

BOCCONI, ITALY, EUROPE – “A TRIBUTE TO MARIO MONTI”

BOCCONI UNIVERSITY (MILAN, DECEMBER 7, 2022)

JEAN-CLAUDE TRICHET

FORMER PRESIDENT OF THE EUROPEAN CENTRAL BANK

Mr. President of the Republic,

Dear Mrs. President of the Commission Ursula von der Leyen,

Dear Rector, Professor Billani,

Dear President Amato,

Dear Professor Tabellini,

Dear Director Ferruccio de Bortoli,

Dear President, Dear Mario Monti,

Ladies and gentlemen,

It is for me an immense honor and a great pleasure to have been invited at Bocconi University to celebrate Mario Monti, my admired professor, the European luminary, the great Italian statesman.

I see five reasons, professional and personal, for me to participate in this celebration.

The first time I met Mario Monti, he was not yet appointed Commissioner, he was President of Bocconi University. The great academic, the great professor was totally dedicated to his legendary University, to Italy and to Europe. He appeared, to the French “*directore del Tesoro*” that I was, so intellectually convincing and deeply committed to the promotion of structural reforms. I was at the time implementing the French bipartisan strategy of “*competitive disinflation*”. I felt immediately extremely close to Mario Monti. We had the same intimate conviction that our countries had to combine bold structural reforms together with sound macroeconomic policies to attain sustainable steady growth and full employment, the ultimate goals.

I was looking at the economist Mario Monti at the time as a young, energetic, italian Raymond Barre, with strong personal views and a great deal of pragmatism. He was profoundly attached to intellectual freedom. He was fiercely independent, not recognizing any dominant influence, any single mentor or guru. He was inspired, when needed, by Friedman as well as Keynes, by Hayek as well as by James Tobin who was his professor at Yale.

Second reason, after the academic I could admire Mario Monti, the Commissioner, responsible first for Internal Market, Services, Customs and Taxation, and then for Competition from 1999

to 2004. Europe and the entire world could discover that the Commissioner was very serious when the economist Monti stressed that he was equally attached to competitive market economies and to the rule of law. He proved himself very bold and audacious in exerting his responsibility *erga omnes*, Europeans and non-Europeans “without fear and favor”. In fining Microsoft for abusing its dominant position in 2004 with 457 million euros, the largest fine ever imposed, Mario Monti delivered a strong statement on the European global influence. Rules and regulation of competition were one of the very few domains where Europe had decided to jump to the federal level. What you did as Commissioner for Competition is a very strong argument to go resolutely further along the federal path!

Third reason, I had the honor to succeed you in two responsibilities that you exerted with remarkable authority and success.

You passed on me the baton of the Trilateral Commission for Europe. Your personal dedication to an open society and to multilateralism aligned with the overall goals of this non-governmental Institution. Your personal resounding success in chairing the Commission was nothing but natural.

I note that the goals pursued by the Trilateral Commission, good global governance and deep and confident cooperation between Europe, North America and Asia, are more important than ever in the present times, characterized by uncertainty, drama, geostrategic tensions and war unseen since several decades. Thank you wholeheartedly for having gifted the European Trilateral Commission, and your successor, with such remarkable legacy.

You were the first President of the Board of Directors of the Bruegel Institute at its inception in 2005. Starting from scratch with a very small team, you made the Institute a great success, recognized as one of the best international economics think tank worldwide. When I took this responsibility in 2012 from your own successor, I was very impressed to realize how deep and successful had been your initial personal momentum.

Fourth reason, I have the honor to be with you a member of the Académie des Sciences Morales et Politiques, quai de Conti along the river Seine. It is between us a strong intellectual bridge. You were elected in 2012 to succeed Vaclav Havel. The close link, the institutional and moral proximity between this Academy and Italy are impressive. The eminent economist Pellegrino Rossi was elected as soon as 1836 quasi immediately after its new start in 1832. He succeeded Jean-Baptiste Say at the Collège de France.

In the occasion of your solemn reception at the Academy, you delivered a remarkable speech in a remarkable French. On Europe you sent in the occasion a message to France, I quote: “There is a belief that the enlargement – “l’élargissement” – was too quick. It is true that the first members of the European Union should have been more active in the deepening – “l’approfondissement”. But the former states are entirely responsible for their passivity. It is dishonest to put the blame on the new countries coming in.”

Your conclusion, pronounced in May 2014, is visionary: “Where will we be today if the countries of Central and Eastern Europe, from Slovenia to Estonia, were still without membership, at the very moment when Russia is again expansionary?”

Fifth reason, *ultimo punto ma non meno importante*, the dramatic situation which led you to become Prime Minister of Italy. Your country was attacked by a violent financial speculation in August 2011. The main reason was a considerable loss of creditworthiness due to poor macroeconomic policies. As former President of the ECB, I note that there was unfortunately also another systemic weakness explaining such attacks. I had warned that the decision taken by the European Council on October 28, 2010 on “Private Sector Involvement” (PSI) was dangerous: it gave implicitly a premium to any potential speculation. The European Council finally withdrew this unfortunate PSI concept on July 2011 at the request of the ECB. But it was probably too late.

The ECB governing council did not hesitate: it countered the speculation by purchasing massively Italian treasuries. It helped considerably, but it was clear that the ECB alone could not solve a problem triggered by a dramatic loss of confidence in the Italian signature.

The Italian democracy decided to ask a great economist, a great Italian, a great European and a powerful anchor of good governance to become its President of the Council of Ministers.

As soon as you took the helm of the Italian government, the image of Italy changed. Your personal credit and the immediate bold and courageous decisions you took restored the authority of Italy. It was clear in France, in Europe and in the world that the influence of Italy had been considerably expanded. The clearest demonstration of this transformation was the remarkable success of your negotiation inside the European Council, culminating in the Summit on June 29, 2012. You obtained the accord of all your peers, including the most reluctant one, on the utilization of the capital of the European Financial Stability Facility (EFSF)/European Stability Mechanism (ESM) to stabilize secondary financial markets in times of major difficulties.

I can confirm that without your determination, your perseverance and your inflexibility, economic and financial stability could not have been restored in the Euro area.

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Dear Mario Monti, dear President, my dear friend, I cannot end this tribute without quoting you again. You said as President of the Council of Ministers: “My aspiration is not to be loved. It is that my government be respected and credible.”

Your government was respected and credible indeed. Today, it is because we trust you personally, professionally, ethically and morally that we love you.
