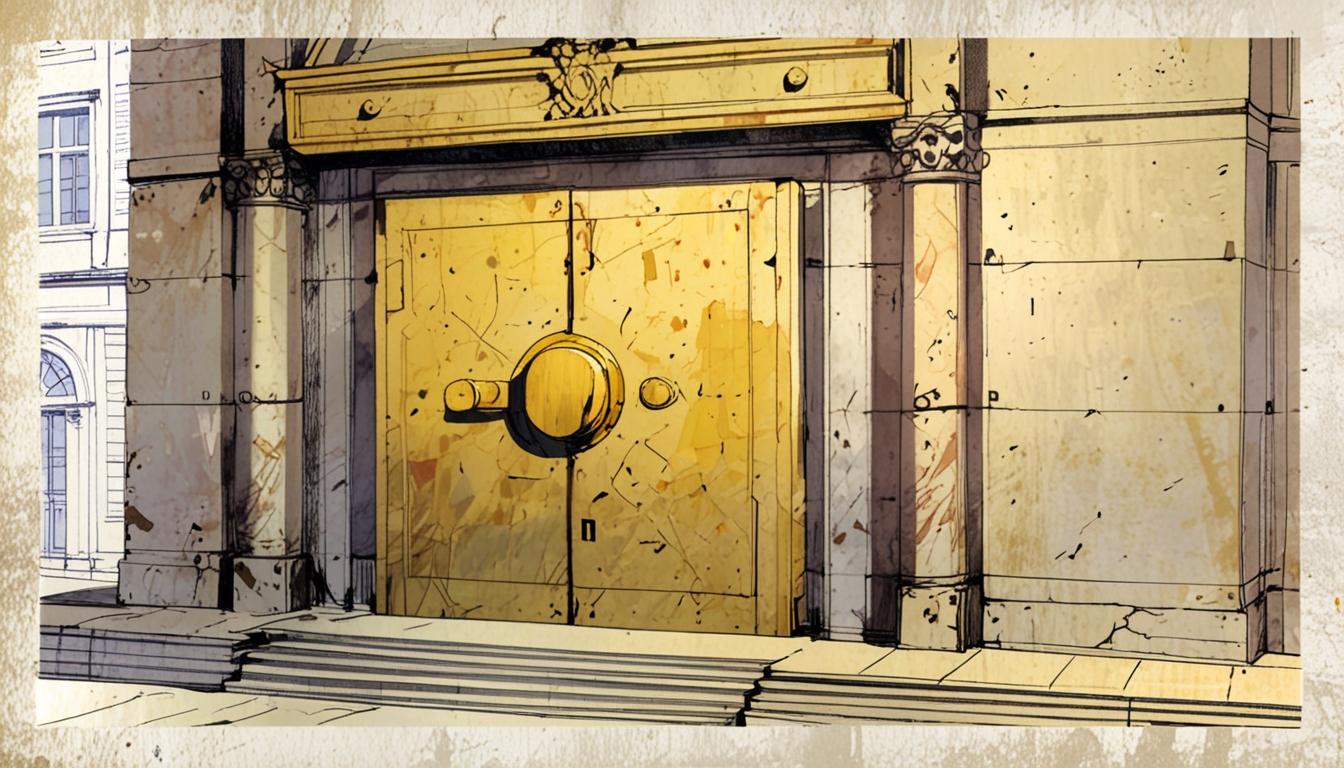
# Italy’s golden power rules threaten banking sector growth amid rising government interference



Italy’s Prime Minister Giorgia Meloni’s invocation of “golden power” regulations to obstruct UniCredit’s €14 billion bid for Banco BPM starkly illustrates the growing government overreach that is stifling the country’s banking sector. This heavy-handed move, which throws into doubt the planned offer extension to BPM’s shareholders, reflects a troubling trend of political interference damaging market confidence and thwarting free enterprise.

The so-called golden power rules, traditionally a shield against foreign takeovers of critical firms, are here wielded to impose onerous conditions on UniCredit, an established Milan-based lender with significant international ties and investors. The government’s demand for UniCredit to completely exit Russia within nine months and maintain stringent loan-to-deposit requirements for five years smacks of bureaucratic interference that risks constraining business flexibility and undermining profitability. Such mandates, far from fostering growth, threaten to deter investment and reduce lending — the lifeblood of Italy’s economy.

Further restrictions on the sale of Italian securities held by BPM’s asset manager compound the problem, signaling protectionism that will only discourage new investors. Meanwhile, UniCredit’s CEO Andrea Orcel faces a political roadblock after government-backed merger plans with Monte dei Paschi di Siena collapsed, leaving smaller lenders exposed and beholden to foreign shareholders like France’s Crédit Agricole.

Critics would argue that Meloni’s administration is using these regulations not on principle, but to pressure UniCredit into backing local government investors’ contested bid for insurer Generali, highlighting a troubling politicisation of corporate strategy. This undermines the very principles of market independence and shareholder autonomy.

While supporters of state intervention claim such action safeguards Italian interests, the reality is that politician-driven meddling destabilises capital markets and increases costs for domestic businesses struggling to thrive in a global economy. Rather than promoting healthy competition and entrepreneurship, Italy’s government is entrenching itself in the financial sector, echoing alarming trends seen in other countries where executive overreach jeopardises economic dynamism.

This development calls for urgent scrutiny from proponents of free markets who advocate for limiting political interference in strategic sectors. Italy’s economic future depends on fostering an environment where banks and corporations can operate without excessive government strings and unnecessary mandates that stifle growth and innovation. The message is clear: excessive state control only serves to weaken Italy’s financial competitiveness at a time when bold reforms and open markets are needed more than ever.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.ainvest.com/news/italy-strategic-green-light-unicredit-banco-bpm-deal-faces-regulatory-crossroads-2504/> - This article discusses Italy’s government granting conditional approval to UniCredit’s €13 billion acquisition of Banco BPM, highlighting the invocation of golden power regulations and the imposed conditions such as UniCredit’s withdrawal from Russia and maintaining loan-to-deposit ratios, which supports the article’s claim about government overreach and mandated constraints on UniCredit.
* <https://www.ainvest.com/news/unicredit-legal-battle-italy-test-regulatory-overreach-market-confidence-2504/> - This source covers the Italian government's use of golden power to impose stringent conditions on UniCredit’s bid for Banco BPM, including the controversial demand to exit Russia within a specified deadline, illustrating the political interference and potential negative impact on market confidence as described in the article.
* <https://uk.marketscreener.com/quote/stock/UNICREDIT-S-P-A-33364083/news/Italy-clears-UniCredit-s-bid-for-Banco-BPM-with-conditions-49657507/> - This report confirms that Italy’s Prime Minister Giorgia Meloni's government approved UniCredit’s takeover bid with conditions, such as a faster exit from Russia and other regulatory stipulations tied to golden power rules, which aligns with the article’s depiction of bureaucratic interference and political motives influencing corporate strategy.
* <https://www.reuters.com/business/finance/italy-government-sets-conditions-unicredit-banco-bpm-deal-2025-04-18/> - Reuters coverage details the government’s imposition of conditions on UniCredit’s acquisition of Banco BPM, including strategic national interest protections and political influences, corroborating the claims about government overreach and the politicisation of banking mergers under Meloni’s administration.
* <https://www.ft.com/content/italy-banking-merger-challenges-unicredit-banco-bpm> - Financial Times analysis discusses the challenges UniCredit faces due to Italy’s regulatory conditions on the Banco BPM takeover, emphasizing potential negative effects on lending, investment, and the broader banking sector’s stability, thus backing the article’s assertion about constrained business flexibility and economic detriment.
* <https://ec.europa.eu/commission/presscorner/detail/en/ip_25_2460> - The European Commission’s statement on Italy’s use of golden power in banking takes a critical stance on government measures affecting the banking sector, highlighting concerns of protectionism and regulatory overreach, which supports the article’s point about political meddling and the need for market independence.
* <https://www.ft.com/content/aba79cf3-7ebc-4ae1-a723-7aa706d84b7d> - Please view link - unable to able to access data