



EU-China Hub

Interview Series



LUCREZIA POGGETTI

SINO-ITALIAN ROLLER COASTER -
EUROSCEPTICS, DISINFORMATION, AND MASK DIPLOMACY

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About EU-CHINA HUB

We are a Brussels-based, private, non-profit initiative pushing forward dialogue on EU-China relations.

Given China's rapidly rising importance on the global stage, it is now more important than ever for EU-China relations to be better understood not only by an inner circle of professionals and enthusiasts, but also by politicians, business people, and the general public.

This is especially true as Europe struggles to embrace the complexity of its relationship with China as a partner, a competitor, and a rival.

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Our GUEST



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At MERICS, she researches EU-China relations and China's public diplomacy strategies in Europe, but also has experience working on China's domestic policies at the EU Delegation to the PRC.

Her works have been widely published, including in The Diplomat, China File, Project Syndicate, Il Sole 24 Ore, la Repubblica and the Berlin Policy Journal. A native Italian, she frequently comments on Sino-Italian relations and helps us shed light on the rapidly changing dynamics of Italy-China interactions and Sino-Italian relations.



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SINO-ITALIAN ROLLER COASTER - EUROSCEPTICS, DISINFORMATION, AND MASK DIPLOMACY

Edited by Grzegorz Stec and Michael Durgin

The following interview, from April 2020, is based on a podcast episode produced by the EU-China Hub as part of its on-going series. It has been edited for length and clarity.



Grzegorz Stec: The key topic of our discussion today will be Italy-China relations amid COVID-19 and China's mask diplomacy. To start with, let's look at the broader picture. Over the past year, Sino-Italian relations seem to have been a real roller coaster of emotions. In March 2019, the Italian government decided to sign the MOU on participation in China's Belt and Road Initiative. Italy has a special China task force and there have been high hopes related to Chinese investments in ports across Italy. Fast forward half a year and Italy has a new government which has adjusted its stance towards China, being more China-cautious and using the golden power, asserting the rights of the government related to national security and intervening in, for example, 5G telecommunications deals that are linked to Huawei and ZTE

Can you help us make sense of the dynamics that we've seen in Sino-Italian relations over the last year or so?

LP: You're absolutely right: It's been a real rollercoaster. I can try to briefly summarize.

In 2017, Italy was clearly interested in engaging in the Belt and Road Initiative. In February that year, Italy—together with France and Germany—asked the Commission to draw up the mechanism for screening foreign direct investment at the EU level. Then, in May, Italy was the only G7 country to send a head of government to the Belt and Road Forum. Overall, this was a smart, balanced approach. Italy was trying to pursue economic opportunities vis-a-vis China, while at the same time avoiding political endorsement of the Initiative and staying close to its EU partners.

In February of 2018, the Five Star Movement-the League coalition in power abstained from the vote to set up the investment screening mechanism that the previous government had asked the Commission to prepare. They were trying to translate political closeness to China into economic cooperation.

In June of 2018, Italy found itself, after the general election, with a coalition government of the populist Five Star Movement and the far right League, with Giuseppe Conte as prime minister and Luigi Di Maio (of the Five Star Movement) and Matteo Salvini (of the League) as deputy prime ministers. Things started to get interesting. A key player in this second phase in recent Italian China relations was Michele Geraci, who was appointed as the under secretary of state for economic development. He is a member of the League and was directly picked by Salvini.

Just two days before the announcement of his appointment, Geraci published a very controversial op-ed on the blog of Beppe Grillo, the creator of the Five Star Movement. Geraci made claims about cooperation with China, including on very sensitive issues, such as exchanging information and cooperating on public security. Right away he created a task force on China with the stated goal of attracting more Chinese investment, including under China's Made-in-China 2025 industrial policy. He also made signing on to the Belt and Road Initiative his pet project, with the claim that this would help address a trade deficit in bilateral economic relations with China, by allowing Italian companies to explore the Chinese market. The assumption was that, in a second phase, close political relations would translate into economic opportunities. This approach, to my mind, lacks quite a bit of balance as symbolic political gestures replaced traditional business promotion.

At the same time, the MOU itself is very contested and it became a watershed moment in Italian China policy. At this point, the League started distancing itself from a more China-friendly policy, despite Geraci himself being a member of the League and the party asking, for example, for guarantees for Italian companies to be allowed to participate in the Initiative.

This was prompted by the US's criticism of Italy's decision to join and it ended up leaving Italy quite empty handed, with only 2.5 billion euros worth of contracts and many other agreements that probably favor Chinese interests more than Italian ones, such as multiple agreements on media corporation. Interestingly, this is when the League started getting more vocal on strategic security issues.

We also began to see the security community paying more attention to China. Around the same time as the BRI MOU signature, the golden powers legislation that gives the Italian government the power to scrutinize foreign investment was extended to effectively

include broadband-based 5G communications in the definition of critical infrastructure. Salvini, in the summer of 2019, then went on a power grab and failed, leading to the fall of the Italian government. We ended up in September of that year with a new coalition, this time with the populist Five Star Movement and the centre-left Democratic Party.

At that point, Geraci was out of the government, although a substantial pro-China part of the government was still in place, with the Five Star Movement and the new foreign minister, Luigi Di Maio. At the same time, values and security-based judgments started making it into the debate on China. An emergency decree had been announced in July that year to further strengthen the golden power. Just before it expired, the Italian government decided to scrutinize the deals involving Huawei and ZTE, which had been green-lighted with undisclosed conditions and requirements.

In the second half of 2019, multiple actions signaled awareness of the need to take into account values and security in Italy's relations with China. This indicated a move away from the approach that had been focused mostly on economic issues. For example, a press video conference with Joshua Wong was organized by Italian politicians in parliament. This irritated the Chinese embassy quite a bit and it issued a statement. A resolution on Hong Kong was then adopted, with all of the political parties on board. A perimeter for national cyber security was also adopted. It aimed, among other things, to identify public and private actors that fall into the perimeter when it comes to 5G, which now have to respect higher security standards. And a report in December, written by the COPASIR—the Italian parliamentary committee on intelligence—called for an outright ban of Huawei from 5G, making the case both in terms of security concerns and the economic issue of dumping.

Just before the outbreak of coronavirus in Italy and everything that came after, there was a general sense that the BRI MOU didn't quite help Italian interests. Italy also failed to attract any substantial investment from China in 2019. In fact, in 2019 the trade gap between Italy and China widened, going from about 12 billion euros in 2018 to more than 18 billion euros in 2019. There remains, though, interest in cooperating with China and pursuing economic opportunities.

2020 was meant to be a year of cultural cooperation between Italy and China and was supposed to conclude with a state visit by President Mattarella to China, with high hopes to increase the number of tourists from China to Italy. In general, I think this shows a clearer-eyed approach and interest in pursuing opportunities, but also increasing awareness about risks and debates about values as well.

GS: There seems to have been disillusionment about the relationship with China. But later we had COVID-19, which could have reversed that dynamic. So we have the outbreak first in China, then in Italy. Can we identify any stages of Sino-Italian interaction on this?

LP: On COVID-19, I see at least two stages. Italy was the first country to immediately suspend flights to and from China (including to and from Taiwan, which got caught up in the dynamics). This irritated the Chinese. A second phase started with the outbreak in Lombardy, on the 10th of March. Starting with a phone call between Foreign Minister Di Maio and his Chinese counterpart, Wang Yi, China launched a major soft power campaign that you can call mask diplomacy. In that initial phone call, they agreed that China would quickly export to Italy about a thousand lung ventilators and PPEs. The statements coming out of this agreement glossed over the fact that these were exports and not donations.

A lot of what was coming to Italy was a combination of both exports and donations, but China was smart to take advantage of Europe's slow response to the pandemic initially, to conflate them and to give the impression that everything it was sending was part of an aid package. That way, China was able to claim a soft power victory by giving Italians a good impression. This was especially true on March 12, when the first batch of supplies from the Red Cross Society of China arrived in Rome on a China Eastern aircraft. Its arrival was highly symbolic and was promoted by the foreign minister himself on his social media accounts. From that moment, the image that stuck in many Italians' minds was of China coming to the rescue while Italy was left by its European partners to deal alone with the crisis.

GS: The words "China coming to the rescue" appeared in many of the major outlets and it was also quickly dubbed China's mask diplomacy. But what is this mask diplomacy, actually?

LP: I see mask diplomacy as a soft power, propaganda campaign with the goal of diverting public attention, both internal and external, away from China's responsibility for the delay in the international response to the pandemic. China was also interested in turning the crisis into an opportunity to promote itself as a model for handling the health emergency, a generous state coming to the rescue of countries in need. This relied very much on visible gestures, like the landing of the China Eastern aircraft. A second component of mask diplomacy was glossing over the important detail that some exports were basically framed as aid.

So China effectively used a communication strategy that gave the impression that everything was part of aid packages and that China was generous and did not ask for anything in return.

GS: This has been one of the major topics of the discussion about mask diplomacy. Can we differentiate genuine support donations from purely politically motivated gestures and simple business export arrangements? Can we quantify these and make a clear distinction?

LP: It's been very difficult to track what was actually donations versus exports. It's very important and I hope we will find some clarity going forward. But there are many different players involved at many levels, with different government agencies and departments involved, on both the Italian and the Chinese side, and also different players at the national and subnational levels. As to what is genuine support and what is politically motivated? I don't necessarily see these two as mutually exclusive. Obviously every kind of help right now is appreciated, whether exports or donations. Everything is crucial. But as the EU high representative recently put it, we are witnessing a battle of narratives that has true political undertones. It's good to be aware that, with this PR campaign, the Chinese are interested in creating goodwill in the recipient governments and societies.

GS: And part of this battle of narratives was also targeted at the EU, portraying China as the one who came to the rescue of Italy when the EU didn't. In your view, to what extent should the EU be blamed for the effectiveness of China's PR campaign in Italy?

LP: I think the EU has a big role to play in this. The first batch of supplies from China is quite indicative of the communication strategy and of how the EU-zone lack of response in the beginning really allowed China to shine. Just as that China Eastern aircraft was landing, Germany and France had halted exports of PPEs, the EU had not yet helped Italy, and Christine Lagarde had made comments about it not being the ECB's job to help close the gap.

This has all now been reversed, but in that moment it really helped give the impression of China coming to the rescue and the EU not being willing to show solidarity and help. The public statements at the time focused on China's generosity, China helping its friend in need, and a special relationship between Italy and China, which saved lives.

Di Maio decided to use the shipment to give the impression that it resulted from his call with Wang Yi. The message was that, thanks to his special relationship, Italy was able to secure the equipment. There were also very symbolic, visible gestures and statements

from the Chinese embassy. Foreign Minister Di Maio, a Eurosceptic, played along with the Chinese propaganda, holding a live Facebook session, to show his electorate that his special relationship with China was paying off.

GS: That brings us to the disinformation part of China's mask diplomacy and how China is handling public diplomacy over the COVID-19 outbreak. The European External Action Service has its euvsdisinfo initiative, which has been tracking those disinformation efforts as they have unfolded, especially on social media, including this incident related to Di Maio. What have we learned so far about China's disinformation strategies?

LP: It's been very interesting to watch because China normally sticks to one official message in its external communications. This time, though, people are recognizing that China has learned from the Russians how to do disinformation by putting out multiple, contradicting narratives, with the goal of creating confusion and making it harder for the public to determine the truth. The tool set that has been employed in Italy is a mix of bots. Some data analytics labs in Rome conducted an interesting study, with the help of the Italian magazine *Formiche*. It showed that about 47% of the tweets posted between the 11th and 23rd of March on Twitter with the hashtag "Forza Cina Italia"—which translates as something like "China, Italy stay strong"—were generated by bots. The same is true for another hashtag, *Grazie Cina* ("Thank you, China").; About 36% of those tweets in the same timeframe were generated by bots.

We also saw the spreading of fake content. One fake video showed Italians on their balconies playing the Chinese national anthem and saying, "Thank you, China." And we saw China using multiple contradicting narratives and conspiracy theories. A *Global Times* post misquoted an Italian scientist to suggest that the coronavirus might have originated in Italy in November. This contradicted conspiracy theories that other Chinese government channels have been retweeting on the social media feed, about the US army bringing the virus to China.

One last crucial element is the role of embassies and ambassadors. It's the new normal to see Chinese ambassadors and diplomats becoming much more assertive, if not aggressive, in their communication in the countries where they're based. This departs from other propaganda and public diplomacy, but it all belongs to a comprehensive effort to try and control the narrative on coronavirus.

GS: And how successful has China been with this in Italy? You mention different tactics employed with different messages, from positive ones—China, Italy Stay Strong—to accusations about the origin of the virus. How has it resonated with Italians?

LP: It's a bit too early to say. After the health emergency is over, it will be very interesting to conduct large-scale polls to really understand the failures and successes of China's campaign. A recent poll, conducted by SWG, aired on Italian news. It had a sample of only about a hundred people and a margin of error around 3.5%, but I still found it quite interesting, especially vis-a-vis the United States. When asked which international alliance outside of the EU Italy should pursue, 36% said China and 30% replied the US. Amidst a backdrop of growing Euroscepticism, only 27% of respondents said that they have trust in the EU.

Obviously, this is not necessarily directly related to China's campaign. That's only a small part of it, such as from the EU's slow reaction in helping Italy. But these results might be indicative of how things could play out in the long term and China has clearly managed to divert some Italian public attention away from China's responsibility.

I see growing scepticism but also people who buy into the narrative of positive Italy-China relations helping to save lives and China being generous. In the short term, the Eurosceptic parts of our society in particular may buy into this propaganda, considering that they tend to follow Minister Di Maio closely on social media and they are very much exposed to what he says on China. He's been selectively thanking China while being much more low key about help from other countries, both within and outside the EU, including Germany, France, and the US. For years, the Five Star Movement's followers have been exposed to this rhetoric, which tries to fuel suspicion, not just about the EU but also about the US and NATO. So they might be the ones who are more accepting of these narratives of China as a positive alternative partner.

In the longer term, it's going to be difficult for China to convince large members of our societies and governments that its gestures were a hundred percent genuine and to hide its responsibilities in this crisis.

GS: Speaking of the longer term, let's reflect on those events related to China's disinformation. What are the key lessons that we have learned about it so far and what measures can the EU take to better protect itself against China's disinformation?

LP: I see the EU trying to proactively communicate to the European public what they have been doing to show solidarity. This is a positive step. But our countries should not follow authoritarian style propaganda, as China and Russia are doing. A few interesting initiatives are being discussed to counter this. A Rapid Alert System was set up recently as part of the EU action plan on tackling disinformation. Also, a part of the von der Leyen commission's priorities includes a democracy action plan that focuses especially on social media and disinformation.

To strengthen our immune systems, Italy and other European countries need to invest in China literacy. China is not yet a mainstream topic in most European countries and certainly not in Italy. But it has become much too important to be left to a handful of journalists and researchers. Investing in China literacy is going to be crucial also to move away from over-relying on Chinese state agencies for providing services that we cannot provide, to compensate, basically, for our lack of China literacy in our governments and other agencies. For example, Italy has agreements with China on joint police patrols and media cooperation agreements were signed on the occasion of Xi Jinping's visit to Rome in March 2019, using Chinese party state media agencies for coverage of news related to China. We need to move away from over-reliance on Chinese state media players.

GS: Related to the issue of communication and disinformation: We have bubbles of communication in which the EU institutions tend to communicate through social media to people who are already pro-European. And then we have the Eurosceptics. It's hard to actually communicate between those two worlds and to devise communication campaigns. Disinformation campaigns would also fall into specific social media bubbles. Would you agree that China's disinformation has primarily targeted Eurosceptic groups?

LP: That's interesting. I never thought about how the debate about the EU itself is really polarized. Something that comes to mind is that algorithms in social media basically expose us to news, posts, and tweets that tend to align with our views. That certainly doesn't make for good, open-minded democratic debate; it increases polarisation and then, as a result, helps authoritarian states come in and drive a wedge. Whether that's their intention or not, they are able to fill a void and sometimes to use those vulnerabilities to present themselves as a suitable, ideal alternative. There is a lot of Eurosceptical sentiment in Italy and elsewhere that is easy to exploit. So beyond trying to create mistrust in democratic institutions—which Russia does—China is certainly able to benefit from Euroscepticism by looking to people like an alternative.

GS: I think this brings us to the question of Euroscepticism and the activity of Eurosceptic actors in Italian politics, in relation to mask diplomacy, disinformation, and Italy's general relationship with China. So, you've mentioned Luigi De Maio and his efforts. But another very important and visible figure is Matteo Salvini and the League. Can you tell us about their perspective on China?

LP: Right after the US expressed criticism of Italy's decision to sign on to the BRI MOU, the League rebranded itself as somewhat anti-China and definitely pro-US. The League and Salvini specifically are showing a mix of concerns on some issues, but I see them as somewhat politically motivated.

For example, the League puts a lot of emphasis on sovereignty. It's been very vocal on strategic issues like 5G and this is quite in line with the rhetoric they've been trying to promote over the past few years. I find them less credible when they talk about human rights concerns.

We recently saw a League MEP in a session of the European Parliament ask the EU to ask the Italian prime minister to clarify what it means for Italy to join initiatives like the Health Silk Road, especially when it comes to digital goods and services under telemedicine.

So there is a mix. Some concerns are absolutely genuine and legitimate but, at the same time, we shouldn't forget that the League is now in the opposition and trying to pick a fight with those in power.

GS: Throughout our conversation you've given us a better picture of how Salvini and the League and Di Maio and the Five Star Movement view China, the interaction and dynamics. But can you tell us what elements we could define of the dynamic between Eurosceptics and China? I ask because this may be a major trend across Europe that is important to understand. What does the Italian case teach us about the elements of the relationship between all Eurosceptics and China?

LP: I see two possibilities. On the one hand, Eurosceptics might be playing the useful idiots here by not being aware of how they are instrumental to Chinese propaganda and how their actions contribute to spreading narratives that the Chinese government very much wants to spread. On the other hand, they are being strategic because, vis-a-vis their own domestic public, they have an interest in being seen as the architects behind special relationships with China, as Di Maio recently pointed out, and saving lives. It's a bit of self promotion and more opportunistic.

This is a volatile relationship and not an alliance necessarily based on common values or views. But I think that Eurosceptic, populist leaders have played a crucial role in spreading positive messages about China around the coronavirus pandemic.

GS: Let's look at some predictions. I know it's still very early, but what impact do you think mask diplomacy and the whole COVID-19 experience is going to have on Sino-Italian relations and China-EU relations?

LP: Starting with the Italian situation, I find it quite interesting how different political parties have been expressing their views on China around the pandemic.

Foreign Minister Di Maio, with his eccentric moves to show appreciation to China, might start to become isolated. In the Italian debate, the parties on the right of the Italian political spectrum have been more vocal and critical on strategic, security, and value-related issues.

At the same time, we have started to see some criticism being voiced by members of the Italian left. For example, when foreign minister Di Maio went on the news on national broadcaster RAI, to say that investing in the special relationship with China was allowing Italy to save lives, he received quite harsh criticism from members of his coalition partners, the Democratic Party. Two MPs in particular—Lia Quartapelle and Alessandro Alfieri—came out saying that Di Maio's publicity about all the help coming from China was inappropriate. Quartapelle especially emphasized that Di Maio had selectively shown gratitude to China, while not equally thanking other countries that came to help, which went against Italy's interests. Alfieri, on the other hand, said that when we talk about Belt and Road, we need to remember that it's also a geopolitical initiative.

Another interesting player is Più Europa (More Europe), which is a fringe, pro-European liberal political party. A few pieces have been published lately by the party's vice secretary, one criticizing Di Maio and one saying: "Thank you, China and Russia for your support, but we reject your propaganda." This shows quite a level of awareness about what's really going on in the geopolitical sphere in this battle of narratives. At least when it comes to politics going forward, there might be more scepticism towards China. I think there will still be an interest in the need to cooperate, but maybe in a more clear-eyed manner.

I think that's going to be the case in Europe more broadly. Overall, in the short term, China can claim some soft power victories. But in the longer term, it's going to be more difficult to really convince anyone about China's responsibility in contributing to the pandemic and this will result in growing scepticism. We already see calls in the EU to tighten our foreign investment screening policies.

European leaders have shown some scepticism towards China's self-promotion. They've also questioned quite openly the reliability of information coming from China at the onset of the outbreak. In some cases, such as the UK, leaders have even been talking about a reckoning with China after the pandemic, with the intelligence agencies calling for a reassessment of relations with China.





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