

ROME'S MOMENT: DRAGHI, MULTILATERALISM, AND ITALY'S NEW STRATEGY

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SUMMARY

- Italy is set to play a defining role in the use of the EU recovery fund, whose success or failure will likely shape European integration for years to come.
- Under Prime Minister Mario Draghi, the country is focused on dealing with the pandemic while promoting Italian and European interests as president of the G20 and co-chair of COP26.
- The Draghi government is shifting the priorities of Italian foreign policy towards the European Union, the transatlantic relationship, and multilateralism more broadly.
- This marks a break with the approaches of the previous two governments, which were intent on partnership with China and Russia.
- Draghi's Italy will work primarily alongside other EU member states – particularly on health security, climate, and economic and infrastructure development – but could also act as a bridge between competing great powers.
- In doing so, Italy has an opportunity to position itself closer to the Franco-German engine and to help construct a multilateral system in which the EU and the US are equal partners.

Introduction

Italian Prime Minister Mario Draghi has one of the most difficult jobs in Europe. The pandemic poses a particularly daunting challenge for Italy, having hit the country before any other EU member state. By late April 2021, Italy had registered more than four million confirmed cases of, and 122,000 deaths from, covid-19. According to data published by the European Commission in autumn 2020, the country has some of the worst growth and unemployment rates in the European Union.

Nonetheless, Italy still accounts for 17 per cent of industrial production in the bloc – making it second only to Germany, at 30 per cent, in this measure – and is experiencing a broader economic recovery. The EU is set to allocate almost €300 billion to this recovery, more than two-thirds of which will come as part of the Next Generation EU fund. This economic stimulus creates a unique opening for Italy to launch a medium- to long-term development strategy. As Greek orator and statesman Demosthenes put it, “there is an island of opportunity in the middle of every difficulty.”

Many commentators have compared Next Generation EU to the Marshall Plan. However, if in 1948 the Italian and European economies were totally broken, today the EU is competing as a global economic actor to protect its sovereignty and to adjust to growing rivalry between the great powers. Italy’s position as a member of the G7, as one of Europe’s five biggest economies, and as the current president of the G20 should enable it to shape this process and to position itself as a credible international mediator and leader.

Italy can contribute to the creation of the EU envisioned by leaders such as German Chancellor Angela Merkel, European Commission President Ursula von der Leyen, and French President Emmanuel Macron. They want the EU to advance innovative strategies and proposals to tackle global challenges such as covid-19; to make its voice heard in a world of increasing great power competition; and to become an equal geopolitical partner of the US, by working in synergy with its ally. To achieve this, the government led by Draghi seems intent on avoiding the ad hoc bilateral diplomacy with China and Russia favoured by some of his predecessors, instead putting Europeanism and Atlanticism at the core of his strategy. In this, it will be important for Italy to support the Franco-German engine – as Merkel prepares to leave office, and as Macron enters difficult political terrain in the lead-up to France’s April 2022 presidential election.

Shortly after Draghi became prime minister, on 13 February, the Italian government made a series of statements indicating that he would take a proactive and assertive approach to foreign policy – one

perhaps intended to fill a vacuum in European leadership. He clearly set out his opposition to the authoritarian drift of states such as Russia, China, and Turkey. And he signalled his engagement with Mediterranean politics by choosing to travel to Libya on his first official trip as prime minister. Draghi's foreign minister, Luigi Di Maio, visited Tripoli with his French and German counterparts, before becoming the first European leader to meet the new US secretary of state, Antony Blinken.

The Draghi government has also taken other important political steps. In March, it issued a decree through Italy's Council of Ministers to block Huawei and ZTE – companies that US intelligence agencies accuse of spying for Beijing – from fulfilling a contract with an Italian telecommunications firm. The same month, Draghi supported the use of an instrument approved by the European Council to halt the export of a batch of vaccines to Australia.

This foreign policy activism seems destined to last. Draghi appears determined to create a stronger, more cohesive Europe by strengthening multilateralism and working to repair the transatlantic relationship.

This paper analyses how, under Draghi's leadership, Italy is focused on redefining Italian interests within the European framework; promoting European interests; and strengthening its commitment to multilateralism as co-chair of COP26 (alongside the United Kingdom) and – for the first time – president of the G20. The first part of the paper discusses how the Draghi government is shifting the priorities of Italian foreign policy on the EU, transatlantic relations, and multilateralism in a broader sense. The second part focuses on what the Italian government intends to do to help revive the global economy, promote health security, and combat climate change.

Draghi is initially focusing on the domestic challenges posed by the pandemic, especially in relation to vaccine distribution and the implementation of the recovery plan. This should enable him to act internationally through the G20 and COP26. Both these international forums – in which health, climate, and the economic recovery play a major role – will complement Italy's priorities as a key player in the Mediterranean, an actively engaged EU member state, and a credible and reliable partner. In this way, Rome can seize the opportunity to join Paris and Berlin in leading the renewal of the transatlantic relationship.

Draghi's return to multilateralism

Draghi appears to be bringing Italy back into the pro-EU, Atlanticist fold after a turbulent phase in the country's politics. Indeed, the advent of his government of national unity – which includes all major political parties except for the Eurosceptic and nationalist Brothers of Italy – presents an opportunity for Italian policymakers to reconsider Italy's foreign policy objectives and to redefine the national interest. In doing so, they should leave behind the populist, sovereigntist rhetoric that characterised the two previous governments – comprising the League and Five Star Movement between June 2018 and September 2019, and the Five Star Movement and Democratic Party between August 2019 and January 2021.

From the start, Draghi has emphasised that it is in the national interest to transfer sovereignty to the EU. This is important because the concept is unusually complex in the Italian context. Many other Western countries have long described their foreign policy as the pursuit of the national interest. In France, the UK, and the United States, openly discussing the national interest has long been acceptable, even for left-wing parties. In contrast, since the end of the second world war, Italian politicians had usually avoided references to the idea because it was widely associated with fascism. However, in recent years, the national interest has resurfaced in Italian political rhetoric on foreign and defence policy, thanks to the influence of sovereigntist parties. Such rhetoric reflected many Italians' tendency to blame Brussels for all the ills afflicting their country.

In response to this discontent with the EU, the previous two governments used the national interest to justify a closer relationship with Russia and China – thereby calling into question Italy's traditional alliances. And the United States' turn away from international cooperation under the Trump administration helped some Italian leaders add a global dimension to their sovereigntist rhetoric. In a world characterised by flexible alliances and growing competition between great powers, Italy began to flirt with the idea that multilateralism was no longer essential.

Draghi is trying to reverse these trends. He recognises that Rome should not pursue Italian sovereignty at the expense of multilateralism, which should be based on European institutions and the alliance with Washington. The most important aspects of Italy's foreign policy centre on cooperation with other states, particularly within multilateral frameworks. Draghi's statements indicate that he thinks it best to make direct references to the national interest rather than allow

populists and nationalists to imbue the concept with an anti-EU and isolationist meaning.

This is an important step, as such cooperation is vital to stabilising two volatile regions that neighbour Italy: North Africa and the Middle East. And the pandemic is a transnational threat that requires a collective response. The sovereigntist approach of the previous two governments was, therefore, based on a misreading of Italy's interests and its history. The new government needs to explain this to Italian voters if it is to prevent a drift towards illiberalism at home and isolationism further afield. In this, Italy should take advantage of the Biden administration's determination to revitalise multilateralism.

Accordingly, Draghi should demonstrate that international cooperation means not sacrificing the national interest but placing it within a bigger framework of collective interests – and that doing so has a tangibly positive impact on Italians' lives and the economy. Fortunately, his government seems to be in a strong position to restore Italian support for multilateralism, especially in Europe.

Key to this will be Italy's presidency of the G20 and its domestic management of Next Generation EU funds. Meanwhile, the European Green Deal provides Italy with an opportunity to reduce its dependence on external energy sources and to develop its technological innovation sector. The country can contribute to, and benefit from, the EU's drive for 'digital sovereignty' on issues such as computing power, data protection, and connectivity.

In all these areas, Draghi can draw on his experience of operating within a multilateral framework in his previous role as head of the European Central Bank. His government should carve out a role for itself by creating and strengthening flexible coalitions between states to manage multilateral issues relating to the sources of its wealth, its global exposure, the risks the country faces in the global economic climate, and European integration. By ending its passive approach to such issues, Rome can make its voice heard both inside and outside the union.

In his inaugural speech to the Italian Parliament, Draghi stressed the centrality of European and transatlantic relations to Italian political and economic interests. This may seem like an obvious point given Italy's membership of the EU and NATO. But it is one that fell by the wayside under the previous two governments – as reflected in the March 2019 announcement that Italy would join China's Belt and Road Initiative, a decision that raised concerns among many of its Western allies.

Economic recovery and development

Trade is one of the key reasons why it is in Italy's interest to promote an international order centred on multilateralism. In 2019 the country exported goods and services worth €585 billion, or 32.7 per cent of GDP, and recorded a trade surplus of more than €50 billion (having maintained such surpluses since 2012). The top destinations for Italian exports are Germany and France, followed by the US, Switzerland, and the UK, with China trailing in ninth place. Italy's manufacturing industry is closely connected to Germany's. This interdependence between the Italian and German industrial bases is particularly evident in northern Italy.

Therefore, Italian economic interests are anchored to Europe and the transatlantic partnership. The Chinese market may be massive but is likely unable to make up for Europe's high-value, integrated market. And big-ticket projects such as those China has launched around the world in the past decade – by buying up infrastructure and increasing its foreign direct investment – can hardly match up to Italy's deeper economic relationships with Western countries.

In the long term, Italy's economic recovery from the pandemic is closely linked to Next Generation EU. In the short term, much will depend on the recovery speed of economies in Europe – particularly that of Germany, which has cut its GDP growth estimates for 2021 from 4.4 per cent to 3 per cent. In this context, the Draghi government should try to address the potential economic impact of multilateralism's decline as an organising principle of the international system. The most powerful nations are increasingly relying on bilateral solutions to produce short-term results.

Italy can no longer count on the US to be the guardian of free trade. The nature of globalisation is changing thanks to the growing rivalry between China and the US, reshoring policies, and the growing use of trade tariffs. As a result, the global economy looks increasingly regionalised. Concerns about Chinese interference in technology are leading the EU and the US to strengthen their technological sovereignty. The World Trade Organization (WTO) is virtually paralysed by US vetoes on its appellate body. And great powers tend to resort to direct negotiations to settle trade disputes. For now, the most intense aspect of this process of reorganisation concerns Sino-American competition, as the US tries to disconnect many of its value chains from China.

Meanwhile, clashes between the EU and the US over digital taxation, telecommunications standards, energy, and military spending could heighten transatlantic tension. This was especially clear in a

meeting of G20 finance ministers that took place last year under the Italian presidency, and that addressed the issue of tech giants' tax practices. In this tense and changeable environment, the Draghi government should mediate discussions to resolve such disputes. For instance, in G20 negotiations, Italy could support US Treasury Secretary Janet Yellen's request for a minimum tax on multinationals in exchange for a European tax on US big tech firms. Given the degree of international coordination such a tax on multinationals would require, this could form a substantial part of the Italian G20 presidency's contribution to a more equitable and controlled form of multilateralism. At the same time, the tax on big tech firms would enhance European sovereignty.

Italy, lacking the resources of a great power, needs to work through the EU to protect its economic interests. In doing so, the country can embed its manufacturing sector even more deeply in European value chains – especially in important emerging industries – and thereby make itself indispensable to Europe's economy. Even Italian parties that are wary of deeper European integration seem to have adopted this political line. For example, at a recent public event, Giancarlo Giorgetti – minister of economic development and deputy leader of the League – underlined how, in the current era, there is a need for European economic integration in the digital and telecommunications sectors. This approach could also help the EU set global standards for goods and services, and to create a form of multilateralism that better protects European interests.

Draghi himself has a rare opportunity to position Italy as leader on key international issues. Merkel's successor will need time to establish his or her credentials. Macron is campaigning for the presidential election. And British Prime Minister Boris Johnson appears unwilling to work through a European framework. Draghi has the experience, global relationships, and clear vision of the European interest to guide Italy in this endeavour.

From crisis diplomacy to a renewed multilateral order

In February 2021, the European Commission and the EU's high representative for foreign affairs and security policy published a strategy for renewing multilateralism. The strategy defines how EU priorities and values fit with global governance. And the strategy aims to guide the bloc's efforts to rebuild the multilateral system and a rules-based order. The Italian G20 presidency is cooperating with the Portuguese EU presidency to deal with the third wave of the pandemic and pursue an ambitious set of objectives related to Next Generation EU and other priorities.

At the national, European, and multilateral levels, Italy's highest priorities are health and climate (due

to covid-19 and to the massive influx of funds under Next Generation EU, which is tied to these issues). Both issues are central to the economic discussions and decision-making in the G7, the G20, and COP26, especially in relation to taxation, monetary policy, and financial procedures. Draghi met with the WTO's director-general, Ngozi Okonjo-Iweala, in Rome on 10 May – as part of their efforts to coordinate G20 proposals with the organisation's reforms and mechanisms.

European health sovereignty

Italy ended 2020 with a great deal of hope for the rollout of covid-19 vaccines and the reorganisation of supply chains plans around European solidarity and coordination. However, 2021 has seen the re-emergence of many long-standing disagreements within the EU. If in 2020 member states were hit by a shortage of medical equipment – which hampered Europe's capacity to act independently – in 2021 they have faced an internal crisis over the production and distribution of vaccines. The EU moved from a scramble for Chinese masks to a vaccine dispute that highlighted its failure to negotiate as a sovereign actor should, and to coordinate and communicate effectively on health matters.

The vaccine issue has not only presented challenges for the EU's internal processes but also become a propaganda tool for European ruling parties, populists, and anti-establishment movements alike. And it has hampered the bloc's pursuit of strategic sovereignty. All this has contributed to the EU's shock at the sudden importance of health as a key policy area.

The Draghi government should respond to these developments on two main levels. Firstly, Italy should not allow domestic negotiations over vaccines to become a tool of anti-EU populism. Secondly, the country should discourage other member states from turning towards the most convenient suppliers of assistance, as it did with its acceptance of Russian and Chinese 'mask diplomacy' last year – or as Hungary is doing today with Chinese vaccines. Any other course of action could create a dangerous narrative that portrays the EU as being unable to develop its own strategies, or to protect the health of its citizens or its own its own interests. This could prompt member states to drift towards a non-EU legal and policy framework.

Italy's politics and strategic outlook have changed significantly since the early days of the pandemic. Rome is no longer turning to Beijing for assistance with crisis management as it did under the second Conte government. This reflects the public's evolving mood and perceptions: according to a poll the European Council on Foreign Relations conducted in November and December last year, 27 per cent of Italians say that China has the most power to divide Europeans (placing the country second only to

America under Donald Trump).

Accordingly, Draghi seems focused on positioning the EU and the transatlantic relationship at the core of Italy's foreign policy, while limiting the importance of partnerships or dialogue with great powers such as China and Russia. His approach breaks with the Five Star Movement's engagement with the Belt and Road Initiative, and with the League's attempts to recreate the special relationship between Russia and Italy of the Berlusconi era.

The Draghi government is trying to link the Italian national interest with the protection of Europe's strategic sovereignty on health issues, not least by learning from the EU's mistakes in the management of the pandemic – such as its overreliance on some vaccines and suppliers, and its underinvestment in Europe's research capabilities, medical technology, and other health resources. As ECFR's Anthony Dworkin outlined in a recent paper on multilateralism, “to rebuild popular support for multilateralism, leaders will need to be careful in balancing their commitment to global mechanisms with the responsibility they owe to their own populations.”

The EU's decision to block vaccine exports to Australia – under Commission Implementing Regulation (EU) 2021/111 of 29 January 2021 – could fit within this effort to act multilaterally while meeting European citizens' expectations. The decision could also create a narrative that makes the case for the EU's vaccine strategy as orientated towards safeguarding citizens' health first – and, as a result, enhancing the recovery of one of the world's largest economies. Draghi signalled the decision to his Australian counterpart, Scott Morrison, but this was not a unilateral Italian move. The rationale for the regulation is that, while the European Commission has allocated EU funds to support the domestic production of vaccines (on behalf of member states and in the interests of EU health security), some manufacturers are allegedly not delivering as expected. The resulting shortfalls have temporarily disrupted the EU's efforts to vaccinate citizens and created space for a narrative that the EU is unable to protect its citizens or itself. Some European leaders argue that the export of vaccines to countries with much lower infection rates could further disrupt the bloc's strategy for recovering from the pandemic.

Of course, even if the regulation has the support of EU institutions and member states, the bloc should not use it frequently. This is especially true in relation to countries with high infection rates, such as those covered by the COVAX programme. However, the regulation has shown how the EU can protect its strategic sovereignty in relation to supply chains and, more broadly, build up its resilience against shocks such as the pandemic.

It was almost certainly not Draghi's intention to undermine the kind of international solidarity from which Italy has benefited. The EU used the regulation to set a firmer political stance – one based on transparency, health security, and a desire to avoid shortages of vaccines at a critical time.

Italy aims to achieve fair and transparent cooperation with suppliers and its international partners on health security, in three main ways. Nationally, the country intends to use all vaccines it receives through the EU, in the line with the bloc's recovery plan. At the European level, Italy will continue coordinating with other member states to strengthen the EU's strategic sovereignty. And, globally, Italy wants to support all multilateral mechanisms that provide vaccines to the most vulnerable countries, and to remain engaged with great powers at the forefront of the recovery, particularly the US.

This is where the Global Health Summit scheduled to be held in Rome in May 2021 could help Italy reinforce the role of health security in multilateral cooperation and coordination. The country can use its G20 presidency, alongside its G7 membership, to amplify the importance of a multilateral health security strategy.

The summit could serve as a platform on which to combine various health issues into a shared priority of all 27 EU member states within the multilateral system. The 'One Health' approach, which forms the basis of the Italian G20 agenda, could support the summit's dialogue and objectives. Launched to increase public recognition of the EU's health efforts, the initiative could gradually develop into a high-level network of stakeholders and policymakers who coordinate with one another to achieve their health security goals. Above all, the initiative could help its participants prepare to tackle crises such as covid-19. As Merkel and Draghi discussed in a recent call, the summit should also create political momentum to ensure that the EU acts in a more structured fashion in future crises – and avoids repeating mistakes such as those it made in the negotiation and distribution of vaccines. And the event could set in motion a gradual return to normality through the Digital Green Certificate, a process the European Commission launched in March through a legislative proposal.

All this could enable the EU to position itself as a global leader on health security, not only in the production of vaccines but also in the distribution of them beyond its borders – with a focus on its eastern and southern neighbourhoods, where governance problems and pre-existing social and economic crises are complicating efforts to address the pandemic. The initiative could also promote scientific cooperation and technological innovation on health security.

The Draghi government has committed to much of its predecessor's strategy for the G20, which aligns with that of the European Commission and rests on three pillars: the planet, prosperity, and people. One of the key ways in which the government will act on this is through COVAX, by using the programme more efficiently and, above all, pushing for states to increase their contributions to it.

Italy should also use the G20 to involve all communities, especially those that are most vulnerable, in health security decisions; promote efficient exchanges of health information between states; and accelerate vaccine distribution through stronger and more diverse supply chains. This third task would align with the Italian government's request for the European Commission to harmonise vaccine production across the EU.

Italy's efforts to shape the global health agenda should involve closer cooperation with the US. President Joe Biden looks set to restore the US to its former role as a champion of multilateralism on health issues. However, he will require stronger support from many powers, including the EU. After the Trump administration suspended the annual US contribution to the World Health Organization (WHO), the EU and its member states promptly stepped in to make up for the shortfall. But this was only a short-term solution. Europe and the US now need to coordinate with each other on long-term preparations for new global health challenges on the scale of covid-19.

The COVAX programme aims to supply 92 of the most vulnerable countries with 1.3 billion vaccine doses by the end of 2021. The programme has received €2.47 billion from the EU's 'Team Europe' initiative – which will pay for the distribution of 59 million doses – and funding and other support from the Biden administration. Italy should build on this at the Global Health Summit by providing political support to the US as it re-engages with health multilateralism. The effort will require Italy to help counterbalance the influence of Russia and China, which are using vaccine diplomacy to try to reshape the geopolitical order in ways that could have severe consequences for Europe. For instance, Russian and Chinese vaccine diplomacy could shape public opinion in member states where anti-EU and populist forces are relatively established in the political landscape and government institutions.

A climate consensus

Climate will remain a pivotal domestic issue for EU member states in the years to come, especially in the light of the funding available for green technology under Next Generation EU. And the EU aims to become a climate leader at the multilateral level. As outlined in a recent paper published by ECFR and

Bruegel, the implementation of the European Green Deal will have a significant impact on the bloc's relationships with major energy producers such as Russia, Saudi Arabia, and Algeria, as well as with China. The EU may also be able to use the European Green Deal to rebuild its relationship with the US and to set global standards on energy – in areas ranging from hydrocarbons to the newest forms of renewables production and supply, which are at the core of the EU's ambitious green agenda.

This agenda is particularly important to Italy as president of the G20, co-chair of COP26, and a major beneficiary of EU recovery funds. The country will have to find the right balance between its allies and partners as it puts forward a climate strategy at the 2021 meeting of G20 heads of state and works with the UK on COP26 targets. Italy's ultimate objective should be to use climate as a foreign policy tool. The country can do so through a pragmatic approach in which it adopts core EU and multilateral principles and values – such as those stemming from the Paris Agreement and the 2030 Agenda – while still recognising the influence on the EU's climate and technology policies of great powers such as China. This may require Italy to acknowledge areas in which these great powers set trends and standards.

Climate has long been a priority for Italy, but it has become even more so due to the pandemic: €123 billion of Next Generation EU funding for the country is allocated to the green and digital transitions. This funding is projected to increase Italian GDP by 3 per cent by 2026, according to estimates that the Italian Ministry of Finance published in January 2021. Indeed, the European Commission projected in May 2021 that the Italian economy will grow by 4.2 per cent in 2021 and by 4.4 per cent in 2022.

The first big challenge for Italy will be to align its climate targets with other priorities included in the draft Italian National Plan for Recovery and Resilience – namely: healthcare, social, gender, and territorial equality; digitalisation, innovation, and competitiveness; infrastructure for mobility; and education, training, research, and culture. The second big challenge will be for Italy to reduce greenhouse-gas emissions from transport, an area in which the country performs poorly, and to increase its renewables capacity, which is the smallest in the G20.

If it is to meet these challenges, Italy will need to change its traditional industrial practices and mindset; dramatically improve its use of EU funds; reduce its dependence on traditional energy suppliers, while minimising the damage to its political and economic relations with them; and conduct an information campaign that convinces citizens of the benefits of the green transition. All these actions would help change the widespread perception that Italy is lagging behind other EU member states, not least Germany and France, on climate issues.

Italy's struggle to make efficient use of EU funds is a particularly pressing issue – as reflected in debates at the European level, especially those in which 'frugal' member states play a prominent role. According to a 2020 report by the European Court of Auditors, Italy is among the member states that were least effective in their use of these funds between 2014 and 2020. This will need to change, given the unprecedented amount of funding the country will receive under Next Generation EU.

Italy has never had a strong, lasting Green political tradition like those of France or Germany. But Italian citizens have long had a remarkable awareness of the climate issue, especially considering their country's experience with the euro crisis and the migration crisis in the last decade – which often monopolised the public debate. However, as shown by a recent European Investment Bank poll, the pandemic has had a huge impact on Europeans' perceptions of climate issues. More than 60 per cent of Italians think that the government should reorientate its economic recovery to include a more comprehensive, institutionalised approach to climate action. As Susi Dennison, Rafael Loss, and Jenny Söderström show in an ECFR policy brief published in April 2021, Italy is one of several EU member states that are interested in including climate in the national foreign policy agenda.

Italy should use its G20 and COP26 roles to raise its profile on environmental issues, which would help it promote the goals and strategies of the European Green Deal. This is especially important considering that G20 countries collectively account for 80 per cent of global greenhouse-gas emissions.

Italy could also try to bridge the gap between great powers that are competing with each other on green investment, such as the US and China. Italy's push to improve relations with China under the previous two governments could help in this. So could Italy's 2020 decision to become a development partner of the Association of Southeast Asian Nations, which requires the country to work with members of the organisation on priorities such as education and culture, economics and finance, and decarbonisation and other climate issues.

As on health security, Italy needs to simultaneously implement its climate strategy on the national, European, and global levels. Nationally, the Draghi government started this process with its creation of the Ministry for Ecological Transition and the Ministry for Sustainable Infrastructure and Mobility, both of which have taken key portfolios away from other ministries. The green dossier has become a more important part of the national agenda than ever before. This is despite the fact that the founding mission of the Five Star Movement – which has long been in government – is to make the environment the biggest national priority. (The party’s decision to marginalise green issues for political reasons caused it to lose credibility in the eyes of many of its voters.)

At the European level, Italy will support the green transition through Next Generation EU and in coordination with the Portuguese EU presidency. Meanwhile, the country will use its G20 and COP26 roles to encourage states to meet their commitments under the Paris Agreement. At all these levels, Italy should act as not just a beneficiary of others’ plans but as a coordinator of states’ climate strategies – as a bridge connecting various islands.

The country’s relationship with the UK could be an important part of this in relation to leadership of COP26. But it will be a much more challenging relationship than with EU member states. Brexit has left a deep political divide between the EU and the UK, which already appears to have begun repositioning itself closer to the US through changes to its policy on 5G security and defence spending.

Italy, as another medium-sized power, also needs to act pragmatically. Rome should keep sight of its own priorities as it repositions itself as an ally of London – not only in the current COP26 framework, but also in NATO and traditional multilateral and crisis management forums – and as a credible and stable ally of Washington.

All these efforts should help Italy lay the foundations of a Europe capable of tackling the systemic challenge of climate change. As president of the G20, the country aims to achieve climate objectives through leadership on commitments to the 2030 Sustainable Development Goals, cooperation with the UK on COP26, and dialogue with key partners such as the US. Two milestones in this effort will be the G20 meeting in Naples in July and a pre-COP26 meeting in Milan in September and October. As Italian Minister for Ecological Transition Roberto Cingolani outlined in a recent meeting with US Special Envoy for Climate John Kerry, Italy will work to accelerate multilateral action on climate in collaboration with the US.

Support for Africa

Italy's support for multilateralism is vital to the EU's prioritisation of its partnerships with African countries, whose economic development has been severely affected by the pandemic. Africa is a core issue for the Italian G20 agenda. The G20 Africa Advisory Group – an initiative that the German G20 presidency launched in 2017 to foster sustainable development and growth – met in April 2021 at Italy's request. Since becoming president of the G20, Italy has had clear priorities for Europe's relations with Africa: multilateralism as a key instrument to tackle global challenges, and support via the COVAX programme for African countries' efforts to recover from the pandemic. Interestingly, the G20 proposal Rome put forward in April – ahead of the Finance in Common Summit that Italy will host in autumn – calls for a dialogue with actors such as China on renegotiating the debt of some African countries, starting with Chad and Ethiopia.

However, Africa will remain a core priority of Italy's foreign policy long after the end of its G20 presidency. And Italy's experience of multilateral cooperation on the health crisis will help it develop its broader strategy on Africa, including in relation to pressing issues such as the stabilisation of the Sahel.

Conclusion

The Global Health Summit, the G20, and COP26 can help Italy conduct a more proactive foreign policy. Rome's new strategy, with its emphasis on both the EU and multilateralism, could help Italy reach its potential as an engaged and energetic player in Europe. The pandemic may have destabilised Italian politics, but the resulting change of government has created an opportunity for the country to develop its international role in this way.

Draghi's priorities are to guide Italy out of the covid-19 crisis; carry out the badly needed economic and infrastructure reforms detailed in the country's recovery plan; and implement the green transition as part of a long-term development strategy, not just as a source of funding.

As many observers have pointed out, Brexit could help Italy reposition itself closer to the Franco-German engine. Rome should also endeavour to make a significant contribution to EU health and environmental strategies while reinforcing the transatlantic alliance and the beleaguered multilateral order.

The G20 has the advantage of bringing together all of Italy's most important allies and partners in these endeavours. Rome should work to establish a unified EU political position on the issues discussed above, thereby enhancing the bloc's influence in the G20. This could help clarify and rebalance the EU's relationships with the US and China. The two alternatives – a Sino-American 'G2', or a 'Go' in which no one guides the development of a new global order – would not be in Italy's or the EU's interest. Either alternative could relegate Europe to a mere economic, technological, and regulatory battleground for other powers. Therefore, Italy should contribute to the development of a multilateral system in which the EU and the US are equal partners.

Rome will try to engage with its allies and partners to promote a pragmatic agenda on the most pressing global challenges. Climate and digital technology will be an important part of this, but Draghi should begin by focusing on global health security. At the G20 and the Global Health Summit, he has an opportunity to do so by pushing for vaccine technology to become a global asset rather than the preserve of wealthy Western countries. The Draghi government's credibility will rest upon its ability to promote European values in line with its concept of the Italian national interest.

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