

Bologna, October 19th 2020

Speaker: Romano Prodi, Former President of the European Commission (1999-2004); Former Prime Minister of Italy (1996-1998; 2006-2008)

Moderator: Professor of European Studies and International Political Economy; Professor of European Studies and International Political Economy

Johns Hopkins Global Risk Conference

Robert A. Mundell Global Risk Annual Lecture - A Challenge for the Next Generation

Romano Prodi, *Former President of the European Commission (1999-2004);
Former Prime Minister of Italy (1996-1998; 2006-2008)*

Over two and a half decades at the height of political power, Professor Romano Prodi has seen his share of challenges facing Europe. So it is particularly remarkable if a statesman of his stature describes the decisions taken in Europe in the wake of the Covid-19 pandemic as unprecedented.

On October 19th, SAIS Europe had the honor of hosting Professor Prodi to deliver the annual Robert A. Mundell Global Risk Lecture. Few are better positioned to deliver a lecture on the challenges facing Europe in an increasingly volatile world than Professor Romano Prodi. Over the past two and a half decades he has served twice as the Prime Minister of Italy as well as the President of the European Commission. Not only was his leadership key for ensuring Italy's membership in the Eurozone, as Commission President he also presided over the accession of ten new states to the European Union. Moderated by Professor Erik Jones, Professor Prodi delivered a broad overview of the political shifts taking place around the world as well as the challenges the European Union will have to contend with in the coming years.

For Professor Prodi the most significant development of the past months is the EU's agreement on a joint €750 billion recovery fund, which he considered an unprecedented achievement. "Last time I came here I was very pessimistic about Europe," Professor Prodi confided to the audience. However, "since July, we have had the beginning of a policy solidarity in Europe," he said. The most important reasons for this new-found solidarity was the outbreak of the Covid-19 pandemic, which has had severe impact on the economies of every European member state. Additionally, the accelerating competition between China and the United States, particularly in the field of big data, as well as the increased uncertainty over America's protection of Europe has intensified the need for European economies to work closer together. All of this, Prodi noted, would not have been possible if the UK still was a member of the European Union.

While a new air of solidarity has taken hold in the European Union, the unanimity requirement in the European Council is continuing to hamper the EU's effectiveness, Professor Prodi said. Still, he expects the EU to gain further importance, particularly in the field of carbon and technology taxation.

In all this, the goals for the EU remain clear: promoting the social, economic and territorial cohesion of Europe, strengthening economic and social policies, mitigating the social aspect of the Covid-19 pandemic and supporting the green and digital transition.

Turning to political developments outside of Europe, Professor Prodi highlighted the importance of the upcoming US elections to the implementation of Europe's political agenda. A possible Biden administration would – in contrast to President Trump – neither treat the EU as a dangerous foe nor try to divide Europe. For the EU-China relationship too, the result of the US presidential election will be critical. China is continuing its efforts to divide Europe, a function of China's goal of separating Europe from the United States.

Looking to the future developments in the global economy, Professor Prodi does not see an end to globalization. For that, he noted, the economic interests of the US and China are too interconnected. However, a trend toward reshoring and greater protectionism in the field of technology will accelerate, the former Italian Prime Minister suggested.