
EU & ITALY ON COLLISION COURSE OVER DRAFT BUDGET

- 23.10.2018

EuroNews (22 October 2018)

Rome has defended its draft budget, opening a match with Brussels that could last a long time.

Italy has replied to the letter sent by Commissioners Moscovici and Dombrovskis, asking for clarifications about the deviations from the European parameters, such as the high deficit:

It was a difficult but necessary decision - he writes- due to the persistent delay in recovering pre-crisis GDP levels and the dramatic conditions that affect the most disadvantaged people of Italian society.

Taking to the foreign press Prime minister Conte said Italy wants to stay in the EU and is available for dialogue with the Commission.

But Italy budget plan threatens the eurozone, as it would increase the already high debt of the country. European Commissioner for Economic Affairs Pierre Moscovici speaking on France Inter insists on the need for Rome to respect the rules, asking for mutual respect.

"I respect the Italian government, I respect it, it must also respect the European rules. It is the mutual respect that allows me to move forward in this diverse Europe," said Moscovici.

Beyond the official statements, however, a confrontation between Brussels and Rome will be inevitable. The government claims to have the mandate to change the European commitments of previous governments while all the other countries are pressing for tough stance on Italy. Giving flexibility would be seen as unfair also from countries such as Portugal, that in the past had to accept strict austerity measures.

We also know the perception that it gives to people that bigger countries can get away with things that smaller countries cannot," explained Maria Luís Albuquerque, Former Portuguese Finance minister. "And that is very very negative for the perception of the people on how fair the European institutions are."

Kaynak/Source: