

Minister of Economy Giovanni Tria on Italian economic policy.

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On June 9, in an interview with one of the major Italian newspapers, *Il Corriere della Sera*, the Minister of Economy and Finances, Giovanni Tria, outlined the economic policies of the new Italian government. From the words of the Minister clearly emerges the will to remain in the euro and in the European Union, putting to rest the rumors that see Italy close to abandoning the EU. The Minister is a professor of Political Economy at the University of Rome "Tor Vergata" and President of the Italian National School of Public Administration.

When asked to explain why Italian government bond interest rates have steadily increased in recent weeks, the Minister regarded these fluctuations as normal market concerns in the face of an uncertain and entirely new political situation. Therefore, there is no reason to consider the Italian economy at risk, as all its fundamental economic indicators are more than solid: even public debt is fully sustainable. Tria recognizes that a stable investments' growth would be the best way to reduce Italian debt to GDP ratio. These investments, key in strengthening the overall competitiveness of the country, will be carried out in compliance with constitutional obligations and without undermining relations with the European Union.

Tria's thoughts on the matter are very clear: Italy is willing to discuss with the EU, but that does not mean to threaten other countries or to force the issue. Once a relationship of mutual trust has been re-established with the other European partners, the new government intends to assert Italian national interests in full compatibility with the whole of Europe. The government has just taken office and it is, therefore, premature to estimate the overall impact of the announced measures. Tria points out that the objectives such as debt reduction are clear, but technical issues will be defined with the update to the *Documento di Economia e Finanza* to be published in September. Any measure will have in mind long-term sustainability and will be included in a broader framework of structural reforms to stimulate the Italian economy.

International investors should be reassured by these statements: the Italian economy continues to be solid and the government is fully committed to constitutional and European obligations, and to encouraging Italian economic recovery.

Source: Corriere della Sera