

France - Italy, two crossed destinies



**DAVIDE
GIACALONE,**

Vice-President of
Luigi Einaudi Foundation
and a member of the Board of
directors of the Foundation.

He is also an editor,
writer and journalist.

which are illusory and mostly rhetorical, between the so-called «frugal» and Southern Mediterranean countries. There are two relevant issues:

- a) the feasibility of stability policies in order not to witness impossible drastic debt reductions, with consequential induction of recessions;
- b) the reaffirmed necessity of having common rules, not disrupted by bilateral negotiations between individual countries and the European Commission.

This debate is already lively and dynamic within ECB board, with

History and life of France and Italy have been intertwined several times. Some historical pages are glorious, other uncomfortable. We have been for a long time brothers, fellow citizens since the birth of the European Union. Particularly, it is on this recent period that our attention should be focused.

Several occasions have been missed because of the failed attempt to coordinate our countries' weight within the EU. Precisely because of common citizenship and of common geostrategic interests, Europe is a free market area within which, and this is positive, interests meet and clash. France and Italy have not always been able to manage their concerns.

For instance, in 2011, no awareness was showed about the speculation against sovereign debts which actually was to be understood as an attack on the single currency, not just on the debt of one country or another. Provided that Italian debt was and still is pathologically high. In 2012, the situation was fixed thanks to the European Central Bank, not to the Council's political capacity.

Nowadays things are working differently. And, fortunately, in a promising way. France and Italy are well aware of their common interests in the revisionary process of the Stability Pact.

It is not a matter of calculating borders,



particular emphasis on support of public securities auctions and on interest rate determination, but it is important that this dispute assumes a full political dimension, moving into the reform process involving States and the European Parliament.

In the past, the mistake committed was that of distinguishing between great and small countries, or between disciplined and sinners ones. On the contrary, these are models that deal with deep roots of national identities and sovereignty, of which reaffirmation cannot and must not undermine a greater convergent perspective. That is the reason why it is not a question of creating elastic and tolerant spaces, but of revising rules in order to make them followed and not interpreted. In this process, our two countries have a joint and vital interest to include their own problematic concerns within the European framework.

There is another delicate issue which unites us and should lead us to greater cooperation and confluence: a project of common defense. The resurgence, in the East, of imperial and expansionist pretensions and arrogance, which directly affect European security and sovereignty, plus the growth of our internal market which places us among the leading areas of the developed and democratic world, raise the problem of making defense common. We all need a European defense.

Also within NATO there is pressure to increase, in relation to the GDP, investments of each state in military expenses but this is not enough, we Europeans also need to coordinate them efficiently. The disproportion between the (great) economic power and the (minor) military power must be filled. To do so it is not enough to increase the spending, without forgetting heavy problems that this expenditure entails. It is necessary to spend better, without losing energy in making diversity grow.

The core of this effort is not only the creation of troops under the European flag, but, firstly, the flourishing of a European production and research on security and defensive matters. Especially after Brexit, France and Italy have a lot to do in order to be the real leaders of this effort. It is essential to catch the link between strategic autonomy and political weight.

Naturally, debt, budgetary rules and defense are not the unique context relating common interests, but surely, they are the ones on which governmental ability and capacity of changing current tracks and riding a tandem together are measured. Of course, this should happen always having in mind that the goal to be crossed is and must remain a European common goal. It will be an aim to fulfill, like several other precious targets already achieved, all together. ■

The Luigi Einaudi Foundation in few words

Established in Rome, the Luigi Einaudi Foundation is a think tank promoting liberal ideas and liberal political thought. It was founded by Mr. Giovanni MALAGODI - the Secretary of the Italian Liberal Party, former President of the Italian Senate and of Liberal International.

Since 1962, the Foundation has promoted liberalism as an instrument to elaborate original responses to the complexity of the current issues.

