



ITALY

■ Introduction

This study describes the tactics used by the Chinese Communist Party (CCP) to influence Italy and advance Beijing's narrative, how local actors have responded to this offensive, and the implications of these dynamics for Italy's national security and that of its Euro-Atlantic allies. Much of China's influence efforts in the country are carried out through a "web of influence," a network of groups, organizations, and intermediaries loosely connected to and coordinated through CCP bodies.

The CCP seeks influence in Italy because of its position within the Euro-Atlantic alliance and its place in Xi Jinping's signature foreign policy initiative, the Belt and Road Initiative (BRI).¹⁷⁴ As a G7 country, a founding member of the European Union and NATO, and a longstanding ally of the U.S., Italy is a prime target for Beijing's efforts to drive a wedge in the Euro-Atlantic alliance and weaken the U.S. at a historical moment characterized by heightened U.S.-China tensions. Beijing also seeks access to advanced Western technology and scientific knowledge and know-how, which Italy has developed over time due to its integration with the transatlantic community.

The People's Republic of China, hereinafter referred to as China, had previously focused its attentions at the EU level — the European Commission in particular — and on the "big three" (Germany, France, and the United Kingdom). However, the CCP realized it needed to strengthen ties with other EU member states in order to increase its influence in Europe, and Italy became an ideal candidate for this new offensive.¹⁷⁵ In 2013, with the launch of the BRI, whose maritime endpoint is the Mediterranean Sea, Italy has become more important to China strategically.¹⁷⁶ As Chinese leaders have repeatedly stated in recent years, because of growing China-Europe trade¹⁷⁷ the Mediterranean has become increasingly important as it connects the Indian Ocean and Europe via the Red Sea.

■ Economic Influence

The CCP has co-opted a sizable number of Italian political and corporate elites who have endorsed China's narrative and objectives.¹⁷⁸ China's elite capture has been particularly

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¹⁷⁴ This assessment is based on Chinese leaders' policy speeches and interventions in the press in recent years. See: Xi Jinping, "East Meets West," *CGTN*, 20 Mar. 2019. See also Men Honghua, "China's International Strategy," *Chinese Journal of Strategic Studies*, No. 2, 2018.

¹⁷⁵ Personal consultation with experts from the International Department of the CCP, Beijing, 2016.

¹⁷⁶ Fardella, Enrico and Giorgio Prodi. "The Belt and Road initiative impact on Europe: an Italian perspective." *China & World Economy*, Vol. 25, n. 5, 2017, pp. 125-138. <http://106.120.125.13/docs/2018-11/20181111101806217531.pdf>.

¹⁷⁷ "Li Keqiang Meets with Prime Minister Giuseppe Conte of Italy." *Ministry of Foreign Affairs of the People's Republic of China*, Apr. 28, 2019,

https://www.fmprc.gov.cn/mfa_eng/wjb_663304/zjzg_663340/xos_664404/gjlb_664408/3311_664600/3313_664604/201904/t20190430_577339.html. See also Casarini, Nicola. "When All Roads Lead to Beijing. Assessing China's New Silk Road and its Implications for Europe." *The International Spectator*, Vol. 51, n. 4, 2016, pp. 95-108. <https://www.tandfonline.com/doi/abs/10.1080/03932729.2016.1224491>.

¹⁷⁸ Italy is not the only Western country to have experienced the CCP's elite capture. For an account of the United States, see for instance: Peter Schweizer, *Red-Handed: How American Elites Get Rich Helping China Win*. New York: HarperCollins, 2022.

evident in the run-up to the signing of the Memorandum of Understanding (MOU) on the BRI in March 2019. This signing triggered renewed interest in Rome-Beijing relations and raised questions about the methods used by the CCP to influence political developments in Italy.¹⁷⁹ So far, Italy is the only G7 nation that has officially endorsed Chinese President Xi Jinping's BRI initiative through a MOU. It was a major win for the Chinese leader, who had chosen Italy for his first state visit in 2019. The view in Beijing was that Italy had decided to become part of China's sphere of influence — or so CCP propaganda claimed.

The MOU formalized China-Italy ties and marked the culmination of a years'-long charm offensive deployed by the CCP. The CCP's two principal instruments for this strategy continue to be elite capture and targeted investments. In 2014, Italy became the recipient of a sudden flow of calibrated investments by the People's Bank of China which acquired two percent of several strategically important companies, including ENI, ENEL, Fiat-Chrysler, Telecom Italia, Generali, and Mediobanca.¹⁸⁰ These purchases were a strong message of economic investment from Beijing that seemed to have a positive impact on Italian public perceptions of China. Between spring 2014 and spring 2015, the Pew Research Center registered a 14 percent increase in favorable Italian public views of China, much higher than in Germany (at +6 percent) and France (+3 percent).¹⁸¹ In April 2015, Italy joined the Asian Infrastructure Investment Bank (AIIB) as a founding member, along with the U.K., Germany, and France. That year, a massive flood of Chinese BRI investments in Europe followed, with Italy as the main recipient, resulting in a 36 percent rise in investment as compared with the previous year.¹⁸²

China has since intensified its elite capture efforts, seeking to co-opt individual political and business elites directly. The CCP succeeded in luring former Prime Minister Paolo Gentiloni, who led a center-left coalition government between December 2016 and June 2018, to the first BRI Forum for International Cooperation in Beijing in May 2017. Gentiloni was the only leader of a G7 country and a big EU member state to attend.¹⁸³ The Chinese government promised to increase BRI investment in Italy, including the port of Genoa and ports in the North Adriatic Sea: Trieste, Venice and Ravenna. At the time, these port cities were administered by center-left coalitions, the same kind of coalitions that supported the Gentiloni government in Rome. Political parties supporting the government coalition in Rome viewed these prospective Chinese investments, with their concurrent commercial opportunities and job creation, to be important for strengthening Gentiloni's political position. These port cities also had active pro-China business lobbies that were mobilized by Beijing. Some representatives of the port authorities of Venice and Trieste attended the BRI Forum in 2017, where they voiced support for closer ties with China.¹⁸⁴ Beyond the local level, the CCP mobilized its political contacts at the national level, in particular its longstanding ties with some politicians in the ruling center-left Democratic Party. Former Prime Minister Romano Prodi established strong links with the CCP's top leadership. Prodi is an advocate of closer ties between Italy, the EU, and China, and played an important role ahead of Italy's endorsement of the BRI. Prodi was an active supporter of Chinese investments in Italian ports on the North Adriatic Sea, and was often

¹⁷⁹ Casarini, Nicola. "Italy's China card: Finance, trade and geopolitics." *Chatham House*, 30 Oct. 2020, <https://americas.chathamhouse.org/article/italy-china-card/>; "Italy's China Card in EU-US Relations." *The Diplomat*, 14 December 14, 2020, <https://thediplomat.com/2020/12/italys-china-card-in-eu-us-relations/>.

¹⁸⁰ Moloney, Liam. "China Central Bank Buys Stakes in Eni, Enel." *The Wall Street Journal*, 27 Mar. 2014, <https://www.wsj.com/articles/SB10001424052702304688104579465482022981014>; "China central bank governor says Italian investments continue." *Reuters*, 22 Jan. 2015, <https://www.reuters.com/article/china-investments-italy-idUKL6N0V10FT20150122>. ¹⁸¹ Wike, Richard, et al. "Globally, More Name U.S. Than China as World's Leading Economic Power." *Pew Research Center*, July 2017, https://www.pewresearch.org/global/wp-content/uploads/sites/2/2017/07/PG_2017.07.13_VIEWS-on-China_Full-Report.pdf.

¹⁸² Percy, Joseph. "Chinese FDI in the EU's Top 4 Economies." *China Briefing*, 8 May 2019, <https://www.china-briefing.com/news/chinese-fdi-eu-top-4-economies/>.

¹⁸³ This author was part of the Italian delegation during the Belt and Road Forum in Beijing in May 2017 and can confirm that no other Western country received the "guest of honor" treatment reserved for Italy. Gentiloni was also the only Western leader to attend the closed-door session with Xi on the final day of the forum.

¹⁸⁴ Personal exchanges with Pino Musolino, president of the Port Authority of the North Adriatic Sea. See also: <https://www.port.venice.it/en/node/9132>.

the keynote speaker at conferences and workshops with PRC investors and Italian authorities. In July 2016, Prodi gave the introductory speech at the international conference titled “Along the Silk Roads” organized by the Venice Port Authority and the Silk Road Program at Nankai University (a Tianjin-based research university that is funded by the Chinese government), with support from the Binhai New Area - the Special Economic Zone in Tianjin.¹⁸⁵ That year, the Chinese authorities appointed Prodi to the Advisory Council of the Belt and Road Forum. The appointment came when Prodi was no longer in government.

Prodi is an important political ally of Gentiloni. The two come from the former *Democrazia Cristiana* (Christian Democrats), the party that governed Italy until the early 1990s.¹⁸⁶ First as foreign minister (October 2014 to December 2016) and subsequently as prime minister (December 2016 to June 2018), Gentiloni maintained Prodi’s stance in favor of closer Italy-China relations. Gentiloni’s participation in the BRI Forum in May 2017 was the result of longstanding ties the CCP forged with political figures who, like Prodi, dominated Italian political life in the 1990s and 2000s. These former leaders continued to influence key representatives of the Democratic Party (PD).

Italy’s participation in China’s infrastructure projects were also endorsed by Sergio Mattarella, Italy’s president since 2015, who, like Prodi and Gentiloni, is a former Christian Democrat and a supporter of closer Italy-China ties. During his state visit to China in February 2017, Mattarella gave a speech at Fudan University in Shanghai where he declared that Italy firmly supports BRI, adding that “Italy will actively respond to China’s initiative and be part of this plan.”¹⁸⁷ His statement laid the groundwork for Gentiloni’s participation at the BRI Forum a few months later, and for the MOU signing in 2019.

Michele Geraci, the undersecretary of state at the Italian Ministry of Economic Development, was also a key player in the MOU negotiations. Geraci was responsible for international trade and foreign direct investments under the Giuseppe Conte government (June 2018 to September 2019).¹⁸⁸ Before being appointed undersecretary, Geraci lived in Shanghai for more than 10 years and was a member of the League, a conservative party that traditionally

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held critical views of China. Geraci accelerated a shift toward China begun by center-left politicians in previous years. Other strong supporters of the MOU were Prime Minister Conte and Luigi Di Maio, the then-deputy prime minister and political leader of the Five Star Movement (M5S).

China has also co-opted the individual interests of Italian corporate leaders to advance its goals and narrative. One example is Pirelli CEO Marco Tronchetti Provera, who is an advocate of China’s development model in Italy.¹⁸⁹ Tronchetti Provera sold Pirelli to ChemChina, a state-owned Chinese company in 2015. The US\$7.9 billion deal gave ChemChina a 16.89 percent stake in Pirelli, the world’s fifth-largest tire maker. The deal was completed with the participation of the Silk Road Fund, a newly established state-owned investment fund aimed at promoting

¹⁸⁵ “The International Conference ‘Along the Silk Roads,’” *Port of Venice*, 10-11 July 2016, <https://www.port.venice.it/en/the-international-conference-along-the-silk-roads.html>.

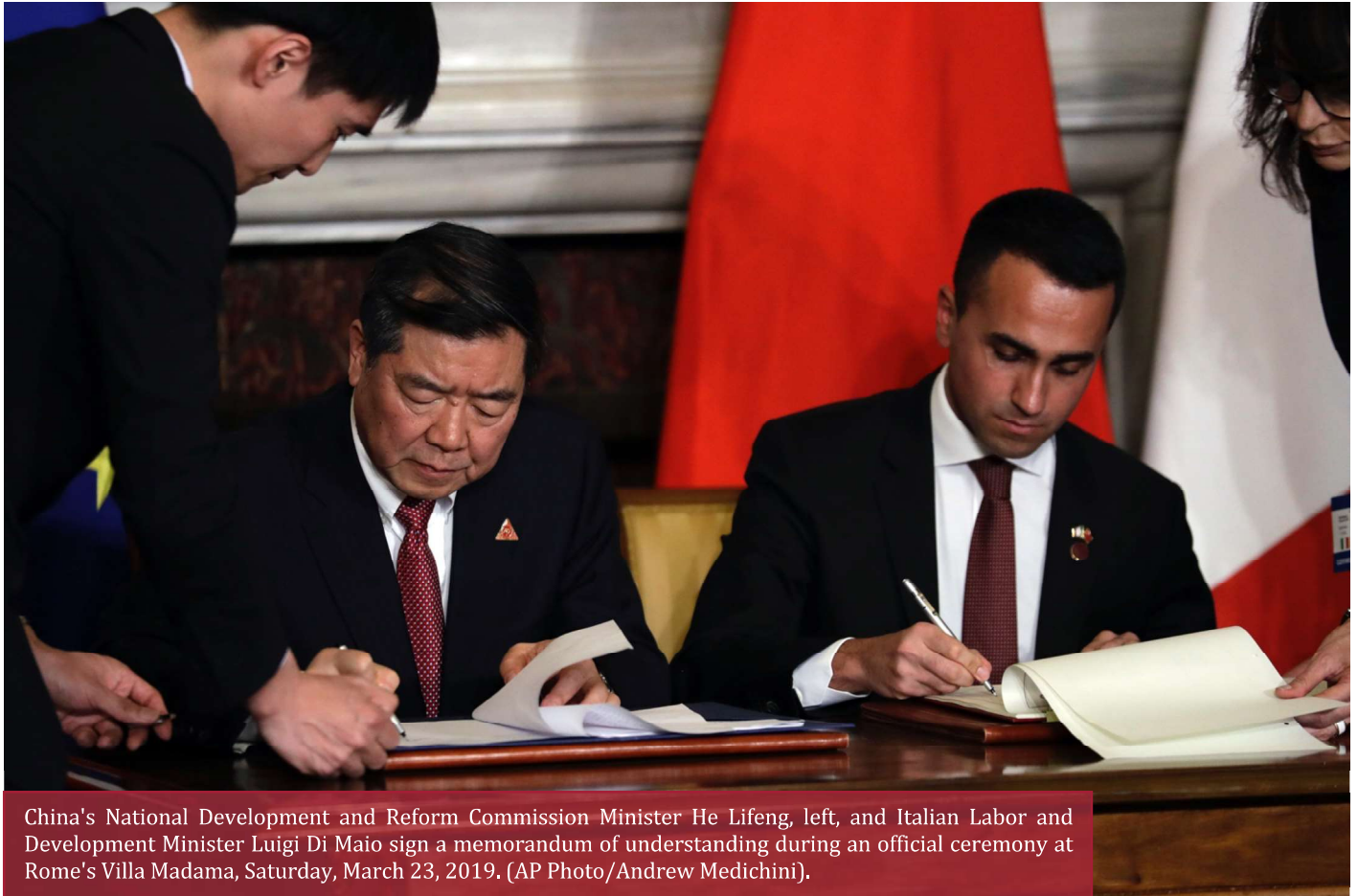
¹⁸⁶ “Elections, Prodi chooses Together and invests in Gentiloni: ‘With him the country is stronger’ [Elezioni, Prodi sceglie Insieme e investe Gentiloni: ‘Con lui Paese è più forte.]” *La Repubblica*, 17 Feb. 2018, https://www.repubblica.it/politica/2018/02/17/news/elezioni_prodi_serve_coalizione_centrosinistra_forte_-189079102/.

¹⁸⁷ He, Wei. “Italian president backs Belt and Road Initiative.” *China Daily*, 24 Feb. 2017, http://www.chinadaily.com.cn/world/2017-02/24/content_28342684.htm.

¹⁸⁸ Poggetti, Lucrezia. “China’s growing political influence in Italy: A case study of Beijing’s influencing tactics in Europe.” In Andrew Foxall and John Hemmings (eds.), *The Art of Deceit: How China and Russia Use Sharp Power to Subvert the West*. Henry Jackson Society, Dec. 2019, pp. 14-19.

¹⁸⁹ “Pirelli CEO Expects Double-Digit Growth in China in 2019.” *Bloomberg*, 25 Feb. 2019, <https://www.bloomberg.com/news/videos/2019-02-25/pirelli-ceo-expects-double-digit-growth-in-china-in-2019-video>.

investment in countries along the BRI.¹⁹⁰ After the buyout, Tronchetti Provera was retained as CEO and executive vice chairman, effectively becoming ChemChina's front man in Italy and an advocate of closer Italy-China ties.¹⁹¹ Tronchetti Provera was the keynote speaker at the high-level conference on "The Belt and Road: Building a Concrete Roadmap for Italy and China's Joint Growth" in Milan on November 30, 2017. The event was organized by the Italy-China Business Forum (ICBF), one of several organizations loosely connected to the CCP,¹⁹² and served as an opportunity for Chinese and Italian politicians and corporate leaders to meet and discuss ways to advance projects under the BRI framework.



China's National Development and Reform Commission Minister He Lifeng, left, and Italian Labor and Development Minister Luigi Di Maio sign a memorandum of understanding during an official ceremony at Rome's Villa Madama, Saturday, March 23, 2019. (AP Photo/Andrew Medichini).

Along with the Italy-China Business Forum, which has become an important bilateral event organized annually in either Italy or China since 2014, the Italy-China Chamber of Commerce (ICCC) also strengthens corporate ties between the two countries. Following Rome's recognition of the PRC, the ICCC became one of the high-level exchange bodies established in the mid-1970s. The ICCC is a partner of the China Council for the Promotion of International Trade which is linked to the Chinese Ministry of Commerce. The leadership of the ICCC is drawn from the Italian manufacturing, service, and legal sectors, as well as from Italian representatives of major Chinese companies, such as Alibaba and ZTE.¹⁹³ Typically, the work of the ICCC serves the interests of small and medium

¹⁹⁰ "Silk Road Fund joins ChemChina in industrial investment in Pirelli & C. SpA." *China Daily*, 5 June 2015, http://www.chinadaily.com.cn/business/2015-06/05/content_20923643.htm.

¹⁹¹ "Pirelli CEO Sees Strong Sales Recovery in China, U.S." *Bloomberg*, 1 Apr. 2021, <https://www.bloomberg.com/news/videos/2021-03-31/pirelli-ceo-sees-strong-sales-recovery-in-china-u-s-video>.

¹⁹² "The Belt and Road: Building a Concrete Roadmap for Italy and China's Joint Growth." *Italy-China Business Forum*, 30 Nov. 2017, https://www.ispionline.it/sites/default/files/nuovo_invitation_to_conference_belt_and_road.pdf.

¹⁹³ Codarin, Livia, et al. "Hijacking the mainstream: CCP influence agencies and their operations in Italian parliamentary and local politics." *Sinopsis*, Nov. 2021, p. 19. <https://sinopsis.cz/wp-content/uploads/2021/11/it0.pdf>.

sized Italian businesses that form the backbone of the Italian economy. In contrast, membership of the Italy-China Business Forum is almost exclusively reserved for big corporations.

The Italy-China Business Forum receives support directly from the CCP's top leadership. The fourth meeting of the ICBF, held in Beijing in 2017, was organized to celebrate the meeting between Presidents Xi and Mattarella. Supported financially by the two governments and used by the CCP to project influence in Italy, the Business Forum is comprised of more than 100 companies including some of China's and Italy's largest state-owned enterprises (SOE). The last in-person Business Forum was held in Rome in March 2019 during Xi's state visit to Italy and the signing of the MOU on the BRI. On that occasion, Italy's sovereign wealth fund, Cassa Depositi e Prestiti (CDP), played a prominent role. CDP's CEO, Fabrizio Palermo, co-chaired the event alongside Bank of China President Chen Siqing.¹⁹⁴

China has established strong links with the CDP. In 2014, the CDP sold a 35 percent share of CDP Reti (an Italian holding company that operates in the gas and electricity sectors) to the China State Grid Corporation, a state-owned company, for 2.1 billion euros. The transaction was part of a broader plan aimed at strengthening financial links between Italian and Chinese SOEs. In July 2014, the then-CEO of CDP, Giovanni Gorno Tempini, signed a MOU with Zhao Xiaoyu, who was at the time executive vice president of the China Development Bank (CDB), during a visit to China by a senior Italian delegation led by former Minister of Economy and Finance, Pier Carlo Padoan. With the MOU, the CDB and CDP committed to work together on BRI-related projects, in particular in infrastructure, export finance, equity, and capital markets.¹⁹⁵

Since April 2020, Gorno Tempini has been chairman of the board of CDP Equity SpA. Prior to this, Tempini was the treasurer and head of finance at Banca Intesa and head of investment banking at Intesa Sanpaolo Group, both subsidiaries of Intesa Sanpaolo, Italy's largest bank by assets. In his role at Banca Intesa, Tempini was involved in setting up the Mandarin Fund with Alberto Forchielli, a close associate of Romano Prodi. The Mandarin Fund is possibly Europe's most successful private equity fund doing business with China.¹⁹⁶

Another Italian state manager who has established close relations with China is Fabrizio Palermo, who until May 2021 was CEO of CDP Reti and CEO and general manager of Cassa Depositi e Prestiti. On March 23, 2019, Palermo signed the MOU with Wang Yanzhi, the President of the Silk Road Fund, to promote joint projects under the BRI.¹⁹⁷ Since February 2019, Palermo has been co-chairman of the Italy-China Business Forum. China's ties with the CDP, through a formal MOU, are significant for Chinese information and communication technology (ICT) companies such as Huawei and ZTE. CDP holds stakes in Telecom Italia and Open Fiber, two of Italy's biggest ICT companies, and is set to play a decisive role in enhancing the country's digital infrastructure. Italy plans to spend more than 8 billion euros on broadband, 5G, and satellite technologies in the coming years.¹⁹⁸

¹⁹⁴ "Business Forum Italy- China: the CDP Group is a key player." *Cassa Depositi e Prestiti*, 26 Mar. 2019, https://www.cdp.it/sitointernet/page/en/business_forum_italy_china_the_cdp_group_is_a_key_player?contentId=PRG20994.

¹⁹⁵ "CDP and China Development Bank sign memorandum of understanding for collaboration between the two institutes [CDP e China Development Bank firmano memorandum d'intesa per collaborazione fra i due istituti]." *Cassa Depositi e Prestiti*, 24 July 2014, https://www.cdp.it/sitointernet/page/it/cdp_e_china_development_bank_firmano_memorandum_dintesa_per_collaborazione_fra_i_due_istituti?contentId=CSA11118.

¹⁹⁶ The Mandarin Fund focuses on the international growth of Italian mid-market enterprises, with a particular focus on growth in the Chinese market. For more details on China-Italy banking and financial links, see: Bilotta, Nicola. "China's Belt and Road Initiative in Italy: An Analysis of Financial Cooperation." *IAI Papers*, 18 Apr. 2021, <https://www.iai.it/sites/default/files/iaip2118.pdf>.

¹⁹⁷ "Cassa depositi e prestiti, Snam and Silk Road Fund sign a memorandum of understanding." *Snam Spa*, 23 Mar. 2019, https://www.snam.it/export/sites/snam-rp/repository/ENG_file/Media/Press_releases/2019/Comunicato_n_19_del_23_03_2019_MoU_CDP_Snam_SRF_EN.pdf.

¹⁹⁸ "Italy to spend 60% more of EU funds on better broadband, sources say", *EURACTIV* with *Reuters*, 14 Apr. 2021, <https://www.euractiv.com/section/digital/news/italy-to-spend-60-more-of-eu-funds-on-better-broadband-sources-say/>.

Besides the CDP, whose leadership is appointed by the government and is close to the ruling Democratic Party, China has used Chinese ICT firms to exert influence over the company that directs the voting behavior of Five Star Movement lawmakers. Until end of June 2022, Five Star was the largest party in the Italian Parliament. For instance, Huawei has developed strong business links with Casaleggio Associates, owned by Davide Casaleggio - the son of Gianroberto Casaleggio - who is one of the founders, with the comedian Beppe Grillo of the M5S. Davide Casaleggio owns the firm Rousseau Association which controls the Rousseau platform, a participatory democracy platform that fostered the Five Star movement and used to control M5S voting in the Italian Parliament.¹⁹⁹

Casaleggio has organized various events at which the keynote speaker was Thomas Miao, the CEO of Huawei Italia. Several figures in M5S are closely associated with Huawei. At a ceremony in September 2018, Luigi Di Maio, then-leader of the M5S, switched on the antenna for the Bari Matera 5G Project, a pilot program by Huawei, TIM, and Fastweb that also involved an array of public and private partners. The formal inauguration of Huawei's new Rome office in October 2019 was attended by Manlio Di Stefano, an undersecretary in the Ministry of Foreign Affairs who was group leader of the M5S in the Italian Parliament from 2013 to 2018. In December 2020, Huawei and ZTE co-sponsored a high-level conference on 5G in Italy which was attended by various business leaders and politicians particularly from the M5S.²⁰⁰

As a result of growing ties between Huawei and M5S politicians, Giorgia Meloni, the leader of the conservative Brothers of Italy party, raised the possibility of an inquiry into connections between M5S/Casaleggio, Huawei, and illegal financing.²⁰¹ In February 2022, Italian judges opened an official investigation into shadow financing of the M5S and Casaleggio Associates. Accusations include money transfers coming from a foreign country, with allegations of Chinese funds flowing into M5S. While no concrete evidence has emerged to support the allegations, the controversy has been widely covered in the Italian media.²⁰²

Chinese companies are known to have provided illegal funding to some government officials close to M5S. In February 2021, during the height of the COVID-19 pandemic, Italian prosecutors launched an investigation into eight people suspected of skimming millions of euros off government contracts for personal protective equipment (PPE). The contracts, signed by the government's coronavirus crisis commissioner Domenico Arcuri and three Chinese consortiums, were for the supply of more than 800 million face masks for 1.25 billion euros. According to Italy's financial police, a group of middlemen pocketed illegal commissions worth "tens of millions of euros," paid by PRC entities to make the deals happen. One of the indicted individuals told judges he had acted on a mandate from Arcuri,²⁰³ a public manager politically close to the M5S and the Italian left, who was appointed Extraordinary Commissioner for the Implementation of Health Measures to Contain the COVID-19 pandemic in March 2020 by former prime minister and current leader of M5S, Giuseppe Conte. Arcuri held the office until March 2021, when he was dismissed by Prime Minister Draghi over allegations that he received 77 million euros from Chinese entities as a commission for mask purchases.

¹⁹⁹ The Rousseau platform's grip on M5S lawmakers has decreased recently.

²⁰⁰ For more details see the website of the conference, in particular the sponsor page: "5G Italy 2020 – The Global Meeting in Rome, Third Edition 2020." <https://www.5gitaly.eu/2020/>.

²⁰¹ Meloni, Giorgia. "Clarify Casaleggio's role due to possible conflict of interest [Chiarire ruolo di Casaleggio per possibile conflitto di interesse]." *Alanews*, 23 Dec. 2019, <https://www.youtube.com/watch?v=8Et5HjWT6Ao>.

²⁰² "M5s, Grillo investigation: secret accounts of Casaleggio with state subsidiaries [M5s, inchiesta Grillo: conti segreti di Casaleggio con partecipare statali]." *Affaritaliani.it*, 4 Feb. 2022, <https://www.affaritaliani.it/politica/m5s-inchiesta-grillo-conti-segreti-di-casaleggio-con-partecipate-statali-778428.html>.

²⁰³ Sciorilli Borrell, Silvia. "Italy launches probe into €1.25bn PPE contract with China." *Financial Times*, 18 Feb. 2021, <https://www.ft.com/content/ae05d6be-4787-4b07-b13c-d4c0b9b57829>.

The ties between Chinese state-backed companies and Italian corporate elites close to the ruling Democratic Party, links between Huawei and M5S, and the case of Arcuri all raise questions as to whether, and to what extent, Chinese companies have been able to leverage their contacts in Italy for their benefit. These incidents also demand an examination of the CCP's ability to exert influence over Italian political parties.

■ Political Influence

The CCP appears to have succeeded in exercising considerable influence over M5S, the largest party in Italy since the 2017 elections when the party won control of more than a third of the seats in the Italian legislature. The CCP has also established strong ties with key political figures in the Democratic Party (PD), which has governed the country for the past decade, as well as some leftist politicians.²⁰⁴ M5S has played a key role in every Italian government since 2018, while the PD is part of a coalition government, with M5S, since September 2019. The two parties form the backbone of the coalition that has supported the Draghi government since February 2021.

The M5S is regarded as the most China-friendly political party in Italy. Beppe Grillo, the comedian who founded the party has never been elected to any office. However, he has a firm grip on important sections of the party, exerts influence on numerous lawmakers in the Italian Parliament and on the majority of the M5S activists. On several occasions, Grillo has declared his friendship with China and held many meetings with the Chinese ambassador in Rome both before and after the M5S became the largest party in the Italian Parliament. The contents of their discussions have been kept secret. Grillo's last meeting with Li Junhua, the Chinese ambassador to Italy, occurred on June 11, 2021, the same day Prime Minister Draghi attended the opening ceremony of the G7 in the U.K. According to Giulia Pompili, a journalist at the centrist Italian daily *Il Foglio* who has tracked the connections between China and the M5S, Grillo's meeting with the Chinese Ambassador could be interpreted as an attempt by Beijing to influence developments in Italy at a time when Draghi was re-positioning the country toward a traditional transatlantic alliance.²⁰⁵

Grillo's widely read blog has long echoed Chinese propaganda, with Xi-era concepts like "shared destiny" often treated uncritically.²⁰⁶ The blog continues to post articles that ridicule the protest movement in Hong Kong and the Uyghur genocide. The reflections of Fabio Massimo Parenti, a professor of geopolitics and avid Xi defender, are often featured on the blog. Parenti, a member of the M5S, has claimed that the detention of hundreds of thousands of Uyghurs in Xinjiang is an invention of the Western media.²⁰⁷ More recently, Grillo's blog praised the Beijing Olympics and criticized the U.S.-led boycott of the games.²⁰⁸

Luigi Di Maio, Italy's foreign minister and a public face of M5S, has often mirrored China's official narrative. In November 2019, he skipped the G20 summit in Japan and instead visited Shanghai to attend the second China International Import Expo (CIIE), where he met Xi. On that occasion, Di Maio echoed China's foreign policy

²⁰⁴ Codarin, Livia et al. "Hijacking the mainstream: CCP influence agencies and their operations in Italian parliamentary and local politics."

²⁰⁵ Personal consultation with Giulia Pompili. For more details, see: "Italy has become the perfect experiment of Chinese soft power. And the fault lies with the M5s [L'Italia è diventata l'esperimento perfetto del soft power cinese. E la colpa è del M5S]." *Il Foglio*, 21 Apr. 2020, <https://www.ilfoglio.it/esteri/2020/04/21/news/litalia-e-diventata-lesperimento-perfetto-del-soft-power-cinese-e-la-colpa-e-del-m5s-314081/>; "Grillo at the Chinese Embassy: 'So Beijing moves its pawns to attack Draghi [Grillo all'Ambasciata cinese: "Cosi Pechino muove le sue pedine per attaccare Draghi]." *Il Sussidiario.net*, 12 June 2021, <https://www.ilsussidiario.net/news/grillo-allambasciata-cinese-cosi-pechino-muove-le-sue-pedine-per-attaccare-draghi/2182568/>.

²⁰⁶ For more details on Beppe Grillo's blog, see: <https://beppegrillo.it/>.

²⁰⁷ Parenti, Fabio Massimo. "Xinjiang: New Frontier [Xinjiang: "Nuova Frontiera]." *Beppe Grillo's blog*, 15 Nov. 2019, <https://beppegrillo.it/xinjiang-nuova-frontiera/>.

²⁰⁸ Carrer, Gabriele. "Grillo bows to Xi. Praise to the 'peace' Olympics from blog [Grillo s'inchina a Xi. Dal blog elogi alle Olimpiadi 'di pace]." *Formiche.net*, 4 Feb. 2022, <https://formiche.net/2022/02/pechino-2022-cina-blog-grillo/>.

statements by insisting that the Hong Kong issue is “an internal Chinese affair.”²⁰⁹ Since the formation of the Draghi government, Di Maio has somewhat changed his tone, ostensibly to survive politically inside a coalition government that is less susceptible to Chinese influence than previous administrations. For instance, during a news conference in Rome in June 2021, standing beside U.S. Secretary of State Antony Blinken, Di Maio said that Sino-Italian commercial ties “are absolutely incomparable with” Italy’s alliance with the U.S. as well as its partnerships with NATO and the EU.²¹⁰ However, Di Maio continues to vacillate on Italy’s Euro-Atlantic positioning, sending friendly messages to Beijing. During his meeting with Chinese State Councilor and Foreign Minister Wang Yi in October 2021, Di Maio declared that Italy will continue to support “construction of the Belt and Road” with China and that the country “adheres firmly to the One China Policy.”²¹¹

Under the Draghi government, some sectors of M5S have begun adopting critical positions vis-à-vis China, though such criticism is limited to a few issues and is mainly due to pressure from other coalition partners in the current government, such as Matteo Salvini’s League. For instance, at the beginning of March 2021, a majority of members of parliament from the M5S voted to adopt a parliamentary resolution, recognizing China’s violation of human rights in Xinjiang and demanding the EU adopt necessary countermeasures.²¹² However, the M5S and some members of the PD agreed to avoid calling the treatment of Uyghurs by China genocide, which was a condition for the China-friendly M5S and some members of the PD to pass the text.²¹³ Following the adoption of the resolution, the Draghi government backed the decision by the EU to join the U.S., the U.K., and Canada to impose sanctions on Chinese officials for human rights abuses in Xinjiang.²¹⁴ However, the elimination of the word “genocide” from the resolution by the Italian Parliament caused some strain in the ruling coalition, as two conservative parties, the League and Brothers of Italy, overtly accused the M5S and some members of the PD of being subservient to Chinese interests.

Aside from the M5S and some leaders of the PD, some leftist politicians have also built ties with the CCP. These include former Prime Minister Massimo D’Alema, who was also one of the last leaders of the Italian Communist Party. D’Alema was one of the founding members of the PD but left it in 2017 to join Free and Equal (LeU), a leftist party. D’Alema continues to maintain good relations with the CCP through his foundation, ItalianiEuropei, which has organized several meetings with high-level Chinese delegations.²¹⁵ D’Alema has repeatedly expressed his support for the BRI. He is also a member of the Silk Road Cities Alliance, an initiative that seeks international support for the promotion and implementation of the BRI.

Initially called Article One, the LeU was formed in February 2017, as part of a left-wing split from the PD. It was soon joined by a group from the Italian Left party (SI). Article One and SI are the heirs of the Italian Communist Party (PCI) which was the largest communist party in the West during the Cold War. The PCI, which was dissolved

²⁰⁹ “Di Maio: lets not intefere in Hong Kong [Di Maio: non interferiamo su Hong Kong].” *ANSA*, 5 Nov. 2019, https://www.ansa.it/sito/notizie/topnews/2019/11/05/di-maio-non-interferiamo-su-hong-kong_4019d8ee-ebf1-4d3b-96dc-c19a16e7155f.html.

²¹⁰ Roberts, Hannah. “Italy’s Di Maio says ties to US more important than those to China.” *Politico*, 28 June 2021, <https://www.politico.eu/article/italys-di-maio-says-ties-to-us-more-important-than-those-to-china/>.

²¹¹ “Wang Yi Holds Talks with Italian Minister of Foreign Affairs and International Cooperation Luigi Di Maio.” *Ministry of Foreign Affairs of the People’s Republic of China*, 30 Oct. 2021, https://www.fmprc.gov.cn/mfa_eng/zxxx_662805/202110/t20211031_10413635.html, ²¹² “Resolution n. 7/00613.” *Chamber of Deputies of the Italian Republic*, 10 Mar. 2021, https://aic.camera.it/aic/scheda.html?numero=7_00613&ramo=C&leg=18.

²¹³ Bechis, Francesco. “Uighurs, the Italian Parliament growls at Xi. But the genocide...[Uiguri, il Parlamento italiano ringhia contro Xi. Ma il genocidio].” *Formiche.net*, 26 May 2021, <https://formiche.net/2021/05/uiguri-il-parlamento-italiano-ringhia-contro-xi-ma-il-genocidio/>. ²¹⁴ Emmott, Robin and David Brunnstrom. “West sanctions China over Xinjiang abuses, Beijing hits back at EU.” *Reuters*, 23 March 2021, <https://www.reuters.com/article/uk-usa-china-eu-sanctions/west-sanctions-china-over-xinjiang-abuses-beijing-hits-back-at-eu-idUSKBN2BE2LF>.

²¹⁵ “Visit the Chinese Academy of Social Sciences [Visita alla Chinese Academy of Social Sciences].” *Fondazione ItalianiEuropei*, 18 January 2010, <https://www.italianieuropei.it/it/le-iniziativa/ie-abroad/item/1507-visita-alla-chinese-academy-of-social-sciences.html>.

in 1991, had established strong ties with the CCP. Today, LeU, which has also shown signs of being pro-CCP, is led by its secretary, Roberto Speranza. Among its leading members are D'Alema and former PD secretary Pier Luigi Bersani. Speranza, who has been the Minister of Health since 2019, praised China in his book, *Perche' guariremo* (Why We Will Heal), in which he admires the manner in which China tackled the COVID-19 pandemic without mentioning the political and democratic implications of the country's approach.²¹⁶

■ United Front Work

While the CCP has prioritized ties with individual political leaders to advance Beijing's interests in Italy, China's United Front strategy has also played an important role. Led by a CCP division called the United Front Work Department, it is a network of party and state agencies responsible for influencing groups in order to promote the interests of the CCP. Italy has the largest representation of Chinese United Front bodies among European countries.²¹⁷ The United Front is active through the Italy-China Friendship Association (ICFA), which is an instrument of the Chinese People's Association for Friendship with Foreign Countries (CPAFFC), whose stated aim is to promote friendship and mutual understanding between the Chinese people and foreign nations.

Irene Pivetti is the president of ICFA; she was president of the Italian Chamber of Deputies between 1994 and 1996. A study by Toshi Yoshihara and Jack Bianchi details the political and business connections between Pivetti and the CCP, including some cases where Pivetti facilitated business deals between Italian and Chinese companies.²¹⁸ However, the ICFA seems to have lost influence in recent years. Its reach has been limited to some business deals of not great significance, mainly due to the fact that Pivetti is a relatively minor figure.

Italy's Parliamentary Association of Friendship with China has also enjoyed close links with, and support from, the CCP. The president of this association is Vito Rosario Petrocelli, a senator, member of the M5S, and former president of the Foreign Affairs Committee. In May 2022, three months after the Russian invasion of Ukraine, Petrocelli was forced to resign as president of the Foreign Affairs Committee because of his pro-Russia stance.²¹⁹ Petrocelli also heads the bilateral friendship section with China of the Inter-Parliamentary Union (IPU), the global organization of national parliaments, of which China is also a member — something which has received attention by Chinese media, since Petrocelli is considered one of the most important pro-China politicians in the West.²²⁰

Petrocelli has established good links with the top CCP leadership. In April 2019, he met with Vice-minister of the International Department of the CCP Central Committee Qian Hongshan during a forum on people-to-people connectivity at the second Belt and Road Forum for International Cooperation in Beijing. Qian made positive comments on China-Italy relations, saying the CCP attaches great importance to exchanges and cooperation with Italian political parties, including the M5S. Petrocelli said the M5S was "willing to strengthen dialogue and

²¹⁶ Speranza, Roberto, *Perche' guariremo* (Why we will heal), Feltrinelli, 2020.

²¹⁷ "[Authorized release] List of overseas members hired by the 10th Committee of the All-China Federation of Returned Overseas Chinese at the 10th National Congress of Returned Overseas Chinese." *All China Federation of Returned Overseas Chinese*, 1 Sept. 2018, <http://www.chinaql.org/n1/2018/0901/c421026-30265666.html>.

²¹⁸ Yoshihara, Toshi and Jack Bianchi. "Uncovering China's Influence in Europe: How Friendship Groups Coopt European elites." *Center for Strategic and Budgetary Assessments*, 2020, [https://csbaonline.org/uploads/documents/CSBA8225_\(Uncovering_Chinas_Influence_Report\)_FINAL.pdf](https://csbaonline.org/uploads/documents/CSBA8225_(Uncovering_Chinas_Influence_Report)_FINAL.pdf). See in particular pp. 25-34.

²¹⁹ "Petrocelli case, resignation en bloc to clear the Foreign Affairs commission [Caso Petrocelli, dimissioni in blocco per azzerare la commissione Esteri]." *Il Sole 24 Ore*, 5 May 2022, <https://www.ilsole24ore.com/art/caso-petrocelli-dimissioni-blocco-azzerare-commissione-esteri-AE2o05VB>.

²²⁰ "Five-Star MP to head Italy-China friendship section of Inter-Parliamentary Union." *China Daily*, 13 Feb. 2019, <http://global.chinadaily.com.cn/a/201902/13/WS5c638f2ea3106c65c34e918f.html>.

exchanges with the CCP, enhance mutual understanding and play a positive role in the steady and long-term development of the Belt and Road Initiative.”²²¹

In November 2020, Qian held video talks with Petrocelli and Ettore Antonio Licheri, the group leader in the Senate for the M5S. On that occasion, Qian spoke positively of relations between the two parties and countries and spoke to the spirit of the fifth plenary session of the 19th CPC Central Committee. Qian said, “the CPC is willing to further dialogues and exchanges with [the] Five Star Movement, so as to make contributions to China-Italy relations.” Petrocelli spoke highly of China’s achievements in combating COVID-19, saying the “Five Star Movement hopes to strengthen exchanges and mutual learning with the CPC, enhance mutual understanding and promote Italy-China and EU-China relations.”²²²

■ Influence in the Information Space

Academia

Confucius Institutes (CI) are one of the main instruments by which United Front work has been conducted in Italy. CIs have been positioned as the flagship of Chinese cultural promotion and educational exchange.²²³ At the time of this writing, there are 12 CIs in Italian universities²²⁴ and several Confucius Classrooms - CI offshoots found in secondary schools. Confucius Classrooms offer Chinese-language and culture classes.²²⁵

The CIs are integrated into their host universities. Italy’s biggest — and Europe’s second largest — CI opened in 2006 at the Department of Oriental Studies at La Sapienza University in Rome, Italy’s largest university. Other important CIs are in Naples and Venice. The first Confucius Classroom opened at the Convitto Nazionale Vittorio Emanuele II high school in Rome in 2010. A few years ago, a Confucius Classroom opened in the Convitto Nazionale Vittorio Emanuele II in Naples, followed by another in Arezzo in Tuscany. In those secondary schools, which are administered by the Ministry of Education, teachers are paid by Hanban – the Office of Chinese Language Council International - and teach Chinese language, history, and geography. Beijing provides a significant portion of the funding and pays the salaries of the teaching staff, a practice warmly welcomed by Italy’s universities and secondary schools which are under severe budget constraints. Moreover, there has been a steep demand for Chinese-language courses in recent years, in particular in secondary schools, as an increasing number of young Italians look to China as a source of promising career opportunities.²²⁶

²²¹ “Qian Hongshan Meets with President of the Foreign Affairs Committee of the Senate of Italy and Head of the International Relations of the Five Star Movements.” *International Department of the CCP Central Committee*, 26 Apr. 2019, https://www.idcpc.org.cn/english/news/201905/t20190505_100355.html.

²²² “Qian Hongshan Meets with President of the Foreign Affairs Committee of the Senate of Italy and Head of the International Relations of the Five Star Movements.”

²²³ For more details see: Ties, Dams et al. “China’s Soft Power in Europe - Falling on Hard Times. Network on China,” Apr. 2021, https://www.ifri.org/sites/default/files/atoms/files/etnc_2021_-_chinas_soft_power_in_europe_-_falling_on_hard_times.pdf.

²²⁴ They are: Istituto Confucio Sapienza Università di Roma; Istituto Confucio Università degli Studi di Milano; Istituto Confucio di Napoli; Istituto Confucio di Pisa; Istituto Confucio di San Marino; Istituto Confucio Università Cattolica Sacro Cuore di Milano; Istituto Confucio Università degli Studi di Firenze; Istituto Confucio Università di Macerata; Istituto Confucio Università di Padova; Istituto Confucio Università di Torino; Istituto Confucio Università di Bologna; Istituto Confucio Venezia - Ca’ Foscari.

²²⁵ “Confucius Institutes Around the World – 2021.” *Dig Mandarin*, <https://www.digmandarin.com/confucius-institutes-around-the-world.html>. Dig Mandarin is controlled by the Office of Chinese Language Council International (also known as Hanban), a government agency affiliated with the Chinese Ministry of Education that oversees the Confucius Institutes.

²²⁶ De Gregorio, Antonella. “Boom of Chinese among Italian students. One year stories in China [Boom del cinese tra gli studenti italiani. Storie di un anno in Cina].” *Corriere Della Sera*, 3 Oct. 2017, <https://www.corriere.it/scuola/studiare-e-lavorare-all-estero/notizie/boom-cinese-gli-studenti-italiani-null-5fba1e1a-a533-11e7-ac7b-c4dea2ad0535.shtml>.

The establishment of CIs at universities also has a spillover effect that goes beyond teaching Chinese language and culture. Funding from Beijing, often via the Chinese embassy, is sometimes channeled through CIs to other departments and research centers at host universities. This can lead to self-censorship. CIs can serve as entry points for PRC influence into Italy's larger academic system.²²⁷ Academic partnerships between Chinese and Italian universities create alumni networks that are often used by the CCP to promote further connections. One example is the gift sent by some Chinese alumni of Turin Polytechnic during the COVID-19 pandemic. They used WeChat to collect money in China to buy face masks they donated to Lombardy's civil protection, an effort organized with the local CI.²²⁸ The explicitly stated mission of many CI alumni networks is the creation of cross-border communities that often aim to facilitate placements of alumni in both private and public companies as well as in government.²²⁹ The donation of PPE to a community in need is not a nefarious act – the opposite in fact. However, the effort of the PRC state to ensure that its mechanisms for control and co-option sit inside of even a prosaic alumni organization means the ties that the donations solidify could be used for other purposes later on, muddying the undoubtedly caring intentions of the donors by potentially mixing them with CCP policy aims.

Huawei and ZTE have sponsored a growing number of partnerships between Italian and Chinese universities, co-opting scholars and administrators to advance Beijing's interests. In July 2017, the Italian branch of ZTE signed a MOU with Tor Vergata University in Rome to establish the ZTE Joint Training Center (JTC). This center is tasked with developing and promoting managerial training in collaboration with Tor Vergata's engineering department. In November that same year, ZTE and the University of L'Aquila signed a cooperation agreement to establish a joint innovation research center on 5G.²³⁰

In December 2017, ZTE held a conference in Rome titled "ZTE and Italy Grow Together." It was moderated by Hu Kun, the president for Western Europe and CEO of ZTE Italia. Guests included Jeffery Hedbery, the CEO of Wind Tre, a major Italian telecom company; Andrea Falessi, external affairs manager at Open Fiber; Paola Inverardi, dean of L'Aquila University; Giuseppe Novelli, president of Tor Vergata University in Rome; the economist Noreena Hertz; and Xuan Zheng, a representative from the Chinese Embassy. Hu said Italy was a key part of ZTE's global 5G deployment plans and that the company would invest considerably in the Italian telecommunications market. Additionally, Hu highlighted that ZTE's core strategy in Italy was to cooperate with local operators, the government, and invest in scientific research with local universities to build a 5G industry-university ecosystem in Italy.²³¹

In February 2018, ZTE and the Rome City Council signed a MOU for the Roma 5G project. According to the MOU, ZTE would participate in future 5G network and wireless network technology test projects and develop the network infrastructure needed for digital smart city services. In August 2019, Hu supported the establishment of ZTE's internship centers in Italy in collaboration with the Xi'an Jiaotong University in China.²³² In December 2020, ZTE organized a major conference on 5G with various speakers from academia and the Italian government,

²²⁷ This was confirmed by various scholars at Italian universities.

²²⁸ Di Paco, Leonardo. "Coronavirus, here is the gift of Chinese alumni at the Poli: they collect 17 thousand euros and buy masks [Coronavirus, ecco il regalo degli ex allievi cinesi al Poli: raccolgono 17mila euro e comprano mascherine]." *La Stampa Torino*, 19 Mar. 2020, <https://www.lastampa.it/torino/2020/03/19/news/coronavirus-ecco-il-regalo-degli-ex-allievi-cinesi-al-poli-raccogliono-17mila-euro-e-comprano-mascherine-1.38612646>.

²²⁹ Politecnico Milano Alumni Polimi Groups, Alumni Italia-Cina. <https://cm.alumni.polimi.it/en/alumni-italia-cina/>.

²³⁰ See: https://web.uniroma2.it/module/name/Content/action/showpage/content_id/46184.

²³¹ "University 'Tor Vergata' agreement with ZTE Italy: a high-level training center on ICT and management is born [Accordo Ateneo 'Tor Vergata' con ZTE Italia: nasce polo di alta formazione su ICT e management.]" *University of Rome*, 28 July 2017, https://web.uniroma2.it/module/name/Content/action/showpage/content_id/44271.

²³² "ZTE and the University of L'Aquila in Italy signed a cooperation agreement to establish a 5G joint innovation research center [中兴通讯与意大利拉奎拉大学签署合作协议 建立5G联合创新研究中心]." *Sohu.com*, 5 Nov. 2017, https://www.sohu.com/a/202465655_171073.

including some ministers from the M5S and the PD. The keynote speakers were Massimo D'Alema, individuals from ZTE's top leadership, and the Chinese ambassador to Italy.²³³

Huawei has also sponsored academic partnerships and cooperation agreements with Italian universities. In 2008, in Segrate (Milan), Huawei established its Global Research and Development Center which supports the company's global operations. Huawei has also funded projects with the Polytechnic of Milan on optical technologies and algorithms to be used for fixed access; with the University of Trento on optical filter assembly feasibility study activities; with the University of Perugia on MEMS²³⁴ device technologies and design; with the University of Bologna on the Ray-Tracing Core Algorithms Collaboration Project; with the University of Pavia on semiconductor technologies; and with the University of Cagliari on Reliability and Spectroscopy analysis.²³⁵ Huawei is also the main sponsor of a collaboration between the University of Electronic Science and Technology of China (UESTC) – which is a public technological university in Chengdu – and the Polytechnic of Milan on 6G. Among the alumni of UESTC is Sun Yafang, chairwoman of Huawei from 1999 to 2018.

Recent studies have highlighted the risk of Huawei technology for the national security of the U.S. and its allies.²³⁶ Italian universities are often unaware of the potential security concerns of their projects and research collaborations with Chinese universities and companies, partly the result of China's efforts to obscure the industrial and military ties of the scholars – and sometimes students – involved in joint projects and/or research exchanges with Italian universities and research institutes. In January 2020, the European Commission issued a report underlining that cooperation on research and innovation with China should first protect EU research findings and intellectual assets.²³⁷ This position followed U.S. pressure to ban Chinese ICT companies, including Huawei and ZTE, from Europe. The Italian government has yet to make a similar request regarding Italian universities and their relationships with Chinese ICT companies.

Whether China's sponsorship of academic partnerships and cooperation projects by ZTE and Huawei has influenced the debate on 5G in Italy in a way that fits China's interests remains to be determined. The Conte government (June 2019 to February 2021), and to some extent also the Draghi government, have resisted repeated calls from the U.S. to ban Chinese ICT companies from the development of 5G networks in Italy. These governments adopted legislation on the rollout of 5G that contain loopholes,²³⁸ despite the fact the Parliamentary Committee for the Security of the Republic (Copasir) advised the government in a non-binding opinion in December 2019 to consider banning involvement by Huawei and ZTE in Italy's 5G network.

Telecommunications Infrastructure

In March 2020, the administration of former U.S. President Donald Trump released its "National Strategy to Secure 5G," which aimed, among other goals, to prevent Chinese telecommunications companies such as Huawei and ZTE

²³³ Photos of the politicians and business leaders who attended the ZTE conference on 5G were published on 7 December 2020 by Dagospia, an Italian website that covers celebrity news, gossip, and politics <https://m.dagospia.com/il-governo-italiano-e-il-5g-cinese-una-sfilza-di-eventi-in-barba-alle-sanzioni-usa-su-huawei-zte-254928>.

²³⁴ Micro-electromechanical system is a technology used to create tiny integrated devices or systems that combine mechanical and electrical components.

²³⁵ For more details on Huawei academic partnerships and cooperation projects in Italy, see: https://www.esteri.it/MAE/resource/doc/2017/06/huawei_-_chan_-_sito.pdf.

²³⁶ Dou, Eva. "Documents link Huawei to China's surveillance programs." *The Washington Post*, 14 Dec. 2021, <https://www.washingtonpost.com/world/2021/12/14/huawei-surveillance-china/>.

²³⁷ "European Commission Steps Up Protection of European Intellectual Property in Global Markets." *European Commission*, 9 Jan. 2020, https://ec.europa.eu/commission/presscorner/detail/en/IP_20_12.

²³⁸ Ghiretti, Francesca. "Europe's Maneuvering on 5G Technology: The Case of Italy." *IAI Commentary*, Sept. 2020, <https://www.iai.it/en/pubblicazioni/europes-manoeuvring-5g-technology-case-italy>.

from entering the U.S. and European markets. As a result, a succession of Italian governments has vacillated on the Huawei issue. While Rome sent signals to the Trump administration that it was cooperating, vested interests adopted a more pro-China stance - arguing that action against Huawei risked antagonizing China. Some important members of the Conte I and II governments, mainly M5S politicians, took the position that the question of Huawei was too complex and that simply banning the company was not the right approach.

Two conservative parties, the League and Brothers of Italy, have taken a different view, arguing that Italy should take a tougher stance on Huawei and Chinese technology. A number of pro-NATO and pro-U.S. members of the PD share Washington's concerns about possible infiltration by foreign entities in 5G networks, including cyber-theft and cyber-espionage linked to Beijing.

In May 2021, Vodafone Group's Italian unit secured conditional approval from the government to use equipment made by Huawei in its 5G radio access network. The Draghi cabinet imposed a set of prescriptions on this approval, including restrictions on Huawei's ability to repair the network remotely. It also mandated an extremely high-security threshold.²³⁹ Even with these restrictions, the move was a victory for Huawei. It is not clear whether Vittorio Colao's role as Minister of Technological Innovation and Digital Transition has helped Huawei to continue to operate in Italy, or whether this would have happened anyway. Colao is a former CEO of the Vodafone Group, which is a key Huawei ally in Italy and across Europe. Colao has previously downplayed concerns over Chinese ICT and security implications.²⁴⁰

Influencing the domestic debate in Italy is important for CCP leadership, which is aware that Rome continues to waver between its traditional transatlantic alliance and the pull of Chinese money. The CCP has used elite capture, research funding for academic institutions, and has sought to extend its grip over the information space so as to further promote China's narrative in Italy.

Media/Content-Sharing Agreements

Chinese state-run media have largely relied on MOUs and content-sharing agreements to penetrate the Italian media environment. These partnerships translate into significant sources of funding for Italian media companies, though the actual size of the financing is difficult to pinpoint as the agreements are usually protected by non-disclosure clauses.²⁴¹ Two analysts at the Rome-based Istituto Affari Internazionali,

Francesca Ghiretti and Lorenzo Mariani, have argued in a recent study that the economic advantages offered by these partnerships are "especially important in light of the prolonged crisis of the publishing and media industry in Italy."²⁴²

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²³⁹ Pollina, Elvira and Giuseppe Fonte. "Italy gives Vodafone 5G deal with Huawei conditional approval." *Reuters*, 31 May 2021, <https://www.reuters.com/technology/italy-gives-vodafone-5g-deal-with-huawei-conditional-approval-sources-2021-05-31/>.

²⁴⁰ Woo, Stu. "Why Washington Is So Obsessed with China's Huawei." *Wall Street Journal*, 6 Mar. 2018, <https://www.wsj.com/articles/why-washington-is-so-obsessed-with-chinas-huawei-1520373341>.

²⁴¹ Interview with Italian journalists at *La Repubblica*, *Il Sole 24 Ore* and *Il Foglio*, May 2021.

²⁴² Ghiretti, Francesca and Lorenzo Mariani. "One Belt One Voice: Chinese Media in Italy." *IAI Papers*, Oct. 2021, <https://www.iai.it/sites/default/files/iaip2143.pdf>.

One of China's most important agreements is with the Italian media conglomerate Radio Televisione Italiana (RAI), Italy's national public broadcaster and one of the country's most popular news outlets, accounting for almost 36 percent of total audience share.²⁴³ Another agreement is with ANSA, Agenzia Nazionale Stampa Associata, Italy's main news agency, with almost 179 million website views per month.²⁴⁴ Both RAI and ANSA signed a MOU with state-owned Xinhua during Xi's state visit in March 2019. However, collaboration between ANSA and Xinhua began earlier with an agreement to collaborate signed in May 2016.²⁴⁵ Following the MOU, ANSA has boosted its coverage of China-related news and hosts an increasing number of Xinhua-produced news stories. These now constitute the majority of ANSA's China-related news stories. According to ANSA's website, ANSA now runs a Xinhua news bulletin produced in Italian, called the Xinhua Italian Service, as per the terms of the 2019 agreement.

Xinhua also established a partnership with Agenzia Giornalistica Italia (AGI), one of Italy's most prominent news agencies. AGI is owned by the Italian multinational company ENI and was among the first media outlets to partner with Chinese news groups. In 2008, in partnership with Xinhua and China Radio International, it launched AGI China 24, a web show devoted exclusively to news about China. It only lasted a few years.²⁴⁶ In 2014, the agency signed a MOU with Xinhua Europe that included content sharing.²⁴⁷ The partnership was renewed in 2019 during Xi's state visit. Xinhua is also a partner of the Italian news agency Adnkronos. The two companies signed a content sharing agreement in 2017; Adnkronos now publishes news provided by Xinhua in English.²⁴⁸

Another Beijing-controlled media outlet that has made inroads into Italy is the China Media Group (CMG), an entity overseen by the CCP's Central Propaganda Department. The CMG was formed in 2018 through the merger of three state-run media organizations, China Central Television, China National Radio, and China Radio International. CMG has established partnerships with a number of Italian media companies, including Milan-based Class Editori, which publishes 10 financial and lifestyle magazines, the most famous of which is the business paper "Milano Finanza." Class Editori also runs three TV channels: Class New, Class TV Moda, and Class CNBC. Although a relatively small player in the Italian news ecosystem, Class Editori is influential in the Italian business community. Since 2010, Class Editori has partnered with Xinhua on content sharing, joint events, and online training courses.²⁴⁹ In 2014, Class Editori signed a joint venture with Italian International Radio and Media (IIRM), an Italian subsidiary controlled by the Chinese group HMI, which owns the radio frequencies used by Radio China International.²⁵⁰ Class Editori is one of 30 members of the Belt and Road Economic Information Partnership (BREIP), founded in 2019, which provides members with information and assistance related to news and media content.

²⁴³ "Rai: a year of winning ratings [un anno di ascolti vincenti]," *Radiotelevisione Italiana*, 2 Jan. 2020, <https://www.rai.it/ufficiostampa/assets/template/us-articolo.html?ssiPath=/articoli/2020/01/Rai-un-anno-di-ascolti-vincenti-0e69568d-a9ce-44e6-ad5a-6feb5fb07c18-ssi.html>.

²⁴⁴ Agenzia ANSA, https://www.ansa.it/corporate/it/info/nostri_numeri.html.

²⁴⁵ "Italy-China: collaboration agreement between Ansa and Xinhua [Italia-Cina: accordo di collaborazione tra Ansa e Xinhua]." *La Stampa*, 17 May 2016, <https://www.lastampa.it/economia/2016/05/17/news/italia-cina-accordo-di-collaborazione-tra-ansa-e-xinhua-1.35005650>; "Italy-China: agreement between ANSA and Xinhua [Italia-Cina: accordo tra ANSA e Xinhua]." *ANSA*, 17 May 2016, https://www.ansa.it/sito/notizie/mondo/asia/2016/05/16/italia-cina-accordo-tra-ansa-e-xinhua_41469a4a-ec5e-4c52-8c81-193ae4b0bc47.html.

²⁴⁶ See Agi China's website, <https://web.archive.org/web/20140927215401/http://www.agichina24.it/>.

²⁴⁷ "New AGI-Xinhua Agreement on Economic Information [Nuovo accordo Agi-Xinhua su informazione economica]." *Agenzia Giornalistica Italia*, 2 July 2014, https://www.agi.it/estero/agichina/nuovo_accordo_agi-xinhua_su_informazione_economica-3235034/news/2014-07-02.

²⁴⁸ "News, video and web: New China (Xinhua) -Adnkronos agreement signed [News, video e web: firmata intesa Nuova Cina (Xinhua)-Adnkronos]." *Adnkronos*, 4 Dec. 2017, https://www.adnkronos.com/news-video-e-web-firmata-intesa-nuova-cina-xinhua-adnkronos_7S3nklGl8SnjDNI9epKvh.

²⁴⁹ See Class Editori's website, "Partnership." <https://www.classeditori.it/partnership>.

²⁵⁰ "Class Editori creates a joint venture with the Chinese HMI [Class Editori crea una joint venture con la cinese HMI]." *Il Messaggero*, 19 Nov. 2014, https://www.ilmessaggero.it/economia/flash_news/class_editori_crea_joint_venture_la_cinese_hmi-704958.html.

Chinese outlets also operate independently in Italy. One of the first to do so was China News Service (CNS), China's second-largest state-owned media, after Xinhua, which launched the magazine "Cina in Italia" (China in Italy) in 2001. The initial aim of the publication was to promote greater integration of the Chinese community in Italy. Over time, it has expanded its target audience. Today the magazine is sold on newsstands and distributed in mid-high Italian hotels, on flights to and from China operated by China Eastern Airlines, and in the Italian Parliament.²⁵¹

CMG, in partnership with the Italian branch of China Radio International, produces a bilingual magazine called "Cinitalia," which is available in both Italian and Chinese. Cinitalia has an app, a YouTube channel, and social media profiles on Facebook, Twitter, and Instagram.²⁵² Also known as the "Voice of China," Cinitalia promotes pro-China messages which has prompted criticism from some political parties, in particular the conservative League and Brothers of Italy, which have raised concerns about the dangers of the CCP spreading its narrative in Italy. In March 2020, some Brothers of Italy MPs accused RAI of uncritically repurposing news from Xinhua and contributing to the spread of Chinese propaganda.

Disinformation/Misinformation

Chinese attempts to manipulate Italy's information space to advance its narratives have wielded some success and also some disappointments. Fortunately, the Italian media environment shows resilience, though in recent years there have been various examples of China's influence on the Italian media. For instance, following the outbreak of the coronavirus in Wuhan and the strict lockdown in Italy, Beijing inserted Chinese state media content into Italian news outlets, in particular on RAI. In this way Beijing succeeded in expanding in Italy the scale and scope of the tactic referred to in Chinese official documents as "borrowing the boat to reach the sea"²⁵³ – a tactic made possible thanks to the numerous and longstanding collaborations between Italian and Chinese media developed over the years.

In March 2020, at the outset of the COVID-19 pandemic, Health Minister Roberto Speranza imposed a strict lockdown and began reaching out to Beijing for help obtaining critical medical supplies. In April, China donated masks and other medical supplies to Italy for which it received grateful acknowledgement from Speranza. The mainstream media, especially RAI, presented this as a donation even though some of the supplies were part of a commercial deal.²⁵⁴

The support provided by China, together with a well-orchestrated media campaign,²⁵⁵ raised positive perceptions of the country among Italians. In April 2020, an opinion poll by the SWG research and polling firm showed that 52 percent of Italians considered China their "best friend," an astonishing increase of 42 points from 2019. This was possibly the most visible result of the propaganda campaign launched by China following the outbreak of the coronavirus pandemic.²⁵⁶

²⁵¹ See Camera di Commercio Italo Cinese's website, "Cina in Italia," <http://www.china-italy.com/it/cina-in-italia>.

²⁵² Casarini, Nicola. "Italy Oscillates on China." *Echowall*, 22 June 2020, <https://www.echo-wall.eu/currents-context/italy-oscillates-china>.²⁵³ For more details see: Sarah Cook, "The Globalization of Beijing's Media Controls: Key Trends from 2018." *Freedom House*, 19 Dec. 2018, <https://freedomhouse.org/article/globalization-beijings-media-controls-key-trends-2018>.

²⁵⁴ "Is China winning the coronavirus response narrative in the EU?" *Atlantic Council*, 25 Mar. 2020, <https://www.atlanticcouncil.org/blogs/new-atlanticist/is-china-winning-the-coronavirus-response-narrative-in-the-eu/>.

²⁵⁵ Bechis, Francesco and Gabriele Carrer. "How China unleashed Twitter bots to spread COVID-19 propaganda in Italy." *Formiche.net*, 31 Mar. 2020, <https://formiche.net/2020/03/china-unleashed-twitter-bots-covid19-propaganda-italy/>.

²⁵⁶ Bechis, Francesco. "If Italians prefer China to the US (and the EU) [Se gli italiani preferiscono la Cina agli Usa (e alla Ue).]" *Formiche.net*, 21 Apr. 2020, <https://formiche.net/2020/04/italiani-preferiscono-cina-usa-ue/>.

This campaign had implications for some Italian companies. Italian Prosecco producer Bottega Spa apologized to its Chinese customers after its owner sparked outrage on Chinese social media for demanding China compensate Italy and the rest of the world for the economic damage caused by the coronavirus pandemic.²⁵⁷ This case illustrates how CCP propaganda and disinformation can have concrete economic consequences for those who fail to toe the line.

China's disinformation campaign over COVID-19 drew concern from Italy's Euro-Atlantic allies. For instance, then-U.S. Secretary of State Mike Pompeo denounced an "intentional disinformation campaign" by China over the pandemic. The European Parliament warned that China was "attempting to shift the focus and blame away from China as the origin of the new coronavirus" to position itself as a responsible global health leader, adding that "a combination of disinformation and heavily promoted health diplomacy, echoed by local proxies in Europe, could potentially pave the way for wider influence in other sectors in the wake of the crisis."²⁵⁸ The prominent Italian journalist Mattia Ferraresi accused Luigi di Maio and the M5S of acting as "China's chief enabler as Beijing spreads disinformation about the origins of the coronavirus."²⁵⁹



A staff member moves PRC-donated pandemic supplies ready to be sent to Italy in Hangzhou, Zhejiang Province, China, March 17, 2020. (Photo by Wang Gang via Getty Images).

Case Study: PRC Health Silk Road

The CCP's misinformation/disinformation campaign in Italy has gone hand in hand with praise for China's efforts to address the COVID crisis. It was in the context of this misinformation/disinformation offensive that China revitalized the Health Silk Road, a project that goes back to 2015, to try to control the narrative surrounding the pandemic. The Health Silk Road is China's plan to use BRI transportation networks, railroads, ports, airports and logistic hubs, to provide medical and health care

assistance to partner countries. Not coincidentally, the Health Silk Road promotes China's leadership in global health and its narrative abroad.²⁶⁰

In a call with Italian Prime Minister Conte in March 2020, Xi stated that "Italy and China are the cornerstones of the new Silk Road of health."²⁶¹ In September 2020, Italy became the first G7 nation to officially endorse China's Health Silk Road. This might have been just another move by the second Conte administration to establish closer ties with Beijing around the health crisis. However, it has gradually

²⁵⁷He, Huifeng, "Coronavirus: Italian prosecco maker apologises after owner asks China to pay compensation," *South China Morning Post*, 1 Apr. 2020, <https://www.scmp.com/economy/global-economy/article/3077996/coronavirus-italian-prosecco-maker-apologises-after-owner>.

²⁵⁸ "COVID-19 foreign influence campaigns - Europe and the global battle of narratives," *European Parliament Research Service*, Apr. 2020, [https://www.europarl.europa.eu/RegData/etudes/BRIE/2020/649367/EPRS_BRI\(2020\)649367_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2020/649367/EPRS_BRI(2020)649367_EN.pdf).

²⁵⁹ Ferraresi, Mattia, "China Isn't Helping Italy. It's Waging Information Warfare," *Foreign Policy*, 31 Mar. 2020, <https://foreignpolicy.com/2020/03/31/china-isnt-helping-italy-its-waging-information-warfare/>.

²⁶⁰ Yanzhong, Huang, "The Health Silk Road: How China Adapts the Belt and Road Initiative to the Covid-19 Pandemic," *American Journal of Public Health*, 23 Mar. 2022, <https://ajph.aphapublications.org/doi/epdf/10.2105/AJPH.2021.306647>.

²⁶¹ "Xi says China to send more medical experts to Italy," *Xinhuanet*, 17 Mar. 2020, http://www.xinhuanet.com/english/2020-03/17/c_138886179.htm.

turned into an attempt by Chinese authorities to use the pandemic to promote China's zero-COVID policy, which in itself has evolved into a series of pandemic controls used as political campaigns, loyalty tests, and for social control.²⁶² The main tactics used to achieve these objectives have been elite capture and the use of propaganda.

Beginning in late spring 2020, the staff of Health Minister Roberto Speranza and that of Ma Xiaowei, director of China's National Health Commission, held various meetings online. These meetings were the result of a partnership begun in November 2019, when the two sides signed the China-Italy Action Plan on Health Cooperation for 2019-2021.²⁶³ As part of this plan, in February 2020 the Ministry of Health reached an accord with Google and YouTube on banning disinformation and "promoting reliable information," raising concerns among several Italian journalists of China-style censorship.²⁶⁴

Since the beginning of the pandemic, Health Minister Roberto Speranza has praised China's zero-COVID policy and the way China has succeeded in stopping the pandemic, including the way Beijing tracks and controls the population.²⁶⁵ Speranza was the main architect of Italy's Green Pass – a QR-code health certificate system for fighting the pandemic that was criticized by Amnesty International and opposition politicians alike for its overreach.²⁶⁶ The Draghi government suspended the Green Pass in May 2022, though Health Minister Speranza advocated for its continued use until 2025,²⁶⁷ raising criticism from Matteo Salvini's League and Giorgia Meloni, leader of the conservative Brothers of Italy party, who accused Speranza of seeking to "impose the Chinese model" in Italy.²⁶⁸ Walter Ricciardi, scientific advisor to Health Minister Speranza, has also repeatedly praised the China model. In his latest book "*Pandemonio: Quello che è successo, quello che non dovrà più succedere* (Pandemonium: What Happened, What Should Not Happen Anymore, Laterza, 2022)," Ricciardi states that Italy "must copy China," not only in its zero-COVID strategy, but also in the way Beijing controls and traces the whole population.²⁶⁹

²⁶² "It's all political – Admirers call China a pragmatic technocracy. Covid shows that politics comes first." *The Economist*, 21 May 2022, p. 56.

²⁶³ "Italy-China, meeting between health ministers Roberto Speranza and Ma Xiaowei [Italia-Cina, incontro tra i ministri della Salute Roberto Speranza e Ma Xiaowei]." *Italian Ministry of Health*, 8 Nov. 2019, https://www.salute.gov.it/portale/news/p3_2_1_1_1.jsp?lingua=italiano&menu=notizie&p=dalministero&id=3956.

²⁶⁴ Manti, Felice and Edoardo Montolli. "Thus, the Speranza-China agreement created social censorship [Così l'intesa Speranza-Cina ha creato la censura social]," *Il Giornale.it*, 27 May 2021, <https://www.ilgiornale.it/news/politica/cos-lintesa-speranza-cina-ha-creato-censura-social-1949895.html>.

²⁶⁵ See for instance the book by Roberto Speranza, "*Perche' guariremo* (Why we will heal)." *Feltrinelli*, 2020.

²⁶⁶ "Don't discriminate against the unvaccinated, Amnesty International tells Italy." *Reuters*, 16 Jan. 2022, <https://www.reuters.com/world/europe/dont-discriminate-against-unvaccinated-amnesty-international-tells-italy-2022-01-16/>;

Sablone, Luca. "The rage of Meloni: Green Pass until 2025? No to the Chinese Model [L'ira della Meloni: "Green pass fino al 2025? No al modello cinese"]." *Il Giornale.it*, 11 Mar. 2022, <https://www.ilgiornale.it/news/politica/lira-meloni-green-pass-fino-2025-no-modello-cinese-2016972.html>.

²⁶⁷ "Italy to keep certain COVID restrictions in place as state of emergency comes to an end." *LifeSiteNews*, 21 Mar. 2022, <https://www.lifesitenews.com/news/covid-restrictions-remain-as-italys-state-of-emergency-ends/>.

²⁶⁸ Sablone, Luca. "The rage of Meloni: Green Pass until 2025? No to the Chinese Model [L'ira della Meloni: "Green pass fino al 2025? No al modello cinese"]." *Il Giornale.it*, 11 Mar. 2022. <https://www.ilgiornale.it/news/politica/lira-meloni-green-pass-fino-2025-no-modello-cinese-2016972.html>.

²⁶⁹ Grotti, Leone. "The Chinese model explained to Walter Ricciardi (who wants to copy it) [Il modello cinese spiegato a Walter Ricciardi (che vuole copiarlo)]." *Tempi*, 22 Jan. 2022. <https://www.tempi.it/ricciardi-modello-cina-tamponi-lockdown-covid/>.

■ Italy's Response



A Chinese Police officer, center, poses with an Italian Police officer, left, and a Carabinieri paramilitary police officer, in front of Milan's gothic cathedral, Italy, Tuesday, May 3, 2016. (AP Photo/Antonio Calanni).

Despite the influence of pro-China parties like the M5S and LeU (the small leftist party of Health Minister Roberto Speranza), political forces have mobilized to counter China's influence in Italy. Lawmakers from the centrist Forza Italia – a political party created by former Prime Minister Silvio Berlusconi – the transatlantic wing of the PD, and MPs from the conservative parties League and Brothers of Italy have denounced China's attempts to gain influence in Italy and criticized the M5S, LeU, and segments of the PD for bending to Beijing.

A major pushback against CCP attempts to influence political developments in Italy came in May 2020, when the conservative Fondazione Farefuturo published a report titled "*The Chinese challenge and the position of the Italian Republic*."²⁷⁰ Senator Adolfo Urso, a member of the Brothers of Italy and the president of the Parliamentary Committee for the Security of the Republic (Copasir), a body of the Italian Parliament deputed to survey and oversee the activities of the Italian intelligence agencies, presented the report. Urso has consistently denounced the efforts by the CCP to extend its grip over Italy.²⁷¹ In August 2021, Urso called for an investigation by the Italian secret services into an alleged Chinese cyber-attack against the health department of the Lazio region where data

²⁷⁰ "Knowing how to deliberate – The China challenge and the position of the Italian Republic [Conoscere per deliberare – La sfida cinese e la posizione della Repubblica Italiana]." *Fondazione Farefuturo*, May 2020, https://farefuturofondazione.it/wp-content/uploads/2020/05/FARE-FUTURO_RAPPORTO-CINA_MAGGIO-2020.pdf.

²⁷¹ See the Twitter account of Adolfo Urso: https://twitter.com/search?q=adolfo%20urso%20cina&src=typed_query.

related to the Green Pass were stored.²⁷² This event raised concerns about Beijing's ability to access sanitary and other sensitive information of Italian citizens who tend to keep their Green Pass inside their smartphones.²⁷³

Prime Minister Mario Draghi led the Italian government from February 2021 until his resignation in July 2022. Early in his tenure, Draghi declared that he would be "strongly pro-European and Atlanticist," thus signaling a break with the policies of the Conte government.²⁷⁴ As a result, he shuffled his cabinet and appointed Atlanticist politicians to key positions, though some of those in favor of closer ties with Beijing remained in office. The Defense Ministry went to Lorenzo Guerini, a representative of the transatlantic wing of the PD, who in May 2021 expressed serious concerns about China's penetration of the Mediterranean Sea. Draghi appointed Benedetto Della Vedova, a politician from the small Radical Party known for his critical views of China, as undersecretary in the Ministry of Foreign Affairs responsible for Asia. At the beginning of 2022, Della Vedova was particularly vocal in his criticism of China, expressing support for Lithuania in its diplomatic spat with Beijing, and calling on the West to unite against China's coercive behavior.²⁷⁵ Vincenzo Amendola, former minister of European affairs who repeatedly criticized the MOU with China, was not reconfirmed in his position under the Draghi administration.

The Draghi government also took concrete steps to contain Chinese investments, especially in industrial policy and 5G. In April 2021, Draghi blocked the takeover of the Italian semiconductor firm LPE by the Chinese company Shenzhen Invenland Holdings. This measure was supported by Minister of Economic Development Giancarlo Giorgetti, an influential member of Matteo Salvini's League, known for his critical positions regarding China. Giorgetti also expressed satisfaction that the Chinese company Faw Jiefang failed to acquire the Italian firm Iveco. Giorgetti had, in fact, made calls in previous weeks for Italy's so-called Golden Powers Rules to be extended to the automotive and steel sectors. The Golden Powers Rules allow the government to restrict, or block altogether, an investment deemed detrimental to Italy's national security. Italy has so far used its Golden Powers a handful of times since 2012 to block foreign takeovers of key industrial and strategic assets.²⁷⁶

Italy's pushback is also evident in the way the Draghi government is implementing the MOU on the BRI. Following a bilateral meeting between Draghi and Chinese Premier Li Keqiang ahead of the G20 in October 2021, the Italian Foreign Ministry produced a document, leaked to the Italian media,²⁷⁷ entitled "Three-year action plan for strengthened cooperation (2021-2023)." It aims to prioritize cooperation in the economy, including trade and investment, finance, and connectivity, and in the environment, sustainable development, health, medicine, science, technology, aerospace, cultural exchanges, and sports. The document states that the parties are willing to promote the implementation of the MOU on cooperation on the "Economic Silk Road and the 21st Century

²⁷² Calabrò, Maria Antonietta. "Adolfo Urso 'Serious attack. If there is the mark of States it is up to the Ministry of Defense and NATO [Adolfo Urso: "Attacco grave. Se c'è lo zampino di Stati tocca alla Difesa e alla Nato]." *Huffingtonpost.it*, 2 Aug. 2021. https://www.huffingtonpost.it/entry/adolfo-urso-attacco-grave-se-ce-lo-zampino-di-stati-tocca-alla-difesa-e-alla-nato_it_61082d06e4b038cedb367975/.

²⁷³ According to Canalys, the leading global technology market analyst firm, Chinese ICT companies have acquired more than 50% of Italy's market share in terms of sales of smartphones. "Xiaomi first in Italy in the smartphone market: even Samsung surpassed." *breakinglatest.news*, 9 Aug. 2021, <https://www.breakinglatest.news/health/xiaomi-first-in-italy-in-the-smartphone-market-even-samsung-surpassed/>.

²⁷⁴ Johnson, Miles et al. "Mario Draghi sets tone in cooling EU-China relations." *Financial Times*, 6 June 2021, <https://www.ft.com/content/4d7bf8ad-f585-44b2-9250-790ec430de4b>.

²⁷⁵ Carrer, Gabriele. "China, Italy in the Quint and Mediterranean partnership. Talk About the Widow [Cina, Italia nel Quint e partenariato mediterraneo. Parla Della Vedova]." *Formiche.net*, 16 Jan. 2022, <https://formiche.net/2022/01/cina-lituania-spagna-intervista-della-vedova/>.

²⁷⁶ Italian government intervention powers concerning private investments in strategic companies (Golden Powers Rules), already subject to intense reinforcement by the Law Decree no. 23/2020 (so-called "Decreto Liquidità"), have been subject to further recent regulatory amendments aimed at defining and specifying when the economic activity of a company can be considered of national interest. For more details, see: <https://www.gtlaw.com/en/insights/2021/5/italys-golden-powers-latest-legislative-developments>.

²⁷⁷ Carrer, Gabriele and Laura Harth. "The end of Italy's Belt and Road Initiative liaison? Maybe not. An exclusive document." *Formiche.net*, 16 June 2021, <https://formiche.net/2021/06/belt-and-road-document-mfa-draghi/>.

Maritime Silk Road Initiative,” and to “strengthen the Chinese Belt and Road initiative with the EU’s Eurasian connectivity strategy.” However, there are no concrete projects listed. Besides the rhetoric in the document, Beijing has been quite disappointed concerning the implementation of the BRI in Italy.²⁷⁸

China has failed to acquire stakes in the port authorities of Genoa and the various ports in the North Adriatic Sea (Trieste, Venice and Ravenna) that formed the backbone of the MOU in March 2019. This is largely due to provisions in Italian law that forbid the sale of such infrastructure to foreigners. Unlike the case of the port of Piraeus in Athens, where the Chinese state-owned COSCO Shipping secured the right to operate parts of the port in 2008, then acquired 51 percent of its Greek state-owned operator in 2016, and finally increased its stake to 67 percent in October 2021, Beijing has been unable to extend its reach over the ports in northern Italy, in particular those of Genoa and Trieste most coveted by COSCO Shipping. The Draghi government has also threatened to use the Golden Powers Rule, effectively closing the door to Beijing’s plans to make Italian ports the gateway for Chinese goods into Europe.

Italy’s membership in the EU and NATO has also provided a defense wall against China’s BRI.²⁷⁹ As a further pushback against Beijing, in June 2021 Draghi supported the U.S.-inspired B3W (Build Back Better), a plan expected to guide the G7’s actions in countering China’s infrastructure projects. While the Draghi government has put limits on the BRI, in particular those elements concerning Italy’s strategic infrastructure, it has, however, refrained from limiting China’s advances in other important areas, including in the information space and higher education. Moreover, the Italian government has been, so far, unable to ban Chinese ICT companies from the country.

Italian public opinion also remains firmly in favor of the transatlantic alliance and is critical of China. A major opinion poll by the Istituto Affari Internazionali and the Laboratory of Political and Social Analysis at the University of Siena, published at the end of 2021, showed that Italians continue to hold negative views of Beijing and of President Xi, who is perceived as an authoritarian ruler by a large majority of respondents.²⁸⁰ A survey by the Pew Research Centre published in June 2022 confirms these trends,²⁸¹ which also reflect the views of the more Atlanticist Draghi government that came to power in February 2021.

■ Conclusion

The CCP’s influence tactics in Italy and its heavy focus on corporate leaders and political parties seem to differ from influence operations in other developed democracies. China has co-opted the individual interests of Italian business leaders to advance its goals and narrative. Beijing has also succeeded in extending its grip on political parties, in particular the M5S, which until the end of June 2022 was the largest party in the Italian Parliament. Moreover, the CCP has established strong ties with key political figures such as Prodi (PD), Gentiloni and Mattarella (Christian Democrats), as well as some of the heirs of the Italian Communist Party, including Massimo D’Alema and politicians belonging to Liberi and Uguali (LeU). At the same time, lawmakers from the centrist Forza Italia, those belonging to the transatlantic wing of the center-left PD, and representatives of the two conservative

²⁷⁸ Personal consultation with a senior member of the International Department of the CCP (online), February 2022. See also: Ghiretti, Francesca, “The Belt and Road in Italy: 2 Years Later,” *The Diplomat*, 23 Mar. 2021, <https://thediplomat.com/2021/03/the-belt-and-road-in-italy-2-years-later/>.

²⁷⁹ This assessment was confirmed by officials in the Italian Ministry of Foreign Affairs (Asia and the Pacific Division) during a webinar on the BRI in Italy organized by the Rome-based Istituto Affari Internazionali on 19 January 2022.

²⁸⁰ DISPOC/LAPS (University of Siena) and IAI. *Gli italiani e la politica estera 2021*. https://www.iai.it/sites/default/files/laps-iai_2021.pdf. ²⁸¹ “Negative Views of China Tied to Critical Views of Its Policies on Human Rights,” *Pew Research Centre*, 29 June 2022, <https://www.pewresearch.org/global/2022/06/29/negative-views-of-china-tied-to-critical-views-of-its-policies-on-human-rights/>.

parties — the League and Brothers of Italy — have been active in denouncing Chinese attempts at gaining influence in Italy.

Rome's membership in the EU, NATO and the G7, as well as continued perceptions among Italian citizens about the country's democratic future, have put limits to the CCP's influence in the country. At key historical junctures when it seemed that China was able to advance its interests in Italy, such as on the occasion of the signature of the MOU in March 2019, Italy's allies intervened to keep Rome firmly inside the Euro-Atlantic family. The Draghi government has certainly put limits on China's influence efforts in Italy, in particular the BRI's infrastructure projects and China's predatory investments. However, some members of the Draghi government continue to support Beijing, including Health Minister Speranza and his advisors, who have become the chief promoters in the West of China's Health Silk Road and of a China-style response to the COVID-19 pandemic. Italy could further benefit from U.S. engagement to steer it away from initiatives by some China-friendly politicians.

There are some policies that Italy, in consultation with the U.S. and the EU, could adopt to bolster its resilience to foreign authoritarian influence. They include:

- 1) **Establishing the position of Coordinator of China Affairs**, tasked with collecting information and coordinating Italy's China policies. Ideally placed inside the office of Italy's prime minister and working in close consultation with the prime minister's diplomatic advisor, this "China Czar" will liaise with the Ministry of Foreign Affairs and other relevant organizations, including Copasir. This Coordinator of China Affairs office could raise early warnings about Beijing's influence activities. Creating the position of Coordinator for China Affairs would also facilitate the exchange of information and promote cooperation between Italy and the United States.
- 2) **Making the use of the Golden Powers less dependent on political parties.** The Golden Powers Rules have been used in recent times to block PRC dominance in ownership over strategic Italian companies. However, the use of this legislation depends on the political will of the government. A solution would be to grant use of the Golden Powers to an independent authority that will not face pressure from political parties like the M5S and, to a lesser extent, the PD.
- 3) **Increasing scrutiny of agreements and academic partnerships sponsored by Chinese entities**, including state-led research institutes and government-backed companies such as Huawei and ZTE. This could be done by creating a position inside Italy's Ministry of Education, University and Research (MIUR) which would liaise with the prime minister's office and the Copasir, as well as with EU and NATO officials dealing with these issues.
- 4) Setting up a **Parliamentary Commission of Inquiry tasked with collecting information on illegal financing to political parties coming from authoritarian regimes, including China.** The work of such a commission could lead to specific legislation that would make it more difficult for political parties and organizations to receive foreign funds without declaring them and exposing them to public scrutiny. One of the commission's goals could be to produce norms that would incentivize, and protect, prosecutors investigating murky or illicit financing from China and other authoritarian regimes.