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# The Curious Story of the Meloni Government's Industrial Branding Campaign <sup>[1]</sup>

In the middle of May, Italy's national tax police blocked the distribution of 134 models of Fiat's new micro-car, the Topolino, upon their arrival in Livorno from the factory in Morocco. The problem? Their doors bore a sticker of the national flag of Italy.

Only vehicles actually manufactured in Italy could bear emblems suggesting their nation of origin, said the authorities. Previously, new Fiat models from Poland had run into the same problem, the hybrid 600, and the Alfa Romeo Milano. The latter must be re-branded, said the government, to cancel any suggestion of a connection with that city, or indeed with Italy itself. Fiat replied that the cars had all been designed at its plants in Italy, but no, the government was adamant: 'Made in Italy' meant literally that, nothing more, nothing less; there was a law of 2003 which said as much.

When the Meloni government took office in October 2022 it immediately re-named the long-established economic development ministry to become "The Ministry of Firms and Made in Italy." An extension of the 2022 budget law provided for a complete system of protection and promotion of the nation's industries, with particular attention to defending the authenticity of products against the global black market in fakes and "Italian sounding" names.

Quality certificates for Italian restaurants in the world would be introduced, together with a badge to be shown on products whose authenticity and "integrity" as truly Italian would be guaranteed by the State, under a scheme entitled "Certified Italian Excellence." The values associated with the nation's cultural legacy would be enhanced, and local traditions, both artisan and industrial, reinforced.

A €1bn fund would strengthen strategic product lines, encouraging efficiency, innovation and sustainability, promoting female enterprise. The key sectors were said to be wood for furniture, olive oil, textile fibres, fashion, yacht and boat production, ceramics, bread and pasta. (Other sections of the Made in Italy ministry were meanwhile developing a vast subsidy plan to modernize industrial production across the board, including cars).

The Foreign Ministry has launched a new Nation-System promotion scheme ("Simest"), says its head, Ambassador Battocchi. He told the *Sole 24 Ore* financial newspaper that Italy is the 5<sup>th</sup> exporting nation in the world, and with what he called "participating investment," Simest would help expand the number of exporting firms, bearing in mind that 90% of Italian companies are small and medium-size enterprises, and only 10% export their products. Geopolitical diplomacy would expand to become commercial diplomacy and Simest would be opening offices in Belgrade, Cairo and Vietnam (Annarita D'Ambrosio, "Made in Italy, 626 miliardi i beni esportati nel 2023").



The Made in Italy campaign has attracted the support of Confindustria; the powerful all-industry lobbying group Amazon.it, which runs Made in Italy days; and such organizations as the Consortium of Buffalo Mozzarella producers, which claims that its members are now using Artificial Intelligence to detect fakes and to carry out market research (Annarita D'Ambrosio, "Made in Italy, 626 miliardi i beni esportati nel 2023"). Amazon's Italy and Spain manager says that their custom-made platform generated €3bn in sales in 2023, and declared that Italian products would always be appreciated for their 'uniqueness, value and creativity.' Ms. Marseglia also indicated that the most sought-after Italian products on Amazon remained food, cosmetics, fashion and furniture.

Meloni's government is a three-way alliance which groups an anti-European element expressing a form of militant provincialism (the League), the pro-European inheritors of Berlusconi's legacy, and the majority Brothers of Italy party, led by Meloni herself, which on Europe oscillates according to opportunity and circumstance. The Brothers posit that their nationalistic instincts must always reckon with Italy's objective dependence on global markets in general, and for their governance, on the EU. Their country after all was the one which received the most massive subsidy - €191.6bn – under the EU's post-COVID Next Generation Recovery Plan. The Made in Italy campaign tries to rally the government's warring protagonists behind the flag of export promotion.

At least since the era of globalization, the governments of the industrial economies have always involved their foreign ministries in trade support and economic diplomacy. The US Commercial Service is the trade promotion arm of the US Department of Commerce's International Trade Administration. It operates a "Buy USA" program, and "the FUSE (Featured U.S. Exporters) program, an online directory of U.S. products and services..." (US Commercial Service). The EU has its own Made in EU operation, which awards a seal of quality where appropriate (Initiative Made in EU).

Free trade was the idea which most effectively put the word "liberal" into the concept of the of the post-World War II liberal world order. At a time when this order is under intense assault from various degrees of authoritarianism around the world, economic diplomacy must work ever harder to keep trade flowing and resist protectionism's temptations. The Foreign Ministry in Rome offers its own definition of this version of diplomacy in terms of coordinating the vast number of national agencies and organizations engaged in foreign business, and at the same time, helping firms in their search for new markets; supporting the internationalizing efforts of regional governments; attracting investments, tourists and talents; and promoting Italian investments abroad.

Just as Italian Embassies organize an annual week of gastronomic promotion every November, the suggestion now is that a similar week should be dedicated to displaying the latest developments from the fashion industry. As Minister Tajani pointed out in a meeting with the leading players in May, this is a sector whose annual turnover approaches €100 billion, exporting 90% of its output and generating alone 5.5% of national GDP.

But as the Chair of the Centre for Liberal Strategies in Sofia, Ivan Krastev pointed out in the *Financial Times*, "Internationalism is never easy, but the internationalism of the nationalists is a particularly difficult trick to pull off." As the stories recounted earlier in this article reveal, nowhere is this trick harder for the Meloni government than in the motor-vehicle sector.

Politicians of the left and right, local authorities and trade unions all lament that the country has only one producer– FIAT –and that its destiny is now controlled by the Stellantis group, based in Holland but dominated in practice by a transnational alliance which includes the remnants of the Chrysler and GM operations in Europe, plus the French brands Peugeot-Citroën.

After pressure on Stellantis from local actors, and the prospect of lavish government subsidies in the name of the technological transition, the company has now promised that it will invest in hybridization, electrification and new models in Italy. Counting on a future production of a million vehicles a year (up from less than 800,000 in 2023), this prideful sector of Made in Italy would open the way, said the minister, to “Italy’s industrial renaissance.” In the Italian version of nationalist internationalism, the “magic of the marketplace,” to cite a Ronald Reagan slogan, has apparently no role whatsoever.

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