

POLITICAL INFLUENCE

Financial Times against Italian PM Meloni, recalls attack against Berlusconi

POLITICS

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November 2011: the international circle is closing in on Silvio Berlusconi's government. The machination of the strong powers to bring him down has almost reached its goal. The final *coup de grace* is delivered by the *Financial Times*, which in an editorial urges the

then Italian Prime Minister to leave power: *In God's name, go!*

Twelve years have passed since that ruthless scripted operation to unseat a democratically majority-elected government and entrust the country's fate to a technocratic government. The person to presides over it immediately asks, in exchange for the 'sacrifice' of assuming the leadership of the executive, to be appointed senator for life, after which he puts together a very heterogeneous team that officially saves Italy, but in reality subverts the will of the people without reviving the economy.

Today, history seems to be repeating itself, or at least there are indications that it may repeat itself. The clumsy manoeuvres made in bad faith by a part of Europe to land Italy in trouble over the PNRR [Italy's Recovery and Resilience Plan], immigrants, and the stability pact, have been commented on many times. Now even the great international press is getting involved, targeting the Italian government with fierce criticism and gloomy omens.

The *Financial Times*, in highlighting the difficulties that await the Italian government in the coming months, recalls the downward revision of Italy's growth estimates, already very low (1% this year and 1.5% next year) and now in further contraction. *"The honeymoon is over and business is turning against the government"*, sentences the British economic-financial newspaper talking about Italy and photographing its situation on the eve of the launch of the financial manoeuvre.

For the *Financial Times*, what awaits the centre-right coalition is 'its biggest test', namely "striking a balance" between the country's "dwindling resources and fulfilling some of its election promises to cut taxes and help struggling families". Amy Kazmin, author of the article, writes that investors are "watching closely to determine whether Meloni will maintain her commitment to fiscal discipline - even if the Italian economy falters - or will be tempted by expansionary fiscal policy or other unorthodox measures".

She also points out that "as growth falters, investors are wondering whether Italy can still meet its target of reducing the fiscal deficit to 4.5% of GDP in 2023 and 3.7% in 2024, or whether the Meloni government will increase the deficit target this month". All this in a situation where, the *Financial Times* continues, "there are forces within the coalition that are not really in tune with markets or investors' interests".

In other words, the article's thesis is that Meloni is caught between the hammer of austerity imposed by the international economy and the sickle of electoral promises of tax cuts that she might not be able to keep, which would quickly erode the trust of her

voters. This could also have damaging consequences in terms of reducing Italy's access to EU funds.

Perhaps even the tax on the banks' excess profits might have disturbed more than a few people internationally, and that is perhaps also why the nightmarish spread, which condemned Berlusconi and his people to sleepless nights 12 years ago, is materialising again in these hours. According to the *Financial Times*, the differential between Italian and German bonds, which is already on the rise, could skyrocket to over 200 points in a few months, with inevitable consequences for Italy's social and political stability.

But is there someone behind the Financial Times deliberately rowing against Italy, or do the assessments of the article simply reflect the author's conviction? As it happens, two left-wingers are behind that article, which detracts substantially from the credibility of the article itself. Filippo Taddei, an economist at Goldman Sachs, who rejects the policies of the Meloni government and anticipates gloomy scenarios for Italy is the same Filippo Taddei who led the Democratic Party's national economic department from 2013 to 2017. He's joined by another somewhat suspect pundit. His name is Lorenzo Codogno, chief economist at the Ministry of the Economy until 2015, who only a few months ago, at the Trento Festival of Economics, was extolling the Italian economy as 'the most resilient'.

Did they both received a team order? We cannot know, but it would be wrong to exclude the possibility. Curiously, they both overlook the crisis of the German economy, which is more serious than the Italian one, the turbulence of the international markets, the reckless manoeuvres of the ECB that certainly do not help growth. Meloni is certainly in the crosshairs, but beyond the criticism levelled at her there is no trace of remedies or alternative solutions. It seems that the objective at the moment is only to destroy her in order to propitiate alternatives at the moment unidentifiable. The nebulous picture might become clearer in the coming months, as the European election round approaches.