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U.S. Secretary of State Mike Pompeo (left) and Italian Foreign Minister Luigi Di Maio arrive for a joint news conference following their meeting in Rome on September 30, 2020 | Pool photo by Guglielmo Mangiapane/AFP via Getty Images

US warning to Italy: You're being exploited by China

Washington discourages European allies from accepting Chinese infrastructure investment and using Huawei equipment in 5G networks.

By **HANNAH ROBERTS** | 9/30/20, 7:23 PM CET | Updated 10/1/20, 5:13 PM CET

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ROME — U.S. Secretary of State Mike Pompeo had a stark warning for the Italian government on Wednesday: China is taking advantage of you.

The U.S. sees Italy as the European weak link in the power struggle with China after it became the first G7 country to sign up to Beijing's Belt and Road trade and infrastructure investment plan last year.

Washington particularly wants to deter Italy and other European allies from accepting Chinese investment in infrastructure and using equipment by Huawei in developing their 5G networks.

At a joint press conference with Italian Foreign Minister Luigi di Maio after talks in Rome, Pompeo said the U.S. is concerned about China "trying to leverage its economic presence in Italy to serve its own strategic purposes."

Pompeo, who is on a weeklong tour of Europe that also takes in Greece and Croatia, warned Rome "to consider the risk to its national security and privacy of its citizens" of allowing Chinese companies to help develop 5G networks. Unlike "when American companies invest, the Chinese Communist Party is not here to forge a sincere mutually beneficial partnership."

Pompeo, bringing up his Italian ancestry, said Italians "should know that we will always be there for you as such problems arise."

Pompeo's anti-China rhetoric comes towards the end of a presidential election campaign in which the Trump administration has launched increased attacks on China. President Donald Trump has claimed that the Democrats are soft on China, and the State Department's Clean Network plan asks allies to cut Chinese tech from their supply chains for telecoms, cloud and apps.

The secretary of state also had harsh words for China over coronavirus.

Pompeo said, "The Chinese Communist Party must be held accountable for the pandemic and for one million deaths and enormous loss of trillions of dollars in economic wealth."

But despite all the warnings, Pompeo, bringing up his Italian ancestry, said Italians "should know that we will always be there for you as such problems arise."

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Di Maio said Italy understood U.S. anxieties over the development of 5G technologies and was very conscious of the importance of having a secure network "as a NATO member."

'Italy is firmly anchored to the USA and the EU, with whom we share values and interests," he said. "As a dynamic country," Italy is "open to investment, but that cannot happen outside the perimeter of our Euro-Atlantic values."

Di Maio also called for common EU rules on 5G security and said he would propose discussions on the topic at the next meeting of EU foreign ministers.

Lucrezia Poggetti, an analyst at the Berlin-based Mercator Institute for China Studies, said Italy has done less than the U.S. and U.K. in terms of tightening the regulatory framework that will affect Huawei. Italian lawmakers agree that Chinese vendors pose risks, but "Huawei is already in Italy's 4G and is involved in several trials on 5G. The risk is that the government will end up in a nasty legal battle with Huawei over those contracts," said Poggetti.

But Pierluigi Testa of the Trinita di Monti think tank in Rome said that while the government has signed agreements with China, Italy's institutions were aligned toward NATO. 'The DNA of Italy, after 70 years of partnership, always looked toward the Atlantic."

Laurens Cerulus contributed to this article.

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