

LUISS SCHOOL OF EUROPEAN POLITICAL ECONOMY

Newsletter - 07-08/2017
(No.35/36)

- [RECENT EVENTS](#)
- [OPPORTUNITIES](#)
- [PUBLICATIONS](#)
- [IN THE PRESS](#)

Villa Emiliani



PAST EVENTS

[July 13, 2017 - M. Lanza:
La vicenda Veneto
Banca: una visione
dall'interno](#)

[July 13, 2017 - Debito
pubblico e lira nel
contesto europeo](#)

[June 26, 2017 - E.
Barucci: An Assessment
on the Italian Banking
System](#)

[June 22, 2017 - M. Buti:
Global Economic
Governance: G7 e G20
nell'era di Trump](#)

[June 19, 2017 - E.](#)

RECENT EVENTS



[M. Lanza: La vicenda Veneto Banca: una visione dall'interno](#)

An analysis on the Veneto banking crisis by former Veneto Banca president, Massimo Lanza. Mr. Lanza provided SEP with an insider's view on the development and future of the crisis.



[Debito pubblico e lira nel contesto europeo](#)

An analysis on public debt and currency challenges facing Italy and the European Union by leading LUISS professors from the School of Government, School of European Political Economy and School of Law.

OPPORTUNITIES

[Call for Scholarships: 2017-2018 edition of the Master's program in European Economic Governance](#)

The LUISS School of European Political Economy is offering 4 total exemption and 8 partial exemption scholarships to students who intend to pursue studies in the 2017-2018 edition of the Master's program in European Economic Governance, and who meet the requirements of the notice.

[Giovannini: Politiche per rafforzare la resilienza in Europa: un approccio sistemico](#)

[June 6, 2017 - Presentazione Libro - Europa: sfida per l'Italia](#)

[May 22, 2017 - G. Brunello: Does Delayed Retirement Affect Youth Employment? Evidence from Italian Local Labour Markets](#)

[May 16, 2017 - The Challenges for Europe - J. Fitoussi & R. Skildesky: The Future of Work](#)

[May 12, 2017 - The Challenges for Europe - J. Fitoussi & G. Brunello: I libri sono per sempre](#)

[May 10, 2017 - J. Fitoussi & P. Aghion: Alternative strategies for reducing the Public Debt](#)

[May 8, 2017 - Le radici dell'Europa - Alberto Melloni: Le fedi](#)

[May 5, 2017 - Lorenzo Bini Smaghi: La tentazione di andarsene - quale futuro per l'Italia fuori dall'Europa?](#)

[May 3, 2017 - GS Forum - Rome 2017: Sustaining the economy, creating stable societies](#)

[April 28, 2017 - The Challenges for Europe - J. Fitoussi & J. Stiglitz: US - Europe, a Divorce?](#)

[April 27, 2017 - Le radici dell'Europa - Giuliano Amato: Il diritto](#)

[April 19, 2017 - Le radici dell'Europa - Massimo](#)

[Sono aperte le iscrizioni al Master in Economia, Finanza e Governance degli Investitori Istituzionali \(EFGII\)](#) organizzato dalla SEP [in cooperazione con il MEFOP](#)

Questa è la prima edizione del programma del Master. Le conseguenti competenze tecniche e analitiche sono calibrate per una figura professionale che lavori nelle istituzioni nazionali, europee o che curi i rapporti fra realtà nazionali e istituzioni europee. Il Master EFGII intende formare figure che possano contribuire a migliorare la qualità degli investitori istituzionali, previdenziali e non, nel panorama nazionale, comunitario e internazionale.

PUBLICATIONS

[C. Bastasin: Why Germany Can't Lead, Yet..](#) - This Policy Brief discusses how after the election of Donald Trump, Chancellor Merkel had been identified as the leader of the free world by many. However, much of what makes Germany strong and exemplary at the moment is also what is making other countries weak. It is due to this and other factors considered in this paper that lead Professor Bastasin to believe that Germany can't be looked to as the leader of Europe and the West, yet...

[Economic Growth and European Bargains: Why Italy Should Decrease Its Government Debt](#)

This Policy Brief discusses how the election of Emmanuel Macron as president of the French Republic and the acquisition of a parliamentary majority by his "En Marche" movement has raised the prospects for Franco-German cooperation and reinvigorated the process of institutional and political progress in the European Union, and, in particular, the euro area. With the expected electoral victory of chancellor Angela Merkel in September, it appears for the first time in about fifteen years there will be a coordinated political cycle between the governments of these two major euro area economies. It is important that Italy offers its active contribution to this path.

[F. Passacantando: Italexit, cancellazione del debito e monete parallele: l'attrazione fatale per la soluzione argentina](#)

This Working Paper aims to show the extraordinary complexity of an exit from the euro by Italy through a comparison with Argentina in the nineties when they adopted a currency convertibility with the dollar. After abandoning that regime in 2002 and having defaulted on debt, the country continued to grow at high rates within a few years. According to some, the Argentine experience shows that leaving the euro and debt restructuring could "revive" Italy. This conclusion is profoundly wrong.

[L. Andreozzi & R. Tamborini: Why is Europe Engaged in an](#)

[Cacciari: La democrazia](#)

[April 11, 2017 - The Challenges for Europe - J. Fitoussi & M. Messori - Euro Area–Italian Economy: a Contractual Agreement](#)

[April 10, 2017 - Catherine Mann: Will Soft Foundation and Financial Vulnerabilities Derail the Modest Recovery](#)

[April 5, 2017 - Mervyn King: La fine dell'Alchimia](#)

[April 3, 2017 - Architects of the Euro and SEP Graduation Day](#)

[March 23, 2017 - T. Cesaroni, R. De Bonis, L. Infante: Firms' financial surpluses in advanced economies - the role of net foreign direct investments](#)

[February 2, 2017 - Roberto Tamborini: Why is there an interdependence war in Europe and how can it be stopped?](#)

[January 24, 2017 - Europe 2017: Make It or Break It?](#)

[Interdependence War, and How Can it be Stopped?](#)

This Working Paper presents a large amount of evidence that European countries, and those in the EMU in particular, are engaged in an interdependence war, i.e. non-cooperative policies with huge social and economic costs due to mutual negative externalities. In this regard, the EMU as a supranational institution with the overarching end to generate and distribute collective benefits from integration and policy coordination seems off the mark. This Working Paper presents a policy game between two interdependent countries showing that the causes and consequences of interdependence wars lie in non-cooperative strategies dictated by the national social preferences over "good" but costly policy choices embedded into the government's policy function.

[IN THE PRESS](#)

[July 24, 2017](#) - *Il Sole 24 Ore* published an editorial by SEP senior fellow **Carlo Bastasin** in which he discusses possible events that could shake up the upcoming German elections. Mr. Bastasin argues that the escalating migrant crisis and potential need for a broad coalition to form the next government could prove to be more problematic for Merkel than analysts and observers have considered.

[July 17, 2017](#) - *Il Sole 24 Ore* published an editorial by SEP scientific council scholar **Gianni Toniolo** in which he discusses the reasons for and solutions to stopping the widespread growth of populist movements around the world.

[July 17, 2017](#) - *Il Sole 24 Ore* published an editorial by SEP senior fellow **Lorenzo Codogno** and his colleague Giovanni Gorno Tempini in which they discuss the role of public investment and its importance. In this article they point out that the phenomenon of low investment growth, both private and public, is worldwide, but in Italy it is much more pronounced.

[July 17, 2017](#) - *Il Sole 24 Ore* published an editorial by SEP senior fellow **Carlo Bastasin** in which he discusses the role of Italy with the newly strengthened German-Franco axis. For 15 years there has never been a situation where the French and German political cycles were so aligned.

[July 16, 2017](#) - *La Stampa* published an editorial by SEP director **Marcello Messori** in which he talks about the uptick in economic growth in Europe and, more recently, Italy. In this article Professor Messori points out that one very positive sign in the data is that there has been an increase in investments to high-tech enterprises.

[July 13, 2017](#) - *Commentary* published an editorial by SEP senior fellow **Daniel Gros** and his colleague Mattia Di Salvo in which they

discuss the European Council's decision to prolong the economic sanctions imposed on Russia until 31 January 2018.

[July 13, 2017](#) - *Il Sole 24 Ore* published an editorial by SEP senior fellow **Lorenzo Codogno** and his colleague Giampaolo Galli in which they discuss the ongoing Brexit negotiations and the desire of businesses for a "soft exit". Mr. Codogno also advocates that Italians can do their part in the process to make sure the process remains pragmatic and without ideological prejudices that could cause added pain for all sides.

[July 12, 2017](#) - *Il Messagero* published an interview that they conducted with SEP senior fellow co-president **Jean-Paul Fitoussi**. Professor Fitoussi addressed a series of questions related to Italy, the European Commission and Emmanuel Macron.

[July 11, 2017](#) - *AffarInternazionali* published an editorial by SEP senior fellow **Ferdinando Nelli Feroci** in which he discusses how the small size of the EU budget (just under 1% of the Union's GDP, which is about 155 billion euros a year), remains an indispensable instrument for achieving the goals that can be agreed upon; And that without adequate financial coverage the action of the Union risks paralysis or ineffectiveness.

[July 5, 2017](#) - *Il Sole 24 Ore* published an editorial by SEP senior fellow **Lorenzo Codogno** and his colleague in which they discuss the balance of addressing government spending and tax reform.

[July 4, 2017](#) - *Il Sole 24 Ore* published an editorial by SEP president **Stefano Micossi** in which he discusses the Italian banking crisis and important lessons that can be learned at both the national and European level.

[July 1, 2017](#) - *Formiche* published an editorial by SEP senior fellow **Lorenzo Smaghi** in which he discusses how he believes Europe can and must do more to help solve the Italian banking crisis. In this article he goes into the history of how Italian banks have arrived at this point and what should be done going forward to help solve the root causes of what brought us to the current situation.

[July 1, 2017](#) - *Formiche* published an editorial by SEP director **Marcello Messori** in which he discusses the recently announced bail-out for the two Venetian banks. Among the items he goes into detail on in this article is what the deal means for both Italy and the EU as the current intervention is a break from the recent European norms.

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