FEATURE

Italy Joins BRI

There is no place like Rome for President Xi

But Italy's plan to join China's Belt and Road Initiative has triggered concerns from the EU and the US

By Gordon Watts

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Thousands of words were already written before China's President Xi Jinping even set foot on European soil for his whirlwind, five-day tour of Italy, Monaco and France.



Gioia Tauro Port in Italy

What would normally have been a series of routine state visits have been hijacked by a number of lingering issues.

Xi's signature <u>Belt and Road Initiative</u>, or BRI, the United States-Sino trade war and the European Union's perception that the world's second-largest economy is not opening up fast enough are prime examples.

"We are fully open," Jyrki Katainen, the vice-president of the European Commission, an institutional body of the EU, told the media. "China is not, and it raises lots of questions."

So, it appears, does the plan to include cash-strapped Italy in the sprawling BRI program.

If a deal is agreed in Rome during the two-day trip, which started on March 21, the EU member state would be the first Group of Seven industrialized nation to join China's new Silk Road superhighways.

In scale and depth, the initiative is immense, spanning 68 nations and 4.4 billion people across Asia, Africa, the Middle East and Europe in a maze of multi-trillion-dollar

infrastructure projects, including a web of digital links.

"The framework of the Belt and Road memorandum between Italy and China is primarily economic and commercial," Italian Prime Minister Giuseppe Conte said in a move to defuse a potential conflict of interests.

"It does not put our nation at risk and is fully in line with the European Union strategy," he added.

Italy's EU partners and its Western allies abroad, such as the United States, do not quite see it that way.

Last week, a White House official, Garrett Marquis, tweeted that there was "no need" for Italy to endorse "China's infrastructure vanity project."

The EU was slightly more circumspect but still eager to thrash out a common policy between members of the largest trading bloc in the world.

While Xi is in Italy, an <u>EU summit dinner</u> in <u>Brussels</u> will discuss the European Commission's report entitled, <u>EU-China – A Strategic Outlook</u>.

Crucial concerns are the dangers posed by the BRI, as far as <u>security</u> issues, and the role played by Chinese state-owned enterprises.

"In the past, it has been extremely difficult for the EU to formulate a clear strategy on China, and past policy documents have not been strategically coherent," Duncan Freeman, a research fellow at the EU-China Research Center, which is part of the College of Europe, said.

"There is now a clear effort to do that," he told Reuters <u>news</u> agency.

Anxieties about Beijing's growing influence in Europe will certainly be raised when Xi meets French President Emmanuel Macron during the final leg of his tour.

Macron has made it clear in the past that the EU should have a "coordinated approach" to China and has urged for cooperation based on the "spirit of equality" and "reciprocity."

But lurking in the background will <u>be the Huawei affair</u>. Xi's visit comes at a time when the <u>US is urging its European allies</u> to ban the Chinese telecom giant from being involved in their next-generation 5G networks.

Washington has warned that the company could pose a "security" threat because of its close links to Beijing. Huawei, in turn, has constantly denied the allegation.

Still, during a meeting with EU foreign ministers in Brussels earlier this week, China's top diplomat Wang Yi heavily criticized the "abnormal, immoral" attacks on the Shenzhenbased high-tech group.

For France, the Macron administration is caught on the horns of a dilemma. While Paris has underlined the dangers, two French telecom operators are testing 5G networks in partnership with Huawei.

Monaco, which is the second stop of the Xi's European tour, has gone one step further.

The tiny-city state, <u>nestling by the Mediterranean</u>, has already signed a deal with Huawei for its "5G Nation" project, a statement from Monaco Telecom revealed.

Xi will hold talks with Prince Albert II against the backdrop of glitzy casinos and a harbor packed with luxury yachts, known as "Billionaires' Row."

"This will open a new chapter for their bilateral ties, which have become a good example of interactions between big and small countries," Vice-Foreign Minister Wang Chao told the staterun China Daily.

Right on cue for another thousand words on China's expansive, and controversial, foreign policy.