

## The Ilva crisis in Mattarella's message to Conte

The announced restitution to the Italian State of the former Ilva Taranto steel plant by the world steel colossus ArcelorMittal has uncovered the dreaded Pandora's box of the unresolved corporate crises of Italy. With over 10 thousands employees across the whole Peninsula, a production capacity of 6 million tons of steel per year and a turnover equal to around 1.4 percent of national GDP (or €24 billion, roughly the same amount allocated by the government to prevent the VAT increase), that of the Puglia steel plant is one of the most serious industrial crises that have hit our country in recent years. If not the most serious. The Economic Development Ministry does not usually release accurate statistics, but last June the crisis units established at the Ministry would have been over 150, for 200 thousands workers involved and 20 industrial areas hit by complex crises. That is local contexts or groups of municipalities where the main local company has failed, with consequent economic, industrial and social decline for the whole territory involved. As is the case in Taranto. Do not be surprised, therefore, by the sudden summoning of Prime Minister Giuseppe Conte to the Quirinale hill following the unsuccessful Wednesday meeting with the leaders of the Franco-Indian steel giant. Which culminated in the claim of its negotiators to have the Italian executive accept contract variations, different market conditions, a penal shield and 5 thousands redundancies in the Taranto steel plant. Quite simply unacceptable requests for the government, given the predictable repercussions in an area with some of the highest

levels of unemployment in the country and after the latest SVIMEZ report had just sounded yet another alarm about the ongoing socioeconomic collapse of Italy's South. And while politics is anxious to trace the causes of what happened and identify possible solutions – not without taking the opportunity to exchange the usual patents of responsibility – the fear of the Head of State is that the debate over the immunity issue ends up diverting the general attention from the real and structural questions connected to ArcelorMittal's announcement: ie the effective capacity of the national government to create and maintain the conditions for Italian and foreign companies to invest in Italy, relying on a climate of stability and regulatory certainty. The recommendation of Mattarella also comes at a political juncture already heavily marked by the tensions that shake the ruling coalition every now and then and that cast more than a shadow (of crisis) on the future of the Conte II Cabinet. Worse if in a situation marked by the need to complete a budget law among the most difficult in recent years. While the PD is torn by doubt whether of not to terminate the government with the 5Stars due to the wear and tear of the last few weeks and the Umbria electoral fiasco, the M5S is grappling with a ferocious internal showdown between Di Maio's loyalists and those who instead demand a discontinuity in the party leadership, given the ever-increasing difficulties. In the middle sits Renzi, a key player for the ruling coalition stability, whose real intentions are however inscrutable and less and less linked to the fate of the M5S-PD majority.