largest manufacturing economy in the EU, adding a major productive potential to the rapidly growing BRI.

Italy’s move had been preceded by attacks from the City of London, U.S. neocon circles and Italy’s own “partners” in the EU. The Italian government was accused of “selling out” national assets, and even endangering NATO security by opening the gates of Europe to China’s “expansionist policy” and security-relevant technology.

The [text](#) of the Memorandum shows that all those allegations were false (see *EIR* March 29, 2019, pp. 14-15). And the Italians went on the offensive.

Marco Zanni, European Member of Parliament and newly appointed Foreign Policy speaker of the Lega, in an interview with *Affaritaliani.it* on March 15, ex-



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At the State lunch at the Quirinale Palace in Rome, held in honor of the President of China, March 22, 2019. Left to right: Giuseppe Conte, Italian Prime Minister; Laura Mattarella, First Lady and daughter of Sergio Mattarella; Sergio Mattarella, President of Italy; Xi Jinping, President of the People's Republic of China; and Ms. Peng Liyuan, Xi's wife.

plained that not only is Italy not backing one millimeter away from its traditional alliances, but that Rome wants to bring the United States and China closer together on the New Silk Road. Zanni is well known for his fight for Glass-Steagall and his collaboration with the LaRouche movement.

The Italy-China MOU is Not a Threat

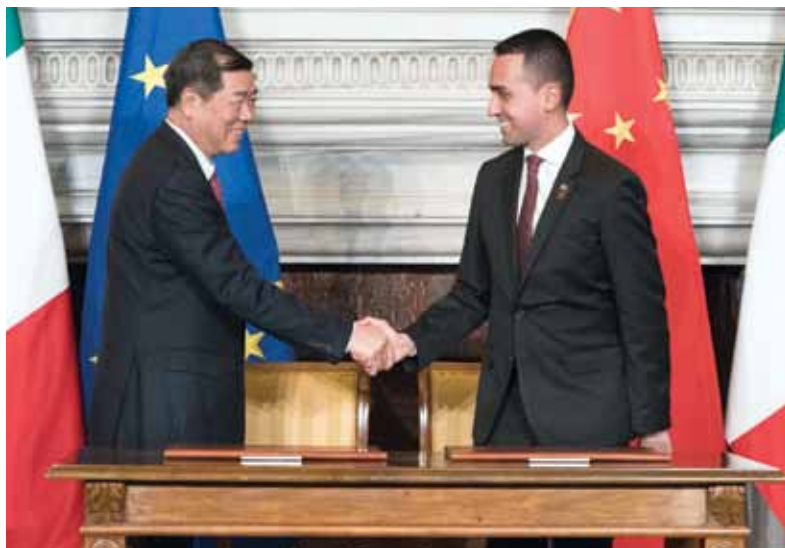
The agreement with China does not threaten Italy’s historical alliances, Zanni said.

Our historical ally is Washington. The Agreement with China could rather make us the *trait d’union* [literally, the hyphen] between the USA,

Europe, and the Asian world. It is a difficult path, but we are convinced we can accomplish it.

[If conditions set forth by Rome are fulfilled] Italy has an opportunity economically but also geopolitically. We are witnessing a big leadership crisis in Europe, which opens political and geopolitical room in the relationship with the USA. After Brexit and Donald Trump, Italy—with its green-yellow government experiment—can insert itself in this area of change and, thanks to its position, can become the privileged interlocutor of Washington in Europe, at the same time establishing itself as a link to the Asian economies.

The lack of infrastructural investment in Europe may even be a stimulus for the USA to criticize even more strongly EU socio-economic policies. If many states today go outside of Europe to find money for infrastructure, it is because Europe has not favored indigenous investment, because of self-destructive policies. The level of European infrastructure is ridiculous. The BRI discussion can be an additional stimulus for the USA and Europe to change behavior on infrastructure investment policies.



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He Lifeng, Director of China's National Development and Reform Commission, and Luigi Di Maio, Italy's Minister of Labor and Industry, shaking hands after signing trade agreements at Villa Madama in Rome on March 23, 2019.

On those same premises, the Italian Deputy Prime Minister, Luigi Di Maio, flew to Washington for discussions on March 28 with U.S. National Security chief John Bolton. In a tweet, Bolton wrote: “Met Italy’s Deputy Prime Minister Di Maio this afternoon to discuss U.S.-Italian cooperation on the crisis in Venezuela, managing our relationship with China, and our strong security partnership in NATO.”

The last phrase is the relevant one: “... our strong security partnership in NATO.” This shows that the U.S. government does not see that partnership endangered by the China deal.

Meanwhile, Italian Finance Minister Giovanni Tria and his colleague Geraci travelled to Boao, Hainan Province, China, to participate in the annual Boao Forum for Asia, March 29-30.

China is Not a ‘Systemic Rival’

As Geraci was discussing investment policy with the President of the Asian Infrastructure Investment Bank, Tria stated in an interview with CGTN that



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Wang Yi, China's Foreign Minister, and Luigi Di Maio shake hands after signing trade agreements at Villa Madama in Rome on March 23, 2019. Seated are Xi Jinping (l.) and Giuseppe Conte (r.).

Italy disagrees with the idea of treating China as a “systemic rival”:

I want to say that I don’t share this wording used by this document. I cannot define China as a systemic rival; I would prefer to say that China is a competitor, a big competitor because it is a big economy of course, and I like competition, free competition. But I don’t want to define any country as a systemic rival.

That characterization of a China as a systemic rival has been especially promoted by French President Emmanuel Macron, and is in a new [document](#), “EU-China—A Strategic Outlook,” drafted by the European Commission.

Tria also [addressed](#) the issue of the MOU on the BRI signed last week by China and Italy, saying that this was “the major outcome” of Xi Jinping’s visit to Italy:

This means that we want to improve the economic and commercial relationships, and, above all, we want to cooperate in these huge investment programs. This can improve not only our economies but also the knowledge between our peoples and our cultures, and can be useful to build more comprehension between the two countries. This is very important. [The BRI] is not just about import-export, about trade. Of course, improved trade will be an indirect result of the BRI. The Initiative is about building connectivity among all countries: between China and Europe, including Central Asia and other countries.

Italy Asserts Leadership in Europe

Italy’s decision to take a leadership position in the EU has forced its partners, France and Germany, to react. While both French President Macron and Chancellor Angela Merkel still dictate policy in the EU, they cannot block sovereign decisions taken by member states to break free from the insane EU consensus. Furthermore, opposition to the opportunities offered by the Belt and Road is increasing the already immense unpopularity suffered by Macron and Merkel, among the public in



The Schiller Institute greets Marco Zanni and Michele Geraci in Washington, D.C. on November 29, 2018. Left to right: Italian Undersecretary of Commerce for Economic Development Michele Geraci; Paul Gallagher of the Schiller Institute; Marco Zanni, Italian Independent Member of the European Parliament; and Alicia Cerretani of the Schiller Institute.

general and the pro-BRI industrial sector in particular.

Thus, Macron rushed to roll out the red carpet for President Xi Jinping’s visit to Paris, which followed Xi’s visit to Italy, March 22-24. In a show of would-be Bonapartist glamor, Macron arranged the presence of German Chancellor Angela Merkel and EU Commission head Jean-Claude Juncker at the summit with Xi. Multi-billion-euro deals were signed between France and China.

The three dinosaur politicians of Europe are, however, sticking to their geopolitical game of playing Europe as a bloc against China, the “systemic rival.” This foolishness did not go unnoticed by Chinese media, who described the quite different atmospheres in Xi’s visits to Rome and Paris.

Italy has set a benchmark and others will follow. Of all EU members, Juncker’s own Luxembourg was the first to follow Italy. Undersecretary Geraci posted an ironical comment on his Facebook page:

As we forecast, another EU country, Luxembourg, has just signed an MOU with China. Should we expect from Commissioner Juncker and the EU the same criticisms [against Luxembourg] they advanced against us? Or? What do you say?