

# Giorgia Meloni's Italy: More Continuity than Change?

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Giorgia Meloni, the co-founder and leader of the right-wing, nationalist Brothers of Italy party, became Italy's first female prime minister in October 2022. Meloni won the election running on a right-wing populist platform, with promises to crack down on illegal immigration, cut taxes and strongly assert Italy's national interests in the EU. Many observers thought that her coalition government, which also included Matteo Salvini's right-wing populist League and former Prime Minister Silvio Berlusconi's conservative Forza Italia would be highly disruptive. There were concerns that Meloni could implement a loose fiscal policy that could wreck Italy's economy, that she would pursue open confrontation with the EU institutions, and embark on a much more repressive migration policy. Given the League and Forza Italia's sympathy towards Russia there were also fears that Rome could break Western unity towards Moscow. Most of these fears were largely unfounded.<sup>1</sup> In practice, Meloni has governed in a much more moderate fashion than most observers had expected her to.

## The Economy and Foreign Policy

Meloni's economic record has been unremarkable. Before the election, she and her allies had made a series of expensive promises, such as increasing social benefits for families or cutting personal and busi-

ness taxes. But awareness of the constraints which Italy's economy was under meant that Meloni had to water down, delay or completely abandon most of her spending promises. For example, plans for a "flat tax" on personal income have only partially been enacted. As a result, Italy's budget deficit has continued to shrink, as has its public debt.<sup>2</sup> Italy's economy remains fragile, and in dire need of reforms that Meloni appears to have little desire to pursue. Still, her government's economic record has, for the time being, exceeded low expectations.

In foreign policy, Meloni has remained firmly aligned with the course traced by her direct predecessor, Mario Draghi. Under her government, Italy has remained a staunch supporter of Ukraine in both political and military terms. Notably, Italy's military support for Kyiv has endured, despite lukewarm public support and sharp differences within her government coalition, with Salvini and Berlusconi sceptical of arming Ukraine and sympathetic to Russian narratives on the war. Under Meloni, Italy's policy towards China has also followed the Draghi line of carefully scrutinizing, and often blocking, Chinese investments in Italy. Moreover, Meloni is considering pulling out of the memorandum of understanding that Rome signed with Beijing in 2019, extricating Italy from China's Belt and Road Initiative. Meloni's foreign policy stances towards Ukraine and China have helped her overcome widespread international scepticism about her political background in Italy's post-fascist right-wing politics and instead craft an image as a respectable Atlanticist, conservative politician.

In terms of foreign policy towards North Africa and the Middle East, Meloni has continued to pursue tra-

<sup>1</sup> SCAZZIERI, Luigi "What Giorgia Meloni would mean for Europe." Centre for European Reform, 16 September 2022.

<sup>2</sup> EUROPEAN COMMISSION, Directorate-General for Economic and Financial Affairs, "Spring 2023 Economic Forecast." 15 May 2023, [https://economy-finance.ec.europa.eu/economic-surveillance-eu-economies/italy/economic-forecast-italy\\_en](https://economy-finance.ec.europa.eu/economic-surveillance-eu-economies/italy/economic-forecast-italy_en).

ditional Italian priorities – seeking economic opportunities, fostering political stability, and reducing migration. She has tried to present Rome as a partner that will engage with African countries as an equal and build partnerships that are not predatory – in sharp contrast to China. To that end, Italy plans to put forward a “Mattei Plan” in October to invest in energy, infrastructure and development in Africa. Meloni’s approach in the Middle East has been pragmatic and interest-driven: she has sought closer ties with the UAE, Egypt, Turkey, and remained a strong supporter of Israel. Meloni has sought to position Italy as the leading European actor in the Middle East, while also trying to push both the EU and NATO to devote more resources and attention to their south.

## Migration Policy

When it comes to migration policy, Meloni’s government has tried to reduce the number of arrivals in Italy and to repatriate more migrants whose asylum applications have been rejected. In practice, Italy has tried to hinder the activities of NGO rescue vessels, by impounding them or forcing them to disembark rescued people in ports distant from their areas of operation. Meloni has also adopted legislation that makes it more difficult for asylum seekers to obtain international protection and attempts to make deportations easier. In parallel, Rome has continued to strengthen cooperation with migrants’ countries of origin to reduce migration flows. For example, in January, Italy renewed its controversial cooperation with Libya, which aims at keeping migrants in Libya.

## Meloni’s approach in the Middle East has been pragmatic and interest-driven

Securing greater EU support to deal with migration continues to be a major area of focus for Italy. Meloni has claimed that she has managed to push the EU to radically change its approach to migration, focus-

ing on reducing arrivals.<sup>3</sup> In reality, that has been the focus of EU policy since at least 2015. The EU has sought to strengthen cooperation with countries in the Middle East and Africa to reduce the number of arrivals and to increase the number of repatriations. Similarly, one might question how new Meloni’s migration policies are. Her steps to hinder the operations of NGO vessels and to make it more difficult for asylum seekers to obtain protection in Italy are aligned with the policies that other right-wing Italian politicians have pursued in the past. More broadly, since 2017, all Italian governments have focused on reducing migration through controversial dealings with Libyan authorities.

## EU Policy

Despite her strong Euroscepticism and sharp anti-EU rhetoric, as Prime Minister, Meloni’s approach to the EU has been pragmatic. Italy has not become a pariah like Hungary or a problematic Member State like Poland with its rule of law disputes with the EU. Meloni has retained close ties to her allies in the European Conservatives and Reformists (ECR) European party group, but she has also sought to build good relations with other EU leaders like Ursula von der Leyen and Olaf Scholz. Broadly speaking, she has succeeded in doing so, with most European leaders relieved by her constructive approach. One notable exception is France’s Emmanuel Macron, with whom Meloni has had a tense relationship, mainly due to bilateral tensions over migration policy.

The key reason for Meloni’s change of heart towards the EU is the fact that, with the recovery fund, the Union has gone from being a perceived enforcer of austerity to being an important source of financing for Italy, with €191 billion in loans and grants. Meloni’s shift towards a pragmatic EU policy has helped her establish credibility with Italy’s partners and has allowed her to more firmly establish herself as the undisputed leader of Italy’s right.

In terms of concrete results in her dealings with the EU, Meloni does not actually have much to show. On reform of the EU’s fiscal rules, Rome’s ideas for greater flexibility have predictably been met with

<sup>3</sup> Sole 24 Ore, “Meloni: incontro di Parigi politicamente sbagliato. Cambio di passo sui migranti.” 10 February 2023, [www.ilsole24ore.com/art/meloni-importanti-passi-avanti-ue-temi-delicati-AEIT6ykC](http://www.ilsole24ore.com/art/meloni-importanti-passi-avanti-ue-temi-delicati-AEIT6ykC).

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sharp resistance from Germany. Italy's push for more common EU borrowing to fund a common response to US President Joe Biden's Inflation Reduction Act does not seem like a realistic prospect. When it comes to migration policy, Italy's partners remain unwilling to increase solidarity by taking in a larger share of the migrants landing in Italy. All three issues have the potential to lead to friction between Italy and the EU. Disbursements of tranches from Italy's share of the EU's Recovery Fund are also becoming a bone of contention. Italy's implementation of the plan is stalling, due to a lack of administrative capacity and disagreements over how to spend the funds. Implementing the reforms of Italy's legal system and public administration, which are meant to accompany the recovery fund, is also challenging. Meloni is trying to redesign Italy's recovery plan to ensure all the money can be spent. However, any changes have to be approved by the EU – which creates potential for friction. Tensions are also brewing when it comes to the Commission withholding payments from the recovery fund and its criticism of the government's fiscal reform plans.<sup>4</sup>

Meloni hopes to gain influence on EU policymaking after the next European Parliament elections next year. Specifically, she would like to see an alliance between

the centre-right European People's Party (EPP) and her own ECR group. If such a tie-up occurs, Meloni's influence at the European Council would grow, and Italy would be able to push its priorities more forcefully. However, a continuation of the current alignment between centrist political groupings currently appears more likely than an EPP-ECR alliance. But Meloni may choose to move closer to the EPP if she thinks this can further her interests.

### Outlook

Meloni's political longevity remains to be seen. So far, she has managed to strengthen her grip over Italy's right. Salvini's leadership of the League has been weakened due to his poor electoral performance. Berlusconi's death will further weaken Forza Italia and strengthen Meloni's power. Meanwhile, Italy's opposition has been unable to effectively craft a unified front against her, and its leadership is highly ineffective. Still, it would be wrong to assume that Meloni will necessarily stay in power for long. The war in Ukraine could be a source of domestic problems for Meloni if support for Kyiv becomes more expensive and strains her coalition's unity. The Italian economy remains fragile and its banking system could come under pressure as interest rates rise globally. Failure to proceed with the implementation of the recovery fund would hurt Italy's international credibility, intensify doubts about the sustainability of its debt burden, and undermine Meloni's political standing. Finally, a perceived failure to deal with migration effectively could easily see Meloni outflanked on the right – and perhaps fatally weakened.

<sup>4</sup> EUROPEAN COMMISSION, "2023 Country Report – Italy." 24 May 2023, [https://economy-finance.ec.europa.eu/system/files/2023-05/IT\\_SWD\\_2023\\_612\\_en.pdf](https://economy-finance.ec.europa.eu/system/files/2023-05/IT_SWD_2023_612_en.pdf).