



Institute of
Global Affairs

LSE STUDENTS' UNION
ITALIAN
SOCIETY



THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE

Hosted by the Institute of Global Affairs and the LSE Students' Union Italian Society

The Future of Europe

**Paolo Gentiloni
Prime Minister of Italy**

London School of Economics and Political Science

Thursday 9 February 2017

Check against delivery

Lecture of the Italian Prime Minister Paolo Gentiloni

London School of Economics, 9 February 2017

CHECK AGAINST DELIVERY

Professors, students, fellow Italians living in London, thank you.

It is an honor for me to speak today in one of the temples of thinking and teaching. The LSE is a British institution which chose to be, at the same time, a global institution. One of my staff members was a professor here, and told me that British nationals were a minority in his department. Such an institution is not only a British asset or even not only a European asset: it is an asset for the world, for peace and progress.

This is the first public speech given by an Italian Prime Minister in the UK since the Brexit vote. That vote cannot be questioned or criticized, it must be accepted and dealt with. But, being frank as friends should always be, I will tell you that the Brexit vote was a sad moment for many of us. We believed that together with the British people we could continue building

common institutions in the extraordinary venture of the European Union.

We were wrong.

However, we want to turn sadness into positive and optimistic action. We know that meaningful and mutually beneficial relationship will find new legal bases to move forward.

Our very first Prime Minister, Camillo Benso di Cavour, spent eloquent words about Britain, “the land where liberty found inexpugnable refuge”.

There is no referendum, and no political decision, that can undermine the brotherhood between our two countries and between our two people.

The UK will leave the European institutions, but it cannot leave Europe. As Timothy Garton Ash put it: “Geography is not destiny. [...] As in personal relationships, you can be together but apart – or apart, but still together”.

I know that this feeling and this belief are shared between us and Prime Minister May, and is widely shared across European countries. This awareness will be the inspiring principle for our forthcoming negotiation.

It will not be an easy negotiation, there will be a lot to discuss. However, I believe that the European Union and the U.K. will handle it as loyal partners. We will face a complex process, an unexplored territory. But we can turn challenges into opportunity. Through this process, we will gain a deeper understanding of ourselves and we will learn from each other.

Bilateral cooperation will remain crucial along the process. But make no mistake: the EU framework is the only guarantee for a well-structured and sustainable agreement in the long run. We must enter the new phase of our partnership in the best possible shape, and keeping the interests of our people at heart.

Ladies and gentlemen,

the European project does not enjoy great consensus lately. More generally, long-term, clairvoyant projects are not particularly en vogue. There seems to be an appetite for reactionary short-term solutions to deep rooted problems. Masters of illusions are at play across the world to exploit

legitimate concerns, and sentiments of displacement that derive from the ongoing changes experienced by our societies.

I want to say a few things on this apparently irresistible rise of reactionary populism.

Despite the novelty of the internet, the largely still uncharted territory of social media, and even the sinister shadow of cyber-espionage, we are not facing a completely new phenomenon. Populism has historically been a traditional response to periods of deep change and periods of insecurity. It is a response that ruthlessly exploits legitimate preoccupations and concerns.

The difference between the populist approach and our reformist approach can be easily understood by reading again the motto of this university. “*Rerum cognoscere causas*”. To know the causes of things. As reformers, we base our political actions, our choices and our words, on the best knowledge we can achieve. Populists are not concerned with understanding, they want to “fix” problems by fiat, and to support this

illusion they need scapegoats: experts, members of the establishment, or politicians to be blamed. It doesn't really matter. Identifying scapegoats will allow for short-term solutions that will not address any real concern, and often will make problems worse.

Populism thrives on democracy by using all the free spaces of an open society. We are seeing this in the development of fake news. But I am confident of two things. First, "You can fool all the people some of the time, and some of the people all the time, but you cannot fool all the people all the time", as in the quote often attributed to Abraham Lincoln. Second, good democratic reform will be able, once again, to address the legitimate concerns that are feeding populism, so that the latter will end, perhaps abruptly, and hopefully soon.

However, it is imperative for liberal and democratic politics to take the challenge of populism very seriously. This applies to my country, to the UK and it applies to the EU, because the challenges we face, as usual in our history, are essentially the same.

Let me now speak to the other side of the channel.

The British people has decided on a long-term development plan, taking on considerable risk, and are now preparing to face the challenge they set for themselves. The European Union must understand the magnitude of the challenge and take it on with courage and creativity, and it must involve all its citizens in a profound dialogue. The coming 12 months will see important elections in a number of European countries, and we should all use this occasion to discuss about Europe. We have historically put a lot of efforts on macroeconomic convergence, and rightly so. However, we have overlooked the importance of political convergence, which can only be achieved through dialogue and discussion, and then votes and choices.

I think that the real answers to the demand for justice, opportunities and fairness that we can hear coming from different parts of our societies, can be found only within Europe, in an open society. We are much stronger and much freer together. Our liberties are not only protected by holding

together, but they are enhanced. Justice is enhanced. Progress is more solid and more equitable.

See? Even by just starting this debate, we can clearly see that it is a debate ultimately about values. We cherish freedom, justice, and inclusive progress. Therefore, these same values must be the metric we use to assess the progresses we made so far, as European, as member states but also as European institutions.

There is no doubt that the long-term assessment of the European project is one of stunning success. The European Community has allowed for unprecedented economic progress and inclusive welfare across European countries. Our Union has established peace in lands where war was the norm. The EU has more recently engrained democracy and a new wave of prosperity in the Eastern part of our continent.

Clearly, we cannot afford to rest on laurel. The strong message we are receiving at present says that neither our governments nor the European institutions, can be content with our short term achievements. This does not

mean that we have to overlook or ignore historical progresses. But politics is not about the past, politics is about the future. We cannot hide behind a bureaucratic answer because politics is and will be stronger than formalism.

This is why we need to be ready to push forward. The Brexit vote has clarified once more that the issue is about “different degrees” of ambition.

We have to move forward in a much bolder way with the member states that are willing to do so, without entailing that different degrees mean different levels of friendship or cooperation.

This approach would allow all countries to find a place and a suitable degree of integration within the EU. We need a flexible, reformed and united EU in which different degrees of policy integration can coexist successfully, making it fit for the future. This is what we want to achieve in view of the 60th anniversary of the signing of the Treaties of Rome. A Union of citizens and States.

Some say that the propulsive force of integration that began 60 years ago is coming to an end. I am convinced that the force of innovation and stability

embodied in the European project still has much to offer. But in order for this potential to be realized, we must do better. The Rome declaration will be a great opportunity. For many reasons.

We need stronger economic policies, not to increase spending, but to give meaningful answers to our citizens. Europe needs to gain a more complete understanding of the damage that occurs when austerity is the only compass. I am confident that we are nearly there.

We need to explore bolder policies, such as a European unemployment benefit scheme. We need to extend policies that promote exchange and intra-European experiences for young people. We need to take seriously the concerns that our citizens express and be able to transform them swiftly into policies.

A better EU and a stronger Eurozone are in the mutual interest of the EU and UK. Deepening and completing the governance system of the Eurozone will remain an essential task for this generation of leaders. No one should doubt: we will continue to promote a policy mix of structural

reforms, sound fiscal policies and major investment for growth and jobs.

We want to prevent and overcome economic shocks, and fight asymmetries. In this sense the EU has all the political and economic resources to advance towards a political Union.

Europe needs to have a fairer and more sustainable development. Our welfare systems have to be up to date for the challenge of the digital society and we need to work harder to make our Union a social Union.

Additionally, huge economies of scale at EU level can be created in sectors like defense and security, and border control, as we have only started joint work on the latter. Europe is costly when Member States do not act together. Pooling resources in key areas, particularly where no EU country alone can have a significant impact, is the real European added value.

Without a long term approach on migration, based on the demographic changes in our society and on the developments in the world around us, the EU will miss the opportunity to be a credible alternative to the “politics of walls”. We have to fight human trafficking, defend human rights, and

protect our citizens and our borders. At the same time, we need to address the root causes of migration.

Finally: we need to speed up decision making processes. We need to do whatever it takes to bring back politics in Europe, which means: knowing the causes of things, and acting accordingly. We need to replenish the coffers of trust in our democracies: only real and concrete democratic policies – not words, not populist illusions – can do that.

In the past twenty years, we have too often nurtured the idea that change of technological or economic nature could be treated as a neutral phenomenon, to be dealt with through the tools of technical knowledge.

This was a major mistake because unless the utility and appropriateness of change is shared across the population, change will eventually be seen with suspicion and rejected. I think the lack of attention to the consequences of change are at the core of the current crisis of trust we are experiencing across industrialized countries.

A recent survey measured a steep increase in the number of countries where over 50% of the population does not trust the main institutions of business, media and government. We need to understand that change is always contradictory and even if, as we all believe, global technological progress will deliver increased growth, jobs and prosperity, the level of disruption that it currently entails has to be put at the forefront of public policy.

Ladies and Gentlemen,

To close, I would like to acknowledge the role played by fellow Italians that live in the UK, few of which I am happy to see here today. Italians abroad are a constant source of pride and inspiration for those who live in Italy. Italian citizens living in the UK contribute to the prosperity not only of this country, but also of Europe, its economy, and diversity. Whether working or studying, in art or industry, you are paving the way for your future and our future.

I am confident that the Brexit process will not affect the principle of reciprocity in the mobility of citizens and the recognition of their rights.

The relationship between the EU and the UK will hinge on the rights of individuals, citizens, and enterprises.

Naturally, all our consulates will do their best to support you during the period of transition that will begin once the UK invokes article 50.

As a young person, I loved British rock, and indeed I still do. One of my favorite bands – The Clash – had this tune titled “London Calling”, I was thinking about it this morning on the plane. I am sure that also “Rome Calling”, “Paris Calling”, “Berlin Calling” will still be played in our continent. These cities, and all the other marvelous European cities, will continue to call attention as beacons of civilization all over the world. Our task, as servants of our people, is to answer their calls with the creative wisdom of politics.

