



Draghi's challenge

by Luigi Scazzieri, 12 February 2021

Mario Draghi will be the next Italian prime minister. He is Italy's best hope to steer the country through its worst crisis since World War II. But he faces daunting challenges, especially if the COVID pandemic does not wane quickly.

Mario Draghi, the former president of the European Central Bank, will be Italy's next prime minister. With political parties unable to agree on a way forward after Giuseppe Conte's coalition government collapsed, Italy's President Sergio Mattarella decided to turn to a non-politician to break the political deadlock, and asked Draghi to form a government of national unity to steer Italy through the on-going economic and health crisis.

Draghi has been able to secure support from a remarkably broad coalition of Italy's political forces. Least surprisingly, he is supported by the centre left: the Democratic Party, Italia Viva (founded by former prime minister Matteo Renzi) and some smaller parties. But Draghi has also gained the support of former prime minister Silvio Berlusconi's Forza Italia, which has for some time branded itself as a pragmatic pro-European centre-right party. The Five Star Movement also supports him: it has been changed by the experience of power and is now quite different from the populist party it was a few years ago, branding itself as more moderate and pro-European.

Less predictably, Draghi won the support of Matteo Salvini's right-wing League. This will surprise many observers who thought of the League as typical anti-EU populists. But the party has always had an influential, although not always vocal, moderate faction centred on pro-business interests in the party's northern strongholds, where it has long been the dominant political force. Moderates in the party pushed Salvini to support Draghi, persuading him that doing so would allow the League to be involved in deciding how to spend Italy's share of the ground-breaking €750 billion EU recovery fund launched last summer (estimated at around €200 billion in loans and grants). By supporting Draghi, the League could also be influential in selecting Mattarella's successor as Italy's president next year.

Supporting Draghi is a significant political step for Salvini, forcing him to tone down his anti-EU rhetoric and act more constructively. But on the whole, his support is an opportunistic step and does not represent a change of heart. If Salvini thinks he can benefit, he will abandon Draghi, joining Giorgia Meloni's nationalist Brothers of Italy in opposing the government. Brothers of Italy is the only major