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Each year the EUI trains promising young academics from all over the world in a truly European environment

Passport to the Future: The Post-Doc Programmes

EUI President | **Yves Mény**

Inside

- 03 The 'EUI' Effect
- 05 The European Constitu
- 07 Energy Security in Europe
- 09 Conversions to Islam
- 11 A Microeconomist on Sabbatical
- 13 Travels with my Aunt
- 16 Examining Normative Interaction
- 18 A Higher Stand and a Broader Outlook
- 20 An Academic Pilgrim at Villa La Fonte
- 22 Monetary Sovereignty, etc.
- 24 The EU(I) Discovers Asia
- 26 Productive Discussions
- 28 European Common Values
- 30 Anti-trusting Europe
- 32 Arab Representations of Europe
- 34 The Protection of Cultural Heritage
- 36 A Wonderful Year
- 38 Intellectual Property Rights
- 40 Getting to Grips with Inequality
- 42 Europe and Colonialism
- 44 Faith and Economics
- 46 A New Open Access Legal Journal



The first post-doctoral fellowships at the EUI were offered in the late 1980s, thanks to a financial contribution from the European Union. At the time, it was a fellowship scheme open to any academic. Some indeed did fit a post-doc profile but most of the fellows were actually rather senior academics, some of them close to retirement! A first step to redress this was taken when the Robert Schuman Centre decided to set an age limit and to reserve the fellowships to promising young academics from all over the world. This major change immediately attracted the interest of PhD students or lecturers at the beginning of their careers. Many of them had recently defended their PhD in the US (some were Americans, but most of them were Europeans or foreigners wishing to complete their training in a European environment).

There was no master plan behind this initiative, but instead the happy outcome of the decision to attract young scholars rather than to offer the fellowships in an indiscriminate way to academics at any stage of their career. These positive developments convinced the Institute that there was an important and crucial need which was barely recognised in Europe, contrary to the US where the 60,000 annual post-doc fellows superseded the 40,000 PhD diplomas awarded every year. Even more striking was the fact that two-thirds of the fellows studying in America were foreigners and that many of them would stay in the US because of this stimulating experience and thanks to the opportunities offered by the American academic market. On this side of the Atlantic, by contrast, the fellowships were very few (so few that no statistics are available) and there ▶▶

- ▶ was no tradition in most universities to host post-docs. The concept of 'post-docs' was not unknown, but if a student was interested in such a prospect, he/she was advised to look at an American university, frequently the only available option. The EUI initiative was a small but decisive contribution to change this state of affairs.

With the launching in 2006 of the new Max Weber Programme next to the Jean Monnet Fellowships granted by the Robert Schuman Centre and the funding of individual grants by private foundations, national institutions or EU schemes (such as the Marie Curie Fellowships), there have been crucial new developments. The number of post-docs offered to doctors trained outside the EUI is by now close to 100, a figure comparable to the number of PhDs defended annually at the Institute (105 in 2005). This makes a big contribution to the training and socialisation of young academics in a European and international environment which has no equivalent in the world. The EUI's involvement in the Europeanisation of the social sciences is increasingly felt and perceived and we feel proud when our alumni, former PhD students or post-docs, do well and have good memories of their time in Fiesole. This satisfaction should not, however, bring complacency. There is still a lot to do in order to improve our training activities, our seminars or workshops, our methodology courses in order to offer the best possible preparation to future careers. But this is a fascinating and ongoing challenge that the EUI wishes to address by competing with the best universities in Europe and in the world.

We can indeed foresee and hope that post-doc fellowships will increase in the years to come. The DG Re-

search at the European Commission is already offering an impressive number of Marie Curie Fellowships which favour mobility in Europe. The interesting innovation is that the Brussels impulse is triggering similar initiatives in many countries of the European Union. The number of post-doc fellowships is increasing in the Scandinavian countries as well as for instance in Great Britain. Many of them are conceived as springboards for future academic careers and as a testing phase for potential candidates to academic positions. More and more private foundations contribute to the creation of fellowships with special purposes or objectives.

All this is very positive but further attention should be paid to three important dimensions:

Development

The fellowships should not be just considered as a trial period for potential junior professors in a given university. Post-docs should not be asked to teach too much as the fellowship should mainly contribute to the development of research in a new and stimulating environment, different from the PhD phase.

Integration

The fellows should be integrated as much as possible in the research programmes of the host university; it is crucial to substitute the one-to-one relationship so distinctive of PhD programmes with a more collegial system of collaboration and integration.

Mobility

A post-doctoral programme should be completely internationally-minded: nationals should be invited to cross their borders and foreigners should be attracted not only by the amount of the fellowship but by the quality of the research and teaching environment. ■

The Italian pension gamble

On Friday 15 June, in the new Sala del Capitolo at the Badia, two books recently published by Il Mulino were presented to the public. Both books deal with the crucial issue of pension reform in Italy:



Il gioco delle pensioni: rien ne va plus?
by Giuliano Amato (EUI) and Mauro Marè
(Università della Tuscia)



Vincitori e perdenti by David Natali
(EUI alumnus and Università di Bologna)

The 'EUI Effect': How it has Affected my Life

Max Weber Fellow | **Mariely López-Santana**



During an interview for an academic post I was asked: “As a professor, if you were to create the ideal learning situation, what would you bring from your personal experiences in the Caribbean, the US, and Europe?” That was one of the cleverest and most difficult questions that someone has asked me during a job interview and made me realise how lucky I am to have experienced different types of educational settings.

I am political scientist, and this year I have been a Max Weber Postdoctoral Fellow. I have been told that I am a ‘rare’ example as I am a Puerto Rican, who studied in the US, and specializes in EU Politics. I was born and raised in Puerto Rico and when I was seventeen years old I was an exchange student in the Netherlands for one year. During that time, I was able to experience the ‘Dutch’ life, including the language,

with my wonderful host family. That experience opened my eyes to the world as I became fascinated with Europe. When I decided to apply for graduate school the University of Michigan in Ann Arbor, after graduating from the University of Puerto Rico, I knew that I wanted to specialize in European Politics. And that’s exactly what I did!

For my dissertation I studied how EU non-binding mandates on the policy area of labour market policy (the so-called Open Method of Coordination) affect domestic settings in Member States. The central question that I attempted to answer was whether non-binding mandates have the capacity to alter domestic settings, specifically labour market policies and settings, even if there is no obligation for States to comply with these mandates. To gather the necessary ►►

- ▶ data, I moved back to Europe for a year to conduct interviews in Spain, Belgium, and Sweden with policy-makers. During that period, I became an expert in EU Politics, as well as on Comparative Politics and International Relations.

In 2002 I came to the EUI and Florence for the first time. In that graduate student conference held at Villa Schifanoia, I remember thinking: “very soon I want to come here and experience this beautiful place.” That thought stayed in my mind for the next couple of years to the point that it became a personal goal. So, when I was able to apply for the Max Weber Programme, I did so without hesitation. Still, my advisors and I were not very confident with the likelihood of being accepted and I suspected that many were not open to the idea of my not being European. I moved from cold Michigan to beautiful Florence. Yet, coming to Florence involved many changes in my life given that I was no longer a graduate student and I was a newly-wed.

Throughout this year I had the pleasure of working at Villa la Fonte. As I open my window to search for inspiration to write this short piece, I hear the trumpets of the nearby music school and think about

“I am interested in how intergovernmental institutions can help solve coordination problems across and within levels of government, including the supranational level”

how lucky I am to be here. As a Max Weber Fellow, I have been working on publishing sections of my dissertation. The fruits of my labour include one journal article, three working papers, and two potential book chapters. Moreover, I started to expand my research agenda.

In the process of writing my dissertation, I became extremely interested in issue of how different political systems divide responsibilities and tasks across different levels of government. More specifically, I am interested in how intergovernmental institutions can help solve coordination problems across and within levels of government, including the supranational level. With Michael Keating as my mentor I have been able to take advantage of the opportunities to develop my research agenda. For instance, I have taken part in seminars that deal with issues of decentralization, devolution, federalism, and European integration. In addition, to develop my knowledge of various issues related to my interests, I have participated in several

workshops and multiple talks. In these spaces, I have been able to become acquainted with the literature on these topics, to learn from the professors and colleagues about their projects and interests, as well as to reflect on how to apply this knowledge in the classroom. I have spent many hours in the excellent library doing research to write various papers. Finally, I have used this opportunity to learn Italian and include Italy as one of my cases of interest and I am currently also working on a project about the devolution of labour market policy in Italy, Spain, the UK, and Germany.

As I go over my experiences this year, I have to emphasize the importance of being able to share my ideas with top scholars, and I am sure that many of these contacts will remain important in the future. Given the goals of the Max Weber Programme of emphasizing interdisciplinarity, one of the most gratifying experiences has been to learn so much about other disciplines. Many hours of formal and informal learning have paid off as I have opened my eyes to other perspectives and approaches. Moreover, in this process I have learnt a great deal about the similarities and differences between ‘European’ and ‘American’ academia and job markets. And, I have indeed incorporated these experiences and knowledge into my academic life and worldview.

All in all, at both the personal and the career levels, I consider this opportunity a life-changing one. Reflecting on my future as an academic has been important as I have been able to sort out where I want to be in the long-run. As a scholar of the EU, I have been able to update my knowledge on this topic which I will incorporate into my research and teaching. In addition, with joy, I have fulfilled the expected line in any curriculum vitae of a credible scholar of the EU—‘fellow at the EUI’. Without any doubt, in the eyes of many employers and colleagues, being a Max Weber post-doctoral fellow has served as a ‘certification’ that I am a competent and serious scholar. One of the potential outcomes of the ‘EUI effect,’ is a tenured-track position at George Mason University to teach EU Politics, which I recently accepted.

The year is almost over and I constantly think about what I will miss, including the remarkable view from my office. I will miss the Tuscan climate, the trips around Italy, and the beautiful landscape. At the personal level, I will miss the friends that I have made during the year and the many hours that we spent taking *aperitivi*, eating exquisite meals, drinking coffee, and walking home to Santa Croce. Equally important, my husband and I spent a marvellous honeymoon here in Italy, and I feel sure that in Washington DC we will dream about the creamy *gelato*, and in the future we will drive our child crazy with our Italian stories. ■

An Alternative Solution for the European Constitution

Commission Fellow | **Paolo Ponzano**



When, in January 2006, I proposed my candidature for research on an alternative solution for the European Constitution within the Robert Schuman Centre, few political leaders and European scholars felt that there was a chance to restart negotiations on a new Treaty for European Union.

A lot of people felt that the Constitutional Treaty signed on 29 October 2004 was dead and that the European institutions should focus on productive results for the citizens and not on a settlement of the constitutional dilemma. Some political leaders—and not only the Eurosceptics—had found the following significant message: “We need to DELIVER, not a CONSTITUTION”. Personally, I found this message simplistic and even wrong. Under the current Treaty the European Union can only deliver within the traditional fields of Community competences (internal market, environment, transport, agricultural policy, etc.), but not in the new fields of citizens’ concerns (unemployment, terrorism and criminality, illegal migration, development of the new policies such as energy, external policy, climate change, etc.).

These policies cannot be pursued efficiently on an exclusively national basis and need, therefore, new competences and means for the institutions of the EU. Let us focus on two examples of this contradictory process. First, last year the European Institutions adopted the

directive on services and the REACH regulation, but have not been able to take very substantial decisions in the field of Justice and Security issues despite a large number of Commission’s legislative proposals. Secondly, despite the ambitious objectives of the Lisbon Agenda, Europe is not becoming the world’s most dynamic economy, *inter alia* because the European institutions do not possess the necessary competences and means of action. Therefore, it was clear that the EU needed a new Treaty to deliver in the fields of citizens’ concerns.

Moreover, many Member States, among which the most crowded of the Union, remain convinced that the EU needs some changes in its institutional framework and in its decision-making process in order to work efficiently even with 27 countries.

If a new Treaty is needed in order to give to the EU the necessary means for action, can we decently ask the French and the Dutch to vote again on the same Constitutional Treaty? On the other hand, can we ask the 18 countries which ‘ratified’ the CT to accept a simple Nice Treaty with the addition of some institutional provisions? In both cases, the answer is negative. Therefore, the only reasonable solution is to draft a new Treaty keeping the essential substance of the previous CT while changing its form in order to avoid a ‘constitutionalisation’ of some policies founded in 1957 ►►

- ▶ but modified in the meantime. Furthermore, the new Treaty needs to contain some new elements requested by French and Dutch citizens.

Many innovative solutions have been proposed by political leaders (such as Sarkozy), or members of the EP (such as Duff or Onesta), but all of them contained advantages and disadvantages.

Sarkozy's proposal for an 'Institutional' Treaty does not appear to give the EU institutions the necessary means to deliver in the fields of citizens' concerns because it restricts the changes to the 'institutional' provisions. Duff's proposal was the more coherent and innovative solution for modernising the EU competences on the substance, but raised some political problems which would require more time and political will to solve. These political issues include the revision of the financial system, the status of associated Member States or the 'co-decision' procedure between EP and Council for agreeing the new Treaty. Onesta's solution for splitting the CT between a 'Fundamental Treaty' and a 'Functional Treaty' was a good one, but its proposal for ratifying the Fundamental Treaty by an European referendum with majority rule is inconsistent with the provisions of Art. 48 of the current Treaty.

The Amato group involves a large number of personalities that have attended the European Convention as well those with much European experience. This group has formulated a deeper solution with the legal expertise of the Schuman Centre and especially of Prof. Ziller. This solution consists of a new Treaty of 71 articles which takes over the institutional provisions of the CT of 2004 as well as a modified version of its Part IV, plus a clause giving binding force to the Charter of Fundamental Rights. The innovations of Part III of CT would be transformed into amendments of the existing Treaties, by means of two supplementary Protocols. After consolidation of the amendments, the EU would be governed by two Treaties and the Charter: the new Treaty's text would replace the text of the Treaty on European Union; the amended Treaty on the European Community would contain all the elements on policies of the Union and details of the functioning of the institutions. This solution has the advantage to keep all the provisions both institutional and of substance of the CT while changing the form of the Constitutional Treaty in a classic Treaty amending (and not repealing) the current Treaties.

However, not even this solution was able to respond to the concerns of the citizens and to allow the EU institutions to deliver. This is why solutions presented recently by J. Leinen and I. Mendez de Vigo, while using the same methodology of the Amato group's solution, add new elements of substance that allow us to answer the concerns of the citizens (for instance, Leinen's solu-

tion contains two new Protocols on climate change and the social dimension of the Union).

After the agreement reached by the European Council on 21/22 June, it is highly likely that the new IGC will lead to the drafting of the new Treaty by next October and its signing before the end of the year. The problem of ratifying the new Treaty nevertheless remains. On the one hand, the new Treaty will not be sufficiently different in its content from the CT rejected by France and the Netherlands to avoid a referendum in some countries; on the other hand, it will be difficult to explain to public opinion why a new Treaty which should give to the EU Institutions the means to deliver for the citizens' concerns does not need a referendum for its ratification (except in Ireland and Denmark where a referendum is legally or politically necessary in the case of new transfers of competences to the EU).

The problem of national referenda for ratifying the new Treaty has been raised in a seminar at the Schuman Centre organised by Prof. Ziller and myself. During this seminar, the democratic character of separate referenda in only some Member States, furthermore on different dates and with different questions asked, has been questioned, when it comes to the amendment of existing Treaties in a procedure which requires unanimity, as is the case with the EU/EC Treaties. Indeed, as underlined by Prof. Andreas Auer amongst others, individual Member States' referenda have the effect of decoupling the power to decide from accountability on the decision and from the power to draw the consequences of the question put to referendum. They are therefore very dubious from the point of view of democracy for the overall EU.

For this reason, the participants have examined the legal foundations which could allow for a European referendum. As the main legal basis, namely Art. 22 of the TEC, would require not only a unanimous decision by the Council on a proposal of the Commission, but also a ratification by all Member States, the participants considered that a more realistic approach would consist in organising national referenda to be coordinated at European level.

The agreement reached by the European Council on 21/22 June has kept the essential content of the CT (at least 90% of the latter) while changing its form (as suggested by the Amato group and others). However, this welcome result has been matched by an excessive proliferation of derogations and 'opting-out' clauses, especially for one Member State. This means that the risk (or opportunity, depending on your point of view) of having a two-speed European Union or 'enhanced cooperations' has not been entirely ruled out. On the contrary, this will be probably the next challenge for the EU: as the Latin saying goes, *Hic Rhodus, hic salta* ('Here is Rhodes, jump here'). ■

Energy Security in Europe

Jean Monnet Fellow | **Paul Twomey**

It has been a privilege to conduct research at the European University Institute, and in particular with the Florence School of Regulation (FSR) at the Robert Schuman Centre. The FSR was only established recently and although a very small unit, it already conducts a remarkable number of international activities including workshops, conferences and courses on energy regulation and competition policy.

My most direct research interest concerns the security of energy supply in Europe. This issue has risen in prominence recently with the growing concerns over the increasing dependency on gas from outside the EU, particularly with Russia. However, this supply risk is just one of a multitude of energy-related risks facing Europe. One of my research interests here has been to explore the concept of energy security, including understanding the different dimensions of security risk. A key question is how to integrate the various types of risk involved, including technical, economic and political risks, into a robust measure that can be used for monitoring and modelling purposes.

An important measure of security of supply, as well as a potential control variable, is the diversity of the technology mix for generating electricity (i.e. the mix of coal, gas, hydro, nuclear, renewable, etc.). The idea here is that for a more resilient energy system we should

not put all our eggs into one basket. Part of my work has involved using portfolio theory from the theory of finance as a tool to measure the risk-return tradeoffs from different technology mixes. A related question concerns whether the market delivers an efficient level of diversity or whether there are market failures that prevent a socially optimal outcome. If the latter, what should be done to reduce these impediments or compensate for them? I have been contemplating the advantages and disadvantage of a diversity charge/tariff which could be levied on generation types to reflect the concentration of each source in the system.

As well as understanding and measuring security risk, another key question concerns how security of supply objectives relate to other energy objections. The European Commission's recent document 'An Energy Policy for Europe (2007)' outlines three major components of European energy policy—security of supply, sustainability (including environmental objectives) and competitiveness. The Commission appears to suggest that these objectives reinforce each other. However, this is not so clear. Part of my interests lie in understanding the trade-off between these objectives both at a national and European level. Again, conceptual and measurement difficulties arise as neither sustainability nor competitiveness are easily definable. ▶▶



- ▶ Part of my work in Florence has also included participating in and synthesizing the research of the international workshops and conferences organized by the Florence School of Regulation. Let me summarize two interesting examples. One topical workshop concerned the issue of climate change and in particular the initial experiences of the EU Emission Trading Scheme (ETS), a key pillar of current EU climate policy. Under this scheme, each country specifies caps on greenhouse gas emissions for individual power plants and other large CO₂ emitters. These plants then receive a maximum amount of EU emission ‘allowances’, ideally less than the caps. To comply with the caps firms can either reduce their emissions or purchase allowances from facilities with an excess of allowances. Economists have shown that this market arrangement sets up an incentive for reducing emissions in the most cost-efficient manner.

“The leadership role of the EU in developing a functioning emission trading scheme in cooperation with industry could provide a guide for the rest of the world”

That the scheme is up and running is in itself a great achievement. The infrastructure for data collection has been established and firms are incorporating CO₂ cost considerations into investment and operation decision making. But there are a number of issues that need to be addressed in developing a more effective system. These issues often illustrate the conflict between economic efficiency and political expediency. For example, in order to get industry on-board it was necessary to allocate the allowances for free. However, a more efficient result arises from auctioning the allowances to firms, which, not surprisingly, much of industry objects to. Similarly, there has been an over-allocation of allowances by most member states during the initial phase of the ETS. The environmental effectiveness of the first phase is therefore likely to have been limited. Now that the scheme is established it is a priority to create more stringent targets so as to drive greater efficiency, fuel switching and new low carbon investment. It is also vital that other developing countries outside the EU begin to participate in some type of quantified targeting of CO₂ emissions as their emissions are increasingly becoming very significant. The leadership role of the EU in developing a functioning emission trading scheme in cooperation with industry could provide a guide for the rest of the world.

An emission trading system is one instrument to tackle climate change but other instruments are available. These include taxation policies, institutional and behavioural policies (e.g. market design, labelling, standards) and instruments to promote new carbon technologies (e.g.

R&D support, deployment support). A real challenge for economists is to understand how these policies interact. There is a danger that segmenting a climate change strategy under multiple instruments may reduce the efficiency of the solution. However, each instrument may have weaknesses that need to be complemented by other means. Further research is necessary in this area.

Another conference dealt with the state of market power and competition within Europe’s electricity and gas markets. Under the guidance of a number of Directives, the European Commission over the last few years has been attempting to develop a European Internal Market in electricity and gas. However, progress towards this goal is far from complete. This is due to a number of factors which include: concentration in ownership at all levels of the supply chain; the transmission infrastructure remains largely in the hands of incumbents, which creates strong incentives to exclude competitors from using this infrastructure (even if legally required to do so); insufficient cross-border capacity, which limits the development of an integrated market; a lack of reliable and timely market information, which inhibits fair competition; a lack of liquidity in wholesale markets, which reduces confidence in these markets and inhibits the participation of new players.

My research interest here concerns the tools for detecting and measuring the extent of market power in electricity and gas markets. The nature of electricity as a ‘real-time’ product which cannot be efficiently stored makes electricity markets vulnerable to market power abuse. Traditionally, the tools used to detect market power have come from industrial organization theory such as market share. However, new tools have also been developed to capture specific structural and dynamic features peculiar to the electricity and gas markets. The most sophisticated attempts have included large-scale models of the electricity or gas markets which try to simulate the operations of the market. Across this range of tools there is an important trade-off between insight and simplicity. The market simulation models are more integrative measures of market power but come at the price of requiring much more input information (e.g. costs, demand, transmission constraints, contract positions) for which data is often limited or unavailable. Assumptions often have to be made which open up the conclusions to dispute, and which may be problematic for regulators. Simple indices are easier for the regulator to explain and defend but are analytically crude.

I have been fortunate to have my fellowship extended for another year and hope to continue research in this area of developing insightful but also reliable and robust measures of market power. ■

Conversions to Islam and Scientific Observation

Max Weber Fellow | **Bojan Aleksov**

As a first-generation Max Weber Fellow I was able to continue my long-term work on the role of religion in the formation of the Self and the perception of the Other. The self-fulfilling prophecy of the clash of civilizations, based essentially on religions, owes a great deal to the production of knowledge about the members of other religions and my research focuses on conversions as an unsettling social phenomena in the field—they not only alter inter-religious numerical balance, but also challenge a community's cohesion based on its assent to certain religious doctrines and practices. This is precisely the case of the European encounter with Islam.

During my year at the EUI I investigated methodological, epistemological and heuristic problems involved in scholarly engagement with conversions to Islam in Europe during the Ottoman period. The Ottoman conquest of the Balkans and the concomitant conversion of Balkan Christians to Islam has left a permanent mark on European perceptions of Islam. By 'Balkans' I mean all the territories in Europe under Ottoman control for a considerable period of time and where conversion to Islam took place. An important caveat is that unlike Anatolia, where Christians and the Christian culture only survived in isolated enclaves, most of the Balkan population of different ethnic backgrounds did not convert from Christianity.

The powerful image of the Turk as the European *Erbfeind*, having spread from its birthplace in Austria, was firmly in place long before there was any scholarly investigation of conversions to Islam. Accounts of European travellers in the Balkans identify converts to Islam as terrible Turks and assumed that all conversions to Islam were forced. An example of this was the Ottoman institution of *devsirme* (Boy Levy), which has only recently been interpreted as a military measure and not as a tool for the proselytism and spread of Islam.

In the second half of the 19th century we encounter the first systematic attempt to explain the existence of non-Turkish speaking Muslims in the Balkans. The issue was, like most other aspects of Ottoman history until recently, a prerogative of non-Turkish scholars. Historians, ethnologists, linguists and others relied on the sources of exclusively western provenance (mostly writings of Catholic clergymen) and the study of the folklore and language of the local population. This ▶▶



“The self-fulfilling prophecy of the clash of civilizations, based essentially on religions, owes a great deal to the production of knowledge about the members of other religions and my research focuses on conversions as an unsettling social phenomena in the field”

- ▶ reliance was partly because the Ottoman archives and libraries were in disarray or not accessible, and partly because the Ottoman sources were incomprehensible to Western and Balkan scholars. Another reason for this scholarly bias was the widespread distrust of all things Ottoman. In this context the old and pre-conceived notions thrived.

“Conversion needs to be approached as an analytical category rather than as an object of analysis as in the recently developing conversion studies”

The establishing of independent Balkan states and the Austro-Hungarian acquisition of Bosnia allowed an intensification of research in terms of fieldwork and institutional resources, albeit with dubious results. The selection of participants, sources, regions and techniques used often forged a biased interpretation. In the newly-founded Balkan states, the ideologization of historical scholarship became paradigmatic. Its purpose was twofold—to legitimize the new regimes internally and to provide external justification vis-à-vis a Christian/European world. In this way, Balkan nationalist historiographies could present their peoples as victims of aggressive ‘islamization’ campaigns and thus justify ‘re-conversion’ or expulsion of local Muslims. Since national historians concentrated entirely on the territories encircled by their nation-state borders, sometimes including the adjacent lands to which they laid claim, their study led to serious anachronism and distortion of the past.

Austrian-Hungarian scholars, for example, fostered the so-called Bogomil thesis, based on the affinity between Bogomilism and Islam as the chief motive underlying conversions. The Bogomil thesis has now been almost completely dismissed but remained the essence of Bosnian/Bosnjak identity formation. Albania, with its three-confessional composition, as opposed to the monoconfessionalism of other Balkan nations, is the third, least well-known and least researched case.

Later on, religious conversions played an important role in the interwar development of anthropogeography, *Völkerpsychologie* and the study of national characters, when many negative stereotypes about Balkan Muslims were revived or new ones generated.

It was only after World War II that we see the first serious research in the Ottoman archives. This focused on material contained in tax surveys (*tahrir defterleri*). Interest in demography and economic

history led to an emphasis on forced colonization and migrations as well as on the commercial and economic revival in the cities in 16th and 17th centuries which is supposed to account for the appearance of Muslims in the Balkans. However, it was only from the 1970s that the dominant theories and their nationalist purposes have been deconstructed as the master narrative was challenged by social history and its methodology, literary and cultural historical perspectives and the discovery of memory. Anthropologists of religion have discerned religious heterodoxies and syncretism as key preconditions for conversions. New narrative sources were discovered (autobiographies, theological tractates, petitions, etc.), which enabled scholars to examine how Ottoman Muslim and non-Muslim individuals and institutions conceptualized and narrated conversion. Both approaches showed that conversion was actually a lengthy inter-generational process. My research shows how little we know about the reasons for conversion. Similarly the role of social and family networks (rather than state and religious institutions) still needs to be explored together with more local studies, which are not necessarily legitimated within the national context. Most importantly conversion needs to be approached as an analytical category rather than as an object of analysis as in the recently developing conversion studies.

During my year at the EUI I traced chronologically and analysed the scholarly production of history and other disciplines on conversions to Islam. I was especially concerned with the role of ideology, legitimacy and power in scientific observation and its interaction with literature, folklore and popular memory. Since most of the initial research was done and published outside the Balkans it was necessary to analyse the ways in which knowledge, image and concepts were transferred to the Balkan countries. Studying their reception, translation and adaptation accounted for different theories which emerged referring to the single process in a different national context. I did this using a range of entities and levels of analysis: individual authors and works, circulation and networks, methodologies, historical schools, institutions of higher education or research, and national ‘master narratives’ within comparative and interactive frameworks. The EUI provided me with a great deal of support, particularly from my supervisor, Prof. Anthony Molho, and from my fellow colleagues in the Max Weber Programme. The incomparable working conditions at the Villa La Fonte, the kindness and efficiency of the Library staff and the hospitable surrounding of San Domenico all contributed to this being a very memorable and productive year. ■

A Microeconomist on Sabbatical

Fernand Braudel Fellow | **Chiara Fumagalli**

I have spent this entire academic year at the Department of Economics of the EUI as Fernand Braudel Fellow, having taken sabbatical leave from Bocconi University, where I am an associate professor.

I am an applied microeconomist, working in fields such as industrial economics, corporate finance, regulation, and multinational firms. In recent years, I have focused on competition issues. This is a thriving field of research where there is now a wide consensus that economic insights, both in terms of principles provided by rigorous economic analysis and empirical evidence, are an important component in the antitrust law and practice.

During this year at the EUI, I concentrated on the economics of exclusionary practices, that is, business practices used by dominant firms to deter entry or induce exit of rivals from the market. Such practices include predatory pricing, exclusive contracts, rebates and fidelity discounts, tying, price squeeze and refusal to supply. There are several antitrust cases which have caught the attention of the media in recent years and which are related to such practices, the most famous ones being the Microsoft cases, in Europe and the US.

In the EU, exclusionary practices are covered by Article 82, which prohibits abusive practices undertaken by dominant firms, whereas in the US they are covered by the Section 2 of the Sherman Act, which prohibits monopolization or attempted monopolization of the market.

Interestingly, the implementation of the law on exclusionary abuses has reached two opposite extremes on the two sides of the Atlantic.

In the US, the courts have set a very high standard of proof for the plaintiffs, so it is extremely rare that a dominant firm is found to have infringed the antitrust law. In the EU, on the contrary, the European Commission (which is the relevant Antitrust Authority at the supranational level) and the Community courts have increasingly enlarged the range of business practices which are considered abusive when adopted by dominant firms, so some categories of conduct—such as exclusive dealing, rebates, tying, discriminatory discounts—are, *de facto*, prohibited.

Recently, especially under the impulse of competition economists, there has been increasing awareness of the fact that both approaches are too extreme and both in the US and in the EU there have been policy initiatives aiming at reconsidering the way in which the law should treat such practices. For these reasons, this is an exciting moment for those—like me—who are working on such issues.

Economic analysis suggests that indeed neither of the two extreme views above is the ‘right’ one. It is now well established that there are a series of circumstances under which dominant firms may indeed abuse their market power to preserve or strengthen their market positions; on the other hand, economics also stresses that there are several situations in which exclusive clauses, rebates, tying etc. are pro-competi-



tive, as they might increase efficiency and promote investments and innovations. My research is devoted precisely to understanding when and how one should expect exclusionary effects to take place, and—if so—when and how they are likely to outweigh any possible pro-competitive effect.

Exclusive dealing, which has been the object of some of my recent work, represents an illuminating example of this general issue. Exclusive deals are contracts between a buyer and a seller (typically, but not only, a manufacturer and a retailer) that ►►

“I have focused on competition issues. This is a thriving field of research, where there is now a wide consensus that economic insights are an important component in the antitrust law and practice”

- ▶ prohibit the buyer from trading with other (typically rival) sellers. In the EU, the use of exclusive dealing by a dominant firm is, *de facto*, regarded as anti-competitive. The justification for this treatment is that, if a buyer signs an exclusive contract with a seller, all other sellers are foreclosed from competing for that buyer's business. Hence, exclusive contracts can easily lead to exclusion of competitors and to monopolisation.

On the one hand, the existing literature confirms that exclusive dealing can have a foreclosing effect, but it is not enough to know that foreclosure can occur. In order to guide competition authorities and judges, it is also vital to identify the conditions under which such foreclosure may occur. Part of the research activity that I have carried out at the EUI addresses precisely this issue.

On the other hand, another strand of literature has established that exclusive contracts can be welfare-enhancing by fostering investment. Suppose that a manufacturer and a retailer invest in activities that could enhance the value of the goods that they produce and sell; it is likely that the manufacturer would not have such an incentive to invest in these activities if he/she knew that rival sellers could also benefit from the investment. Exclusive dealing, by guaranteeing that rival sellers would not be able to appropriate such an investment, would then stimulate it.

However, in certain cases exclusive dealing is more likely to stimulate investments than in others, and again it is vital to understand under which circumstances one should expect pro-competitive effects of a certain magnitude to take place. To contribute to this issue, in a very recent project started during my visit at the EUI (together with Massimo Motta, a professor in the Economics Department, and Thomas Ronde, Jean Monnet Fellow at the EUI last year) we analyse within a formal model both the potential foreclosing and pro-competitive effect of exclusive dealing, in order to shed some light on when and why either of them is likely to prevail.

Another area where economic analysis can play a relevant role is the evaluation of the competitive effect of conglomerate firms and business groups. The idea that conglomeration may be a source of market power has long been circulating among both anti-trust practitioners and economists. For instance, it is argued that within a group the profits from units operating in monopolistic or barely competitive markets can be channelled in favour of units facing more intense competition, thereby supporting aggressive product market strategies in the latter markets. Claims about the anti-competitive potential of conglomerate groups have received fresh attention lately due to the proliferation of multi-utilities and to the European Commission's recent tough treatment of

conglomerate mergers. (A prominent example being the Commission's prohibition, later quashed by the Court of First Instance, of the merger between General Electric and Honeywell.) In spite of this long-standing interest, a theoretical literature which provides a rigorous underpinning to financially-driven multi-market spillovers has developed only recently. This literature has rigorously established that cash-rich business groups have the ability to transfer resources in favour of units facing intense competition and difficult access to capital markets, thereby turning them in aggressive product market competitors. This provides strategic benefits, both by facilitating entry deterrence by incumbent units (which is bad for competition) but also by protecting a unit willing to enter a new market by aggressive conducts adopted by strong rivals (which is good for competition). My time at the EUI has stimulated me to start an empirical project on this issue (together also with Nicolas Serrano-Velarde, a PhD student in the Economics Department) where we test the hypothesis that group affiliation affects competition in the product market through the financial channel. This would allow us to draw sound policy recommendations for the assessment of the effect on competition of the formation (or existence) of a conglomerate group.

Overall, the EUI environment has proved extremely stimulating for my research activity. I have benefited a great deal from interaction with colleagues of international repute (department members, fellows, and seminar speakers) and also with brilliant and highly-motivated PhD students. I have particularly enjoyed the Working Group in Competition Policy, which has allowed me to extensively discuss prominent antitrust issues with both faculty members and students working on the field. Finally, I have also benefited from being able to interact with the Florence School of Regulation's group (headed by Pippo Ranci) that works on energy markets. Energy markets represent an important environment where regulatory and competition policy issues interact, and currently more and more interest is devoted to such markets. Among the fundamental challenges currently facing Europe, one of the most intensively discussed concerns the gas sector. The issue is how to guarantee 'security of supply', in particular how to limit the power of the small number of producers (such as the Russian Gazprom or the Algerian Sonatrach) on which European countries are so heavily dependent. The meetings held at the Florence School of Regulation have allowed me to take part in an extensive and deep discussion on the pros and cons of some proposed measures, such as establishing a central purchasing agency that would allow European countries to jointly negotiate with suppliers or setting up a transparent organized European market (gas exchange). These discussions have stimulated reflections and ideas for future research projects. ■

Travels with my Aunt

Max Weber Fellow | **Helen Callaghan**



She knew it at first sight. “Tuscany,” my aunt exclaimed, “is the place to write a book.” My academic reflex, as so often, was to knock down her unqualified enthusiasm. “Yes,” I smiled, wistfully. “But not a book on political economy...”

Since then, I have been to many places, both with my aunt and by myself. I completed a BA in Politics, Philosophy and Economics at Trinity College Oxford and worked as research assistant at the Wissenschaftszentrum (WZB) in Berlin. At Northwestern University in Chicago, I obtained an MSc in Mathematical Methods and a Ph.D. in Political Science. During the field research and write-up phases of my thesis, I was based

first at the École Normale Supérieure in Paris and then, from 2003 to 2006, at the Max-Planck Institute in Cologne.

Years later, I find myself back in Florence, writing—of all things!—a book on the politics of corporate governance. Some fifteen years ago, a catchy airport bestseller caused a stir by noting that the ‘battle of the systems’ had not ended with the demise of socialism. The post-Cold War world, it claimed, did not have a single unambiguous answer to the question of economic organization but had “two opposing models of capitalism locked in a conflict whose outcome is far from certain.”¹ By highlighting the diversity of ►►

- ▶ modern capitalist economies, Michael Albert popularized what political economists had been arguing for decades. Today, the entire field of comparative political economy is devoted to identifying, classifying, examining the effects of and explaining differences in the institutional arrangements of real-existing capitalist countries. Typologies and labels abound, but most authors broadly distinguish shareholder-oriented and stakeholder-oriented models.

My book, provisionally entitled *European Integration and the Clash of Capitalisms*, gauges the chances for stakeholder and shareholder models to continue coexisting in the context of Ever Closer Union. The question matters because the outcome of the battle has distributional implications. Not only do workers have less voice in shareholder systems, but the share of national income accruing to labour as opposed to capital is lower, and there is greater income inequality between the managers of corporations and the remainder of the workforce. Companies in Britain and the US—two countries that come close to the ideal-type of shareholder capitalism—pay out a higher proportion of their earnings in dividends, and a lower proportion in wages, than do companies in the German and Japanese stakeholder economies. One study of the 100 largest European corporations found that, in 1995, labour’s share of net value added in Britain amounted to just 68%, compared to 88.6% in Germany. Executive remuneration is higher in the Anglo-Saxon countries

“ My book, provisionally entitled *European Integration and the Clash of Capitalisms*, gauges the chances for stakeholder and shareholder models to continue coexisting in the context of Ever Closer Union ”

—in 2004, CEO compensation as a multiple of average employee compensation was estimated to be 531:1 (!) in the US and 25:1 in the UK, compared to 11:1 in Germany and 10:1 in Japan²—while average pay for manufacturing is lower.

Because people care about the chances for the survival and spread of their preferred variety of capitalism, there has been much debate on whether intensified global competition on capital and product markets will force all countries to converge onto a single model. Essentially, this debate revolves around whether there is a unique most competitive set of institutional arrangements. To some, the only reason why the battle of Capitalism versus Capitalism is not yet resolved is that market pressures have not been strong enough

to ensure that only the fittest companies survive. As market pressures intensify, the economic price for inefficiency will increase and spell the ‘end of history’ for corporate governance.³ Others question the inevitability of market-driven convergence by arguing that there are multiple routes to competitiveness in a global economy. They argue that, rather than one model being economically superior to the other, each has its strengths and weaknesses, equipping firms to perform better at some activities and worse at others.⁴ To the extent that this is true, globalization may increase rather than decrease the viability of diversity because international trade allows for greater specialization and a global division of labour.

However, to assess the survival prospects of alternative capitalisms, it is not enough to establish whether they are equally capable of holding their ground in a Darwinian struggle for the survival of the fittest. The battle of the systems is fought out in the political as well as the economic realm, and over distributional, as well as efficiency matters. Even if, economically, there is a choice between equally good roads to economic success, this does not guarantee that, politically, all these roads—with their divergent distributional implications—will continue to be taken. Each model has proponents and opponents, and rules governing the economy are the outcome of political struggles. For varieties of capitalism to persist, these struggles will need to keep playing out differently across countries, with different factions maintaining the upper hand.

Unfortunately, the future is not a destination for ‘travels with my aunt’. To arrive at an informed guess as to whether varieties of capitalism will continue to coexist, I therefore resorted to investigating why governments defended different systems in the past. The harmonization drive by the European Commission put draft directives pertaining to corporate governance issues on the domestic political agenda of all EU member states at regular intervals over the course of three decades, providing supporters and opponents of the national status quo with ample occasion to mobilize on behalf of their preferred variety of capitalism. In Germany, supporters of stakeholder-friendly rules had the upper hand regardless of who was in power, while in the UK, advocates of shareholder-oriented rules persistently prevailed. The French were always in between. Why did German, French and British governments so stubbornly defend different models of capitalism? And, as importantly, why did they defend different models of capitalism i.e. systems of rules that are coherent across sub-spheres?

The quest for position papers, press releases, letters, memos, minutes of meetings, newspaper articles and interview partners still required travel, but a time cap- ▶▶

- sule was not needed for mapping the official positions and intra-associational debates of German, French and British political parties, unions and employer federations on EU directives concerning takeovers and worker participation between 1970 and 2003.

My findings suggest that the battle of the systems currently fought out in the European political arena will produce neither convergence on the shareholder or stakeholder model, nor peaceful coexistence of the two, but hybrid models combining elements of both. This conclusion is based on my discovery that a fundamental premise underlying much of the convergence debate is not tenable in systems of multilevel governance and transnational lawmaking. Most scholars assume that the separate regulatory components of stakeholder and shareholder models of capitalisms are tightly coupled by virtue of being chosen by a single set of actors. They disagree only on whose interests systematically prevail and why. I show that the shift of legislative competences to the European level increases the possibilities for winning coalitions to differ across company law directives and augments the centripetal pressures on loosely coupled rules.

After the first half of my two-year Max Weber fellowship, the manuscript is far from done, but I have come to review my prejudice against Tuscany. What better place than the EUI to write about an aspect of European integration that cuts across the disciplines of politics, economics, law and history? What better company than thirty-nine post-doctoral fellows from across the world participating in a programme

“My findings suggest that the battle of the systems currently fought out in the European political arena will produce neither convergence on the shareholder or stakeholder model, nor peaceful coexistence of the two, but hybrid models combining elements of both”

designed to encourage interdisciplinary dialogue? Even after further revisions, my Tuscan book won't be a Divine Comedy, but the blame lies not with the surroundings. ■

¹ Michel Albert, *Capitalism vs. Capitalism: How America's obsession with individual achievement and short-term profit has led it to the brink of collapse* (New York: Four Walls Eight Windows, 1993), 14.

² John Coffee, 'A theory of corporate scandals: Why the USA and Europe differ', *Oxford Review of Economic Policy* 21, no. 2 (2005): 203.

³ Henry Hansmann and Reinier Kraakman, 'The End of History for Corporate Law', *Georgetown Law Journal* 89 (2001).

⁴ See e.g. Michael E. Porter, *The Competitive Advantage of Nations* (New York: Free Press, Macmillan, Inc., 1990). Hall and Soskice (eds), *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*.

Honours and prizes...

On 30 May 2007 **Florin Bilbiie**, former researcher in the ECO Department and Nuffield College Fellow, was awarded the **Rotary Prize Premio Europa** given by the Rotary Club of Firenze Nord and its French and Spanish partners for the best PhD thesis defended during 2003-2006 at the EUI: 'Eclectic Essays in Fiscal and Monetary Policy'; Supervisor: Professor Giancarlo Corsetti.

Florin's thesis deals with two interrelated issues: the optimal design of fiscal and monetary policies in a monetary union and building a dynamic general equilibrium business cycle model that incorporates limited asset markets participation, usable for fiscal and monetary policy analysis.

Florin Bilbiie has just been appointed at the École Polytechnique in Paris.



Examining Normative Interaction at the EUI

Max Weber Fellow | **Stéphane Beaulac (Cantab.)**

Though a cliché, time certainly does fly! Can the Tuscan environment be responsible for a metaphysical acceleration of these six to twelve months that fellows' research stints usually last? I am just getting frustrated, no less, to see that my amazing stay at the European University Institute, which I had prepared for and dreamt of for quite some time, is coming to an end. It seems like yesterday that my colleague and (nevertheless) friend Luc Tremblay was briefing me about this élite research institution perched on the side of Florence's hills that provides such a wonderful working environment. You see, the truth of the matter is that for a North American, the EUI does not come naturally to mind when one thinks of a top place to pursue graduate studies or other research work. It's maybe one of Europe's best kept secrets, unintentionally for sure, but what a waste for all of us back home! For a reason that escapes me, I am one of the few—we're about five out of some sixty fellows, a declining trend Eija Heikkinen tells me—from the northern continent that shares its name with our town's airport. Let me be bold: this ought to change.

“ It is useful to distinguish between the point of view of international law, and the point of view of domestic legal actors ”

Now, since I must provide some context to what follows from my research, both generally and my project at the EUI, forgive these self-indulgent highlights of my humble little story: I started my career in academia in 1998 at Dalhousie Law School in Halifax and, for the last seven years, I have been a lecturer at the Faculty of Law, University of Montreal, reading public international law and statutory interpretation. Our universities allow us a so-called sabbatical leave, typically after a half-a-dozen years of good service and promotion to the rank of associate professor. This is my situation: here on leave from my regular job, with wife Olga and children Sasha, Jacob and Stéphane Jr. (see photo, by Susan G.). By means of a brief professional genealogy, I have a legal background in both civil law and common law, the two legal traditions relevant to my country, and I was a law clerk at the Supreme Court of Canada for Claire L'Heureux-Dubé. Then I did the bulk of my graduate work in England, at the University of Cambridge, which I completed in 2002 with a PhD

in public international law, under the supervision of Philip Allott. I examined a major theoretical issue, namely the powerful idea of sovereignty and its extraordinary effect on the shared consciousness of international society since its empirical inception with the Peace of Westphalia and its doctrinal articulation with the works of Jean Bodin and Emer de Vattel. The method is borrowed from linguistics and included some input from contemporary philosophers of language. A monograph based on my thesis was published by Martinus Nijhoff in 2004. All right, enough biography.

My current research agenda focuses on the interaction between international law and domestic legal systems, particularly the common law jurisdictions of Canada and the United States. The hypothesis at the centre of my inquiries is that there is more than one perspective when one considers the inter-permeability of legal norms. I argue that it is useful to distinguish between the point of view of international law, with its narratives and concerns, and the point of view of domestic legal actors, who speak a different language and are concerned with different values and objectives. I discussed these questions with colleagues at the Law Department of the EUI and realised that the dichotomy I am suggesting in the international law context is not dissimilar to the distinction found in European Union law—with respect to some basic legal features, such as the doctrine of supremacy of EC law—between the perspective of the Community, on the one hand, and that of the Member States (for example, Germany and Poland's constitutional courts), on the other. Even though many nuances and caveats must accompany such an analogy, this comparative view in my reflections on the subject will forever be associated with my research stay at the EUI. More recently, I have applied my analytical scheme to the specialised field of international human rights law, which included empirical studies of the ways in which international normativity is operationalised in domestic judicial decision-making. It led to a book co-authored with William A. Schabas, Director of the Irish Centre for Human Rights at the National University of Ireland in Galway, entitled *International Human Rights and Canadian Law—Legal Commitment, Implementation and the Charter*, published by Thomson Carswell in January 2007. This long-term enterprise was completed last fall, after arriving at the EUI, whose resources (library, electronic) were more than adequate to address finalising matters. Having said that, my main project for the year as a Max ▶▶



► Weber Fellow, based at Villa La Fonte (and its gorgeous gardens!), relates to both to my previous work and to contemporary debates in international legal theory. The two horizons I have been keen to include in my analysis of the international-domestic interface are, first, the constitutional concept of the rule of law and, second, the notion of legal pluralism and its little cousin, constitutional pluralism. These heuristic insights have shed new light onto my main argument, which remains founded on the premise that, from a domestic point of view, the matrix within which the states operate and international affairs are conducted is based on the so-called Westphalian model, at the centre of which is the *idée-force* of sovereignty. The legal by-products of this model are the mutually self-excluding domains of constitutional law and international law, which in their own ways, however, both pursue rule of law values (legality, intelligibility, justiciability). In terms of normative interaction, given that the international legal realm is distinct and separate from the domestic legal spheres of sovereign states, the actualisation of international normativity through adjudication is also distinct and separate from the actualisation of domestic law through judicial decision-making. This is a clear case of legal pluralism, as I argued in a presentation given last winter in the framework of Neil Walker's seminar at the Law Department. For more information, one can find my recent writings on these issues in the Max Weber Programme Working Papers

Series on the European University Institute website.

I want to conclude on a more personal note, by expressing my sincere thanks to some people who have contributed to a memorable stay at the European University Institute: to Neil and Jacques for *chiacchierate* over pizza, to the director of the Max Weber Programme, Ramon Marimon, who courageously stood firm in favour of innovation and against the forces of post-doctoral status quo, to our support staff and devoted porter (whose jovial "*tutto bene?*" I will never forget), as well as to the nicest people at the *mensa*, who are guilty as charged, I am afraid, for the few extra pounds of love handles I am bringing back to Canada. Cheers and I love you all. ■

“I discussed these questions with some colleagues at the EUI Law Department and realised that the dichotomy I am suggesting in the international law context is not dissimilar to the distinction found in European Union law”

A Higher Stand and a Broader Outlook

Jean Monnet Fellow | **Ling Li**



If my chance to study in Europe was a coincidence, my work at the European University Institute is an even greater coincidence. Five years ago, I was among the very few Chinese to get a scholarship for a PhD in Ghent University, Belgium. Now I am the only Chinese fellow working at the Robert Schuman Centre and doing secondary analyses on a big educational database together with my European and American colleagues. The working experience at the EUI has become the most fascinating and unforgettable part of my life.

A broader outlook. “The higher one stands, the broader one’s outlook.” EUI has a high stand geographically and scientifically. I can never forget the beautiful panorama from the terrace of La Fonte, the Convento, and the Badia. In scientific research, EUI also creates a rich multi-disciplinary environment and it is an ideal place to broaden one’s views. Before I came here, my research topic was restricted to reading skills in Chinese and cooperative reading among Chinese pupils. Now I have the opportunity to be in a European environment with colleagues from sociology, economy and political science. My current research topic is about Eastern Asia and Western Europe comparisons. I try to find out what Asia and Europe can learn from each other with regard to educational outcomes and what practices in education lead to the most prosperous results. My colleagues and I also work on inequalities in education and we give suggestions to policy-makers on how to create fair chances for the younger generation. Every week we organize seminars to discuss our research topics and communicate to each other our analysis results. We also attend lectures given by invited experts from all over the world. These activities enable us to hear critical comments and constructive suggestions from other fields. In addition, the general environment of the EUI also provides plenty of opportunities for young scholars to learn from experts in other fields. I have had the opportunity to attend courses in Department of Economics where I have learnt a number of new analysis techniques; I have also attended lectures where a number of important issues about Europe Union and Europe were addressed. I enjoyed the direct interactions with the most influential political leaders or experts and the heated discussions from very different angles. The EUI is a place where one is constantly influenced by the broad European perspectives and the deep involvement in European issues.

A dynamic and warm environment. Different from Chinese universities surrounded by walls, the EUI is a university without walls or barriers between different departments. It is a place where study, work and social life go hand in hand. One can freely attend various seminars, courses or language classes. One can easily

meet other colleagues or friends in every corner of the institute: seminar rooms, *mensa*, terraces or bars. Even on one of the very rare occasions on a cold winter night when taking the late night bus home, there were other colleagues waiting for the same bus. EUI is a warm place where one never feels alone.

“The higher one stands, the broader one’s outlook. EUI has a high stand geographically and scientifically”

A rich cultural environment. Social life is the exciting part of EUI. Every week, so many initiatives are taken and so many social and cultural activities are organized, whether it is an exciting evening with a movie or a football match, or a political debate, or a close table-football match with hitherto unacquainted researchers, or a dancing class, or a special party with exotic food or drinks. EUI is a big family with diversity and it is a mini-union where different cultures co-exist and interact harmoniously.

An idyllic place. “Collect the flowers along the fence in the east; casually have a glance at the mountain in the south.” These words by a famous Chinese poet in the fourth century describe the ideal environment for intellectuals to combine work and recreation. For me, the EUI comes close to this. Every morning, the rays of sun come through the little window in my office and the singing of birds open a brand new working day for me. In the afternoon, drinking a cup of coffee in the Badia and having short discussions with colleagues or friends during the break. From time to time, I look through the big windows of the cafeteria and let my eyes run along the green hills, the valleys and the magnificent landscape. All the noise and busy traffic are shut down at the foot of the hill. Life seems to have returned to the dreamland of more than a thousand years ago.

“There is no everlasting dinner in the world.” The EUI has accompanied generations of young intellectuals’ growth, witnessed thousands of them stepping out of the ivory tower to serve the outside world. Now my one-year work is about to come to an end. As the final date approaches, a melancholic feeling starts to grow stronger and stronger. Deep in my heart, I know that this beautiful memory of EUI will haunt me and bring me back whenever possible. ■

An Academic Pilgrim at Villa La Fonte

Max Weber Fellow | **Valentina Fava**

The two years' Max Weber fellowship at the EUI represents the accomplishment of the first stage of my scientific track. I saw it as sort of 'drug' to treat the disciplinary 'confusion', caused by almost ten years of academic 'pilgrimages'.

On the eve of the discussion of my *tesi di laurea*, I briefly considered applying for a PhD at the EUI: I remember myself staring at the wall of the *Dipartimento di Scienze della documentazione storica* of the *Università degli Studi di Milano*, where the advertisement of the EUI doctoral programme was impudently hanging. It attracted my attention for two reasons: it was beautiful, white and blue, promising a top European education, insisting on the selection procedures and a competitive environment; and second, it was the first and only advertisement of a doctoral programme that I had ever seen: in the pre-internet era the *bandi di concorso* with grants for recruitment in Italian universities were usually closed in a drawer in a remote office of the university administration and if posted, appeared a few hours before the deadline to be immediately covered by a jungle of sheets offering rooms and English lessons.

“ The EUI Library had everything I had desired for ages, open shelves, journals and books in both the history of Central and Eastern Europe and economic history ”

The sudden death of the professor I was studying with made me forget about the EUI. I rather thought that since my *tesi di laurea* had focused on the diffusion of the scientific management in Czechoslovakia from 1918 to 1948, it was 'coherent' to use a one-year foreign study fellowship I had been awarded by my home university to start my professional life in the 'New Europe', where my sources were.

My enthusiasm crashed, however, against the very concrete difficulties of the academic life in Prague. The renovated charm of the art nouveau buildings, the richness of the Czech cultural renaissance in the first ten years of post-communism as well as the secrets of the newly opened archives could barely counterbalance the impossibility of living on a Czech academic salary which at the end of my Italian fellowship was all I could concretely aspire to.

For this reason, when I heard about the chance to apply to a more traditional Italian *dottorato* at Bocconi University in Milan, I thought I could not miss the chance. From a faculty of humanities and the Centre for Contemporary History of the Czech Academy of Sciences, I found myself taking my PhD in the most prestigious business school in Italy. From a scientific standpoint, it meant a revolutionary shift from the study of the historical 'actors' to the history of the 'firm', from the historical narrative dimension to the Chandlerian sharp focus on organizational capabilities, from the exercise of looking for and emphasising the complexity of the events to the need to create appropriate models.

My research work was running along two parallel lines that seemed to seldom influence each other: on the one hand, at Bocconi, I was involved in research on the performance of European big business, or the internationalization of Fiat, where I had to learn, among other things, how to read a balance sheet, and to become familiar with microeconomics and the economics of innovation.

On the other side, I was researching the evolution of the Czechoslovak technical and managerial knowledge from 1918 to 1968, focusing on the way in which the engineers who worked for the Czechoslovak automobile industry were dealing with foreign models and practices of industrial modernity. The focus on a small, peripheral country did not prevent the contextualization of the Czech case in the broader European rationalization movement as well as the attempt to take into consideration both the reactions of the organization to the changing institutional constraints and the actors' strategies in dealing with ideologies and power.

However studying a non-market economy in the Italian 'temple' of market economy proved hard and left me quite confused about my academic future and professional identity. A post-doctoral fellowship at the EUI was my first best, not only because Florence is a beautiful place, but also because going back to a department of history, not far from one of economics and political sciences, was exactly what I needed to clarify my ideas and to choose my disciplinary affiliation once and for ever, or at least this was what I hoped.

My first year at the EUI has been positive: for the first time I had an office, some funds for travelling, I could use photocopiers and printers, electronic databases without either struggling for a desk or with nine-to-five office hours... and in what a wonderful environment! ▶▶



► The EUI Library had everything I had desired for ages, open shelves, journals and books in both the history of Central and Eastern Europe and economic history. Arfon Rees's seminar on modernity in Russia and Eastern Europe proved to be very stimulating: I listened to the debate among researchers coming mainly from different Eastern European countries, calmly confronting each other on sensitive topics not only for the Eastern European area: from the Revisionism to the political and economic uncertainties of the transition, from the memoirs of the totalitarian past to the problems of national identities and religions. The borders between personal experience, history and politics were blurring, making me unexpectedly wait for the next Friday's morning 9-11 appointment.

Giovanni Federico's seminar in cliometrics and advanced statistics used an entirely different approach, and, although feeling like a primary school student, I tried to open up my stubborn post-doctoral mind to what was completely new and very necessary for my academic development.

The major risk I ran during this year at the EUI has been to get lost in the overwhelming offer of workshops, conferences, seminars, abandoning myself to the *sine tempo* condition of student and forgetting that even a potential academic is also a professional. To this end, the Institute's organization enacted a bunch of counter-measures: a seminar eloquently and wisely entitled 'publish or perish' opened my 2007 at

the HEC department shaking strongly the souls too inclined to contemplation and the Max Weber 'professional scholar' activities counterbalanced the laziness of the panorama from Villa La Fontaine's gardens. No doubt, forming a 'transnational academic' capable of 'interdisciplinary dialogue' is a challenging task and the discussions among MW fellows made it very clear.

Rhetoric aside, many questions still need to be answered. The first one is which 'market' for a European scholar? Are an academic European market and interdisciplinarity a real priority in the 'academy on Earth'? However, if the game we play is to aspire at forming a 'European scholar', not inclined to give up (too much) to the logics of the national academia and the local dimension of knowledge, it is a game worth playing, despite some minor tensions, compromises and disillusion.

The confrontation with other post-doctoral students helped me to become more conscious and tolerant of the 'variety' of approaches to history and historiography and less worried about the 'inconsistencies' of my own higher education. The 'publish or perish' seminar had a powerful effect and my book is almost ready. I have also found a title for it that allows me to give value to my personal, professional and political experience: *Industrial Practices and Representations in the Czechoslovak way to Socialism. Škoda, the history of a Central European enterprise in the twentieth century*. Now, new topic, new archives, new tools and, certainly, new pilgrimages await me. ■

Monetary Sovereignty, Monetary Constitution and Individual Rights

Jean Monnet Fellow | **Christoph W. Herrmann**

The research project that brought me to 'the Institute' can be described in the words of Nietzsche in *Thus Spoke Zarathustra*, 'Money is the prybar of power,' or in those of Dostojewski in *Memoirs Written in a Death-house*, 'Money is coined freedom.' In other words, my research question is whether there are any individual rights-based limitations to sovereign power over money, and whether there is a 'red line' that the state or a supranational organization such as the EC, must not cross, because it would infringe the rights of individuals?

But what individual rights? To begin with and to be provocative, why are there state, rather than private currencies. This question—but from a more overall welfare perspective—was raised in the 1970s by Nobel Prize Laureate Economist Milton Friedman in his book *Denationalization of Money*. Indeed, the idea of 'free banking', as it is also known, is much older and lies at the heart for example of the battle between the Currency and Banking School in the first half of the 19th century, which led to the Bank of England's monopoly right on issuing banknotes.

Those who feel less neo-liberal may feel more comfortable with the concepts of Silvio Gesell (to which the economist John Maynard Keynes paid tribute in his writings), who believed that securing the circulation of money by making it subject to a quarterly holding fee would cure all economic problems. His ideas, allegedly backed by the practical success in the Austrian village of Wörgl in the early 1930s, have attracted a great deal of interest among anti-globalist activist groups and have led to the issue of a number of 'regional currencies', e.g. in Germany, which are designed following Gesell's idea of *Freigeld* (free money). This is grey area under European and German law, since legally the European Central Bank holds the monopoly to issue banknotes in the Eurozone and the issue of any kind of chattel that might compete with the Euro is illegal under the German Bundesbank Law and similar legislation in other Member States.

'But cash is not important any more' you may answer. You are right, but in April 2007, the US Ministry of Justice opened proceedings against the company E- ▶▶



- ▶ Gold for providing illegal banking services on the internet. E-Gold was offering to operate a Gold account for customers which could be used for payment services; a return to a true gold currency if you like, as proposed by the libertarian Murray N. Rothbard.

These are all clearly individual rights issues, even though we are not talking about basic human rights such as the right to life and dignity. Assuming that there are good reasons for the state monopoly of money, other questions arise. Can the state restrict the making of cross-border payments and capital transfers? Do we have a right to recover damages if we lose bank deposits due to a failure of the banking supervision authorities? Do we have a right to have a bank account to make payments in an increasingly cashless society? Do banks have a right of access to payment systems provided by the central bank? And last but not least: is the purchasing power of our money protected as property, e.g. the Additional Protocol to the European Convention on Human Rights (Art. 1)? The European Court of Human Rights has already had to decide cases on questions like these. A similar question arose before the Argentine Constitutional Court, which had to rule on the constitutionality of the *pesificación* in which bank deposits formerly denominated in US\$ were by law changed into pesos and then the currency peg against the \$ was given up (which meant a loss of over 40% of purchasing power in US\$ for those affected).

But why would someone come to the EUI with this project? The answer is that it had nothing to do with the wonderful city, the beautiful landscape, the fantastic food or the Mediterranean weather, but had a lot to do with the interdisciplinary postdoctoral environment at the Institute. There are not many post-doc programmes in the social sciences in Europe where you can spend an entire year doing research and get substantial funding for it. The new 'Young Researchers Programme' of the European Research Council may now offer similar opportunities as increasingly do other programmes run by different institutions and foundations. However, even though those may offer funding, you still would have to look for an environment like the one at the Robert Schuman Centre, where there is daily exchange with post-docs from other disciplines. This was of great value for me and has led me to write a substantial chapter on the interdisciplinary aspects of money.

To demonstrate how interdisciplinary research works in practice at the EUI, one evening at the bus stop in San Domenico I was chatting with a visiting PhD student from Copenhagen who was working on the opt-outs and opt-ins of several EU Member States. We had an interesting discussion and after a while we moved onto my topic. To cut a long story short, five months

later I was attending an interdisciplinary conference in Copenhagen on the subject of 'Sovereignty Games', that is, the strategic use of sovereign rights.

“ My research question is whether there are any individual rights-based limitations to sovereign power over money, and whether there is a 'red line' that the state or a supranational organization such as the EC, must not cross, because it would infringe the rights of individuals? ”

In some ways an academic environment is relatively easy to provide: take enough money, establish a good library, set up computer facilities, databases etc. On the other hand, what is much more difficult to create is a spirit of open-mindedness, critical reflection and intellectual ambition. Put together enough intelligent people, highly motivated to learn more, interested in all kinds of disciplines and you are in the middle of the EUI. And do not forget that Florence is the heart of the where many of our modern philosophical beliefs and humanist thinking of the Renaissance come from, not to mention that it is the city where modern banking was practically invented. ■

Honours and prizes...

Stefano Bartolini has been awarded a **Honourable Mention** by the Book Prize Committee of

the European Union Studies Association (EUSA) for his book *Restructuring Europe*, published in 2005.



Stefano Bartolini, *Restructuring Europe. Centre Formation, System Building, and Political Structuring between the Nation State and the European Union*, Oxford University Press, 2005.

The EU(I) Discovers Asia

Jean Monnet Fellow | **Nicola Casarini**

“Although North-East Asia is increasingly important for the EU, the region has been largely neglected by IR and political science scholars in Europe”

“The Pacific Era, destined to be the greatest of all, is just at its dawn”. With these words, Theodore Roosevelt, President of the United States of America, addressed the nation in 1903. A century down the line and scholars and policy-makers are still debating whether the Pacific Era is unfolding. Following the rise of Japan in the post-World War II period, the growth of the newly industrialised countries of South Korea, Taiwan, Hong Kong and Singapore and the recent dramatic rise of China it is clear that centre of economic growth has shifted towards the Far East. North-East Asia currently accounts for nearly 40% of the world’s population, almost 33% of world output, and 50% of global economic growth since 2000. Its share of global trade has increased from 11% to 26% between 1960 and 2005.

My research at the EUI focuses on the EU’s foreign policy towards China and North-East Asia. In particular, why and how the EU has engaged with China and the other major powers in the area (Japan, Korea, Taiwan). This leads to the analysis of the actual and potential role of the EU in the region, in particular with regard to the EU’s capacity—and willingness—to play a role with regard to the Taiwan question, North Korea and, more generally, North-East Asia security affairs. These topics challenge scholars to make connections between economic and political developments in China and North-East Asia, the implications of these trends for Europe’s welfare and security broadly defined, and the distinctive policy and strategy responses of the EU to the opportunities and challenges coming from the Far East.

Although North-East Asia is increasingly important for the EU, the region has been largely neglected by IR and political science scholars in Europe, the EU’s China policy in recent years being a case in point. Since 2004, China has become the EU’s second most important trading partner and is set to become the most important one (outstripping the US). In this context, the EU recently proposed lifting the EU arms

embargo on China in order to give political meaning to this growing relationship and indicating that the EU has the potential to become a political actor in North-East Asia. The proposal was strongly criticized by the U.S., Japan and Taiwan and the issue provoked a serious transatlantic rift. Due to these (and other) factors, any discussion on lifting the embargo has been postponed. The issue suggested Europe’s lack of strategic vision for North-East Asia and of its own security role in the region. It also suggested the need for a more nuanced scholarly research to provide policy-makers with useful knowledge and analytical insights on the actual and potential role of the EU in North-East Asia. My research at the EUI aims to contribute to this end.

When I came to the EUI in September 2006, I had just completed a PhD in International Relations at the London School of Economics, focussing on the European Union’s foreign policy toward China in the period 1995–2005. I wanted to broaden and deepen this topic to include North-East Asia as a whole. On my arrival in Fiesole, it was a great pleasure to find that these interests would meet with those of my mentor, Prof. Pascal Vennesson. It was after initial discussions with him that the future direction and purpose of my stay at the EUI took a clearer shape. Insightful intellectual exchanges with my mentor led me towards the application of theoretical concepts from IR/political science to the security aspects of the EU’s foreign policy toward China (i.e. space and satellite navigation cooperation, high-tech transfers, arms sales and the proposed lifting of the arms embargo), and opened up promising new avenues for research on the role of the EU in North-East Asia’s security affairs. This topic was the subject of my RSCAS Working Paper and some preliminary findings have been published in a peer-reviewed journal.¹

The added value of the EUI to my research also took other forms. For instance, an afternoon discussion with Prof. Vennesson in October 2006 raised the idea of a conference on North-East Asia’s security. Soon after Professor Ivo Daalder (EUI and Brookings Institution in Washington) joined in the project. In the end, with the support of Prof. Stefano Bartolini (Director of the RSCAS) and the invaluable organisational support of Laura Burgassi and Filipa de Sousa, the initial idea became a joint initiative of the EUI, the RSCAS and the Transatlantic Programme (TAP) held at the RSCAS-EUI on 8 June 2007. The aim of



- ▶ the conference was to initiate a dialogue between scholars and policy-makers from North-East Asia, the U.S. and Europe in order to discuss and address more effectively issues of mutual concern.

The RSCAS has been an excellent environment for research and debate. By enlarging the scope of the subjects under discussion to the entire spectrum of the social sciences, the Tuesday lunch seminars were an opportunity to dialogue with EUI fellows from other disciplines and with different research interests.

The RSCAS Security Working Group (SWG) became a useful forum for exchanges on issues related to security studies and foreign policy. I greatly benefited from two visits of Japanese scholars organised in the framework of the SWG. The visits of Professor Takako Ueta from the International Christian University in Tokyo, and of a delegation from the Japanese mission to the EU in Brussels (Ms Kuni Sato and Ms Kanako Sugiyama) provided an excellent opportunity for learning about Japan's foreign policy toward Europe and the scope of EU-Japan cooperation in North-East Asia's security affairs. The visits also allowed me to get a better understanding of the increasing interest in Europe on the part of Japanese scholars and policy-makers, something that I see as a response to growing Sino-European relations.

“ Economic and/or political instability in the Far East could have an impact not only on regional prosperity but also, and increasingly, on the welfare of Europe ”

Is the Institute in Fiesole the place to carry out research for someone interested in China and Asian studies? Yes, it is an ideal place to carry out this sort of research. However, studies on China and Asia still tend to rely on the pro-activity of individual professors and/or visiting fellows. The Far East is today the most dynamic part of the globe. In a context of growing global interdependence and growing links between the EU and North-East Asia (particularly China) economic and/or political instability in the Far East could have an impact not only on regional prosperity but also, and increasingly, on the welfare of Europe. As such, it would be in the interest of the EU(I) that this important part of the world remains on the Institute's map. In this sense, it would be an advantage for the Institute to have a structured programme on China and Asia in order for the EUI to remain a truly global academic institution. ■

¹ *International Spectator* (September 2007) 42:3, 371-89.

Productive Discussions

Marie Curie Fellow | **Saverio Simonelli**

“The European Forum ... was the ideal place for discussions on how to raise economic growth in Europe through higher labour market innovations and to boost innovation and entrepreneurship”

I have been a Marie Curie Intra-European Fellow at the Robert Schuman Centre for Advanced Studies since January 2007. This fellowship is a continuation of my experience at the European University Institute where I started as a Jean Monnet Fellow in the 2005-2006 European Forum Programme ‘A Growth Agenda for Europe’, directed by Prof. Rick van der Ploeg.

I come from Naples, where I am Assistant Professor of Economics at the University of Naples Federico II. I obtained my Master’s degree at the University Pompeu Fabra (Spain) and hold a PhD in Economics from the University of Naples Federico II, where I studied the relation between long-run growth and fluctuation. During and after the completion of my PhD I was

also a Visiting Fellow at the Boston College and at the ECARES – Université Libre de Bruxelles.

When I arrived at the European University Institute to join the European Forum in September 2005 there was a big debate on Europe’s mediocre economic growth, with European performance deteriorating, both in absolute terms and in comparison with the US. Moreover, a few months before France and the Netherlands both voted ‘NO’ to the European Constitution. According to some commentators, the negative outcome of the two referenda was due to a common perception among European citizens that the Union was not fostering economic growth, but was instead one of the causes of economic sluggishness.

The European Forum was set up to investigate the problems and challenges for the European Union arising from globalisation, the ageing population, technological developments and European enlargement. It was the ideal place for discussions on how to raise economic growth in Europe through higher labour market innovations and to boost innovation and entrepreneurship. The Forum focused on labour ▶▶



- ▶ markets, financial markets, competition policy, R&D, tax policy and education and their effects on growth and public finance.

In this exceptionally fruitful and interdisciplinary environment, my contribution to the Forum consisted of an investigation of EU–US productivity differentials. In 2005, Europe’s output per hour worked rose by 1%, well below the 1.8% rise recorded in the US. The overall EU-15 productivity growth rate recorded a sharp decrease. The erosion of the productivity of the European economies in comparison to the US was now an ongoing structural problem that emerged in the late 1990s after decades in which Europe had been catching up. My approach was to empirically analyse the phenomenon at sectoral and country level, given that, in my view, using disaggregate data contributes to a better understanding of this phenomenon. In fact, it appears that the within-country behaviour of different industries is highly heterogeneous. Second, this sort of investigation allows us to break down the aggregate trend into industry productivity gains and the changing sectoral share of output. In this way we can ascribe the productivity divergence either to the dissimilar dynamics between industries or, alternatively, to the varying sectoral composition within each country. Finally, a disaggregate study allows for an investigation of different dynamics of how technology is used and diffused throughout the economy.

My first year at the EUI was both enjoyable and productive. One of the added values of being at the Robert Schuman Centre was being able to interact with young researchers and top scholars from different European universities with different academic and personal backgrounds and fields of expertise working on related topics. My research project in the framework of the Forum developed further into what became my current Marie Curie project. This project sets out to understand why technology innovations common to different countries may generate cross-country heterogeneity in the responses of macroeconomic variables. The theoretical contribution of the project mainly consists of analysing the importance of the so-called embodied technology progress—the technology knowledge incorporated in investment goods—in explaining such heterogeneity.

In developing this project I was helped by the advice of, and interaction with, an experienced team of supervisors, namely Rick van der Ploeg as main supervisor, and Giancarlo Corsetti, Omar Licandro and Morten Ravn as co-supervisors.

Being at the Robert Schuman Centre for Advanced Studies also gives me the opportunity to interact with the Economics Department. While I regularly partici-

pate in the Department’s seminars, I am also involved in the Department’s ‘Macro reading group’ at the Department, where we discuss papers that are at the cutting edge of economic research. At the same time, this reading group gives me the opportunity to get acquainted with the research topics of the Department’s PhD students.

An additional topic on which I am currently working is business cycles and labour market dynamics. In a co-authored paper, I analyse the dynamic effects of labour variables to policy shocks, such as a change in fiscal and monetary policy, and also to technology innovations. Our main findings are that technology shocks are the main impulses to the business cycle and that output and hours worked are systematically positively correlated at the business cycle frequencies in response to technology shocks.

Another topic I have developed an interest for in the last few years is forecasting in real time. In particular, in one paper (‘Do surveys help forecasting GDP in real time? Evidence for the Euro area’) I explore the role of surveys—basically the consumers and firms’ degree of optimism on the state of the economy—for forecasting GDP growth rate. The forecast is based on the estimation of different econometric model using a newly constructed dataset for the Euro area. One of the key results is that surveys increase the forecast accuracy mainly because they are promptly available.

The Institute has given me the unique opportunity to considerably develop my work further and to present my research results to highly qualified experts on related fields. My stay here has helped strengthen and broaden my competence in different fields of economics, such as business cycle and economic growth. It has also allowed me to contribute to the policy debate in Europe on how to reach higher sustainable growth.

Working in an international, inter-disciplinary and comparative research environment is very gratifying. At the same time my research undoubtedly benefits from—and hopefully also contributes to—the expertise of both the Robert Schuman Centre and the EUI’s Economics Department. I look forward to other fruitful years here at the EUI. ■

European Common Values: Lessons from Law and History

Max Weber Fellow | **Roman Petrov**



In the story “Clean Monday” by the first Russian-born Nobel Prize winner Ivan Bunin, two people take a night sledge journey around snowy Moscow. In response to a heavy and solemn sound coming from the Kremlin’s Saviour (*Spasskiy*) Tower bells, one of the heroes says: “It is such an ancient sound, like the sound of tin and cast iron. The same chime can be heard in Florence, it reminded me of Moscow when I was there.” Coming to Florence to join the first cohort of Max Weber fellows in September 2006, I realised that Bunin’s analogy between Moscow and Florence is not accidental. From the fourteenth century onwards, Florence has been at the forefront in promoting Western European cultural values to the Eastern Christian world. For example, both the renowned Cathedral of Saint Basil the Blessed on Red Square in Moscow, and the towers of the Moscow Kremlin were built by Italian architects (possibly from Florence) who enriched the archaic and solemn Byzantine

style architecture of sixteenth-century Tsarist Russia with classical elements of the Renaissance. Indeed, when in Florence, everyone can enjoy the splendour of the Russian Church on via Leone X which bears a striking resemblance to the Cathedral of Saint Basil the Blessed in Moscow. This church was completed in 1903 by Florentine masters under the direction of the Russian architect M. Preobrazhenskiy. However, one may wonder about the feelings of Italian architects educated by the values of Republican Florence as they faced the harsh realities of the brutal and despotic regime of Ivan the Terrible in sixteenth-century Moscow. Indeed, the architect of the Cathedral of Saint Basil the Blessed was blinded on the orders of Ivan the Terrible in order to prevent the repetition of his work elsewhere. These historic comparisons have led me to the belief that the process of exporting one’s own values abroad can never be a smooth one if it does not take into account the national specifics of the parties who receive those values.

I first became interested in the notion ‘common values’ during my work on my PhD dissertation at Queen Mary, University of London, where I worked under the supervision of Prof. Marise Cremona. In my dissertation I studied the legal nature of those categories which the EU actively exports abroad through its external agreements with third countries. In particular, I focused on the notion *acquis communautaire* which is associated with the EU political and legal heritage and which every candidate country has to implement fully before joining the EU. In my doctoral thesis I argued that the scope of the *acquis communautaire* in EU external agreements is not uniform but varies in line with the objectives of these agreements and the nature of the relations between the EU and third countries. I also argued that the notion *acquis communautaire* embraces not only legal elements, such as primary and secondary sources of EU law, but other categories of an interdisciplinary nature, such as common policies, cultures and values. Over the last few years, the EU institutions have frequently applied the notion ‘common values’, especially when implementing EU external policies towards third countries. The process of reviewing the various EU external agreements with third countries and EU external policies brought me to the conclusion that, hitherto, there is no identified notion of European ‘common values’ in EU law. On the contrary, it would appear that the EU institutions are inconsistent in applying elements of the notion ‘common values’ in their relations with third countries. ▶▶

50th Anniversary of the Rome Treaties: Parliaments of Europe meet at the EUI

22 March 2007



In the framework of the initiatives throughout Europe marking the celebration of the 50th anniversary of the signing of the Rome Treaties, the President of the Italian Senate, Franco Marini, and the President of the Italian Chamber of Deputies, Fausto Bertinotti, invited their counterparts from the other parliaments of the European Union member states, from the European Parliament and from the parliaments of the candidate countries, to take part in a series of events in Florence and Rome on 22 and 23 March 2007. Each parliament was represented by its President as

well as by a Member of Parliament having an institutional responsibility for European Union affairs.

The Florentine initiative involved EU parliaments in a common reflection on the possible ways of bringing forward the European integration process and focussed around a seminar entitled "What is Europe lacking?" which took place at the Badia Fiesolana. The seminar was divided into three sessions—political, economic and social—each of which opened with contributions by authoritative scholars.



Simon Hix
LSE



Stefano Bartolini
RSCAS



Loukas Tsoukalis
ELIAMEP Athens



Jean-Paul Fitoussi
IEP, Paris; OFCE



Maurizio Ferrera
Università di Milano



André Sapir
Université libre de Bruxelles



Hans-Gert Pöttering, President of the European Parliament,
with Fausto Bertinotti, President of the Italian Chamber of Deputies



Michel Delebarre,
President of the Committee of the Regions



Hans-Gert Pöttering,
President of the European Parliament



Pierluigi Castagnetti,
Vice President of the Italian Chamber of Deputies





► In the vibrant multidisciplinary environment of the Max Weber Programme at the EUI, I decided to concentrate on the application of European common values within specific EU external policies. In this sense, the European Neighbourhood Policy (ENP) provided an excellent playing field for my study since it prioritises the promotion of European common values to third countries. The ENP was launched as an ‘umbrella’ policy, albeit with a strong degree of differentiation, with a ‘ring of neighbours’ including the Southern Mediterranean countries (Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Syria, Tunisia and the Palestinian Authority) and East European and Caucasian countries (Ukraine, Belarus and Moldova, Georgia, Armenia and Azerbaijan). From the very beginning the ENP has proved to be a dynamic EU external policy which, in spite of its lack of clear geographical limits, requires a ‘potential neighbour country’ to share common democratic values with the EU. The ENP is characterised by a strong push for the application of conditionality policy to common values. This means that, in order to develop and enhance further bilateral relations with the EU, neighbouring countries are expected to share and to implement European common democratic values. The process of effective implementation of common values by neighbouring countries is closely monitored by the EU.

My concern with the strong drive for the application of conditionality policy in the ENP has led me to examine its advantages and disadvantages for neighbouring countries. The major advantage is the fact that European common values represent a snapshot of clear targets for further legal, political and economic reforms in neighbouring countries. Political élites in neighbouring countries can refer to the European common values enshrined in the ENP documents as objectives and benchmarks for further internal legal, political and economic reforms. However, in some circumstances, the application of conditionality policy can cause certain disadvantages for neighbouring countries. These disadvantages lead to a negative impact on the efficient adoption of European common values by neighbouring countries in the long term. A major disadvantage is that the neighbouring countries do not have any institutional or expert means to provide adequate interpretation of European common values without outside involvement in particular with regard to the correct application of legal terminology and usage of language in case law. Consequently, this situation poses neighbouring countries under constant legal and political influence of the EU institutions and political elites. Another disadvantage of conditionality policy in the ENP is the fact that many European common values are not explicitly defined by the EU institutions themselves or shared by all EU Member States. For example, there is a heated debate in some EU Member States over the right

“There are no educational or cultural campaigns to promote European common values among EU citizens. This ambiguity and the absence of a single consensus among EU Member States regarding common values hinders the transition reforms in third countries”

of Muslim women to wear veils in public. Public display of religious symbols is prohibited in some EU Member States (France) but allowed in others (Germany). Issues of religion, homosexuality, and drug use remain controversial for EU nationals. Furthermore, there are no educational or cultural campaigns to promote European common values among EU citizens. This ambiguity and the absence of a single consensus among EU Member States regarding common values hinders transition reforms in third countries. As a result, veto players in neighbouring countries can impede the effective implementation of European common values due to their vagueness and limited participation in the interpretation of their content on behalf of the neighbouring countries themselves.

The first year of my Max Weber fellowship has proved very fruitful for my research. I enjoyed all the opportunities to discuss my research ideas with my peers at the Max Weber Programme in the magnificent setting of Villa La Fonte and to hear valuable, and sometimes critical, comments from members of the Law Department. I have been given considerable food for further thoughts and ideas from the international workshop ‘The European Neighbourhood Policy: Framework for Modernisation’ organised by Prof. Marise Cremona and Prof. Wojciech Sadurski on 1-2 December 2006 at the EUI Law Department. For the second and final year of my Max Weber fellowship I plan to continue my quest for European common values and to concentrate on issues related to the legal and political means for the application of these values in EU external relations. Some of the questions I want to look at are: Is there a universal set of European common values? Do European common values take into account the national specifics of each EU Member State? If so, is the EU external policy of selecting some elements of European ‘common values’ for the purpose of promoting them abroad justified? What are the legal and institutional possibilities for third countries to be involved in a dialogue on the development of European common values? ■

Anti-trusting Europe

Visiting Fellow | **Helder Vasconcelos**



My academic visit to the EUI has actually been a return to the Institute since I took my Ph.D in Economics here in 2002. When I had the chance of sabbatical leave from Università Bocconi in Milan, where I have been Assistant Professor of Economics since 2003, I immediately thought about returning to the friendly and dynamic environment of the EUI Economics Department. I could have tried to visit another university and get to know new research environments, but I was sure that I wanted to come back to the EUI and I never regretted my decision. The EUI is a place of academic excellence where I also have good friends.

My research interests are industrial organization and competition policy issues, with a particular emphasis

on the use of industrial organization models to try and understand the appropriate way to deal with mergers and collusion. During my stay I have mainly worked on two research projects.

The first project investigates the impact of demand growth on collusion possibilities. A standard result in the industrial organization literature is that demand growth facilitates collusion: the higher the rate of demand growth, the higher the importance of future profits from collusion relative to the current gain from deviating. This is the so-called pro-collusive intrinsic effect of demand growth on collusion. An important problem regarding this standard result, however, is that it contrasts with the views expressed by the European Commission (EC) and the Court of First Instance (CFI) when analyzing merger cases. Both the EC and the CFI usually interpret demand growth as a factor hindering collusion.

I argue that one possible reason for this discrepancy is that previous literature analyzing demand growth effects on collusion has relied on an assumption that is clearly unwarranted. Specifically, I assumed that the number of market participants remains fixed despite market growth, while in practice, growing markets are likely to allow entry by new firms which should hinder collusion. This research project indicates that if entry barriers are moderate, then it is very important to disentangle the pro-collusive intrinsic effect of demand growth from the impact of entry which is likely to be stimulated by market growth. By so doing, one can assess the relative strengths of these effects so as to try and understand what is the overall net impact of market growth on the extent of collusion which can be sustained by the firms in the industry.

My second project examines the role of remedies in merger control. When a proposed transaction raises competition concerns, the EC may block the merger. If, however, the parties modify the deal in a suitable way, that is, if they offer 'commitments' (or 'remedies'), the EC may clear the merger. The EC has rarely prohibited notified transactions outright. In addition, a considerable and increasing proportion of completed mergers that faced review by the EC has been approved after remedies have been offered.

Despite the obvious empirical relevance of merger remedies, previous literature has devoted very little attention to this topic. By proposing a model to ana- ►►

► lyze these issues, this research project obtains some important merger policy implications. In particular, it identifies three effects that merger remedies have in comparison with the situation where the merger policy consists of a yes/no answer by the Antitrust Authority to the merger proposal. First, the chance to approve mergers subject to remedies enables the Antitrust Authority to take decisions at a more specific level, which in turn allows some merger proposals that in the absence of structural remedies would be blocked, to be approved by the Antitrust Authority when remedies are possible. In this sense, one can say that structural remedies open up new merger opportunities to firms. Second, when remedies are required, the Antitrust Authority ‘overfixes’, i.e. goes beyond the recreation of the level of competition that existed prior to the transaction. Endowed with a richer toolbox available for merger control, the Antitrust Authority uses the opportunity of the merger notifications to reshape the industry structure by reallocating the available assets in the industry so as to maximize welfare. Thus introducing the possibility of remedies puts the merger control office in a position closer to an industry-specific regulator than to a competition authority. Lastly, and perhaps most importantly, the insistence of the Antitrust Authority in over-fixing may lead firms to refrain from presenting for approval large (and more efficient) mergers, inducing a final outcome that is worse for society than the one that would prevail if remedies were not required.

As anticipated, carrying out this research at the EUI has been a terrific opportunity for me. The EUI is a very vital and fertile research environment where I could interact with a group of people sharing the same research interests. In particular, I benefited from inter-

“When I had the chance of sabbatical leave from Università Bocconi in Milan ... I immediately thought about returning to the friendly and dynamic environment of the EUI Economics Department”

action with some professors at the Economics Department (especially Massimo Motta and Karl Schlag) and also found some Max Weber and Marie Curie fellows who shared the same research interests.

During my staying at the Institute I had the opportunity to present one of my working papers in the Microeconomics Workshop Series and attended a large number of seminars by leading researchers in all fields of economics. In addition, I participated in a Competition Policy Working Group set up by Massimo Motta. These meetings were a very interesting forum of discussion of competition related issues. These meetings took two alternative formats: presentation of own research work (even if at preliminary stages) by one of its participants; and study of academic articles in competition policy issues. The first proved very important for feedback from other colleagues working in the same field of research; the second allowed me to find new ideas for my future research work.

It is also important to mention the family dimension to this academic visit. My wife Anabela, our eldest child Tiago, Sofia our youngest child born in November 2006, and I all greatly enjoyed living for a year in a beautiful city of Florence. ■

Honours and prizes...

Philippe Schmitter received the **ECPR Lifetime Achievement**



Award for Outstanding Contribution to European Political Science at the ECPR meeting in September 2007 (Pisa). The Award is in recognition of his pioneering theoretical contribution to the discipline. His achievements are widely acknowledged and have helped set new standards of excellence for political science in Europe and beyond.

Nikoleta Yordanova, SPS researcher, is the 2007 winner of



the **Duncan Black Award** given for the best paper presented by a graduate student to the ECPR Conference (Pisa). It should pursue research in analytical politics, combining systematic theoretical thinking and rigorous empirical testing. Thirty-five submissions were received, from which Yordanova's paper was selected.

Arab Representations of Europe

Jean Monnet Fellow | **Lorenzo Casini**



“I have been teaching Arabic language and literature at the universities of Florence and Perugia...., my project concerns the representation of Europe in modern Egyptian narrative...” These were the words I used to introduce myself at the first meeting with other Jean Monnet Fellows of the Robert Schuman Centre for Advanced Studies (RSCAS) on registration day at the end of August 2006. I was one of the last to speak and had the opportunity to listen to the other fellows. Their topics were highly diversified and concerned different branches of Political Science, Economics, and Law, but did not stray much from these disciplines and were mostly applied to the European region. When I pronounced the two words ‘Arabic’ and ‘narrative’ I had the impression of coming from a different world: an alien who had landed at the RSCAS after having lost his way in ‘academic space’.

The year spent between the Convento, the Badia and Villa Malafrasca proved that I had actually landed in the right place, a place that has represented an

ideal home for my research work, for the quality of the academic life in general and the tradition of cultural studies at the RSCAS in my specific case.

The concept of ‘quality’ applies to all aspects of academic life at the RSCAS, from the facilities for fellows, to the Library resources and the seminars given by visiting professors, politicians and writers (as the distinguished Algerian writer Assia Djebar in April 2007). The weekly luncheon seminars at Villa Malafrasca, where fellows present their ‘work in progress’, demonstrate that the contact between scholars working in different fields provides an excellent opportunity to reflect together upon basic issues related to methodology and address fundamental questions often taken for granted by specialists.

In my research, reading the outcomes of the three-year project on ‘The Cultural Construction of Community in Comparison’, hosted by the RSCAS (1997–2000), made me look at my work as a continuum with the recent tradition of cultural studies at the RSCAS and has inspired some of the most significant developments in the theoretical approach of my research.

Europe has been a recurring presence in modern Arabic narrative, from the first Arabic novels and short stories in the early 20th century to the present day, and has exerted such an appeal on modern Arab writers that almost all the great names of Arabic literature have dealt with the theme in one or more of their works. During the first half of the 20th century, the most common plot in Arabic novels and novellas revolved around the journey of a young Arab hero to Europe to complete his studies abroad, and the ensuing love affair with a European woman, identified with the European civilisation as a whole. In the narrative works of the last decades, the dynamics of the plot and the presentation of the European characters have become more complex and diversified. Moreover, with the increasing number of women writers, the Arab hero has often been replaced with a heroine and the European woman with a European man.

The first comprehensive work on the representation of Europe in Arabic narrative was only published in 2006 (Rasheed el-Enany, *The Arab Representations of the Occident*, London, Routledge). Most of the existing analyses do not go beyond a descriptive ►►

► approach, and limit themselves to an account of the images of Europe in selected narrative texts. My research, on the contrary, individuates narrative texts as the privileged locus for the study of the cultural and ideological components that have participated in the making of cultural identities and highlights how modern Arab identity (like the modern Arabic narrative) developed in a dialogical relationship with European modernity and through a rupture with the cognitive categories of the Islamic tradition. While asserting the ‘dialogical’ nature of modern Arab identity, my work investigates the ideological and political reasons that in different moments of the 20th century have brought Arab writers to represent Europe as ‘the Other’ with respect to their imagined self. The representation of Europe in Arabic narrative is thus related to the effort made by modern Arab writers and intellectuals to redefine the boundaries of their imagined community, as a result of the crisis of the traditional image of the Islamic *umma* (the religious community) as the undisputed referent of their collective identity.

Since the French occupation of Egypt in 1798, the debate over collective identity has been one of the key and recurrent issues in modern Arabic thought. In their attempt to confront the challenge brought to the Arab world by the expansionism of the modern European powers, 19th century Arab intellectuals emphasised the importance of change and reform (*islah*), both in juridical terms and as general principles for the organisation of society. In the thought of the great Islamic reformers of the second half of the 19th century, the emphasis on change was coupled with the description of the defining traits of the Arab-Islamic identity, where Islam was invested with unprecedented meanings and functions presented as a return to the spirit of the Islamic revelation.

According to the view that can be inferred from *Hadith ‘Isa Ibn Hisham* by Muhammad al-Muwahhidi (1907), the last great narrative expression of the classical genre of the *maqamat* and a literary embodiment of Islamic Reformism, collective identity is defined through the religious divide that opposes an ideal reformed Islamic community to the non-Islamic ‘Other’, in particular the European ‘Other’. The social criticism of the text is also levelled at traditional Islamic scholars, accused of being responsible for the decay of Arab societies: “they have failed to realise that every era has an order of its own which requires that the provisions of the shari’a be adjusted so as to ensure that the best interests of the people are served”.

During the first decades of the 20th century the nation replaced the pan-Islamic *umma* as the most

successful model of ‘imagined community’ among the Arab intellectual élite, and the novel and the short story superseded the *maqama* as the dominant genres in modern Arabic narrative. Throughout the 20th century, Arabic narrative has given a decisive contribution to the construction and spread of alternative images of collective identity and has subsumed Islam within an essentially secular discourse, deeply permeated by European cultural and ideological debates. The passage from a religious to a secular representation of collective identity has coincided with a profound transformation in the representation of Europe. The ‘Otherness’ of Europe has not been expressed in traditional religious terms, but through the emphasis on the different nature of Europeans with respect to ‘Egyptians’, ‘Arabs’ or ‘Orientals’ (depending on the ideology of the author). Rather than representing the mirror of the age-old confrontation between two separate civilisations, the symbolic construction of Europe has played a primary role as a tool in the domestic politics of the Arab societies where competition for political and cultural hegemony has also taken place through the narrative construction of rival images of the European ‘Other’.

Thus, a year’s research at the EUI’s Robert Schuman Centre on the symbolic construction of Europe in modern Arabic literature convinced me that I was not an ‘alien’ in ‘European space’, but a researcher working alongside others in a long and valid tradition of cultural studies. ■

Honours and prizes...

Valentina Falco is a second-year researcher in the Department of Law. In 2006 she was awarded the

biannual ‘**Premio Giuseppe Barile e Pietro Verri**’ for her *tesi di laurea* ‘Recent Developments of the Role of Customary Law in International Humanitarian Law’ defended at the Faculty of Law, University of Milan.



The prize is awarded for the best dissertation on humanitarian, human rights and refugee law.

The Protection of Cultural Heritage in International Law

Marie Curie Fellow | **Ana Filipa Vrdoljak**



The protection of cultural heritage in international law is a specialised field of research with a small but dedicated group of experts worldwide. Following my dissertation at the University of Sydney I looked into the chances of working with another international expert, Francesco Francioni. This led me to the EUI. I arrived at the Institute as a Jean Monnet Fellow in the Law Department and have returned as a Marie Curie Fellow.

From politicking over language requirements for citizenship, to the furore over the relocation of public memorials, to contestation about the wearing of religious symbols, culture and its manifestations have ignited passionate public debate throughout Europe.

“The protection of cultural heritage in international law is a specialised field of research with a small but dedicated group of experts worldwide”

My research at the EUI centres on whether there is an emerging ‘European’ approach to the conceptualisation, protection and promotion of cultural heritage in law. It focuses on three principal areas: supranational initiatives within the Union and Council of Europe and nationally by Member States; actions inside and neighbouring the Union relating to the cultural heritage of non-state

groups; and efforts outside Europe through external policy and the shaping of international instruments.

It was with pleasure—and surprise—that I discovered on my return to the EUI an increasing number of researchers working on a range of issues in this field. It is perhaps a reflection of the promotion of culture and cultural heritage within the European project.

During my first stay at the Institute the debate on the Treaty establishing a Constitution for Europe and the entry of twelve new Member States into the European Union were challenging accepted notions of what Europe is and what it was becoming in the mind of its citizens and the international community. My project considers how cultural heritage is increasingly becoming central to the inward process of European integration, and the outward process of Europe defining itself internationally.

The first part of the project analyses the legal definition, protection and promotion of cultural heritage within Europe. I examine trends at the supranational level within the European Union and Council of Europe, and at the national level by mapping the domestic legal regimes of EU Member States. Increasingly, culture and cultural heritage are being coopted into the centripetal force of European integration. After the 1992 Maastricht Treaty and subsequent directives European integration entered a new phase. Safeguarding and enhancing ‘Europe’s cultural heritage’ are today stated EU objectives. The Union must consider ‘cultural aspects’ in all its activities ‘to respect and to promote the diversity of its cultures’. It has to cooperate with the Council of Europe which has played a prominent role in the formulation of specialist, regional instruments. However, the constitutional deliberations exposed contestations over European identity, and the complex layers of cultural and religious influences in the continent.

Within the EU culture remains primarily the competence of Member States. Thus, the project maps Member States’ national legislation and explores the impact of expanding Union membership in this field. The legislation collected and translated into English for the project will be publicly accessible via a dedicated portal on the Academy of European Law webpage.

The expansion of EU and Council of Europe membership eastward is having an effect on the field. For example, there has long been a bias in Europe toward the protection of monuments, archaeological sites ▶▶

► and artworks. The increased presence of Central and Eastern European countries is making this bias unsustainable. Language, song, story, dance and other intangible elements of cultures are now firmly part of the discourse. The growing number of academics and researchers from new Member States at the EUI make it an ideal institution to facilitate assessments of the impact of European enlargement.

The second part of the project considers the obstacles posed in articulating a supranational, ‘European’ cultural heritage, as it intersects and reacts with existing communal cultural identities.

The EU is committed to ‘bringing common cultural heritage to the fore’. The influence of Member States and national cultures on shaping European cultural identity is contested not only at the supranational level by European integration, but also at intra-national and trans-national levels by minorities, indigenous peoples and migrant communities. Non-state groups challenge unified national images promoted by states and are often perceived as a potential threat to regional stability. Analysis of the fracture lines posed by preserving and developing the cultural heritage of groups within and across States is integral to my project.

Protection of minorities was part of pre-accession conditions for candidate States during enlargement. Yet, there is a clear ‘double standard’ between internal/external EU positions. Member States remain resistant to Union interference in this area; and new members are no longer monitored after accession. Minorities’ cultural rights in EU law would remain ill-defined even after the proposed accession of the Union to the European Convention on Human Rights. The ECHR contains no specific minority provision nor does it cover cultural rights. The Council of Europe Framework Convention on National Minorities suffers from limitations and reflects the emphasis of human rights discourse on individual rights.

Nonetheless, these human rights-based initiatives further the legal protection of the most vulnerable and diverse components of European cultural heritage. I highlight how the promotion of cultural diversity and tolerance translate into the protection of the cultural heritage of minorities and indigenous peoples by the EU and its Member States, and assess the ability of these groups to determine such protection. I draw on work by Francesco Francioni in international law and Bruno de Witte in European law which emphasises the connection between protection of cultural heritage and diversity, and human rights law.

The need for peace and stability in Europe has fuelled efforts to protect and develop the cultural heritage of non-state groups. During the 1990s European Min-

“My research at the EUI centres on whether there is an emerging ‘European’ approach to the conceptualisation, protection and promotion of cultural heritage in law”

isters of Culture condemned the deliberate destruction of a common cultural heritage which was also significant to minorities. By 2003 there was formal promotion of intercultural dialogue, cultural diversity and cultural exchange to prevent conflicts and manage post-conflict reconstruction.

This trend complements a broader reflection on memory in re-examining European history based on its physical, intangible and natural heritage to explore links between Europe’s cultures and regions, and facilitate understanding of contemporary society and a common future. The work of EUI scholars in the departments and the Robert Schuman Centre aid a cross-disciplinary evaluation of these processes.

The final part of the project analyses the impact on international law of European ways of conceiving and protecting cultural heritage (and diversity) by considering the Commission’s external affairs policy in the area, and the input of the EU and Member States on treaty negotiations covering cultural heritage. European countries shaped the domestic laws for the protection of cultural heritage of their former colonies worldwide and were instrumental in formulating existing multilateral agreements. Consequently, the evolving protection of cultural heritage within Europe and its projection externally continues to be felt. Equally, European responses in this field have always been influenced by contact and engagement with persons, places and cultures beyond its borders.

EU intervention in the cultural field is greater in external affairs than inside Europe. When promoting culture through external action, the EU and its Member States seek to foster a world order based on human rights, sustainable development, peaceful co-existence and dialogue between cultures. This is viewed as Europe’s defining role, borne of ‘bitter experiences’ born out of a continent of diversity.

By drawing together people from throughout the EU the EUI is fertile ground for contemplating Europe’s place internationally in both past and present. There can be no better location to inspire a project on cultural heritage than Florence; it is the wellspring of curiosity, knowledge and debate promoted by the entire EUI community which drives my work. ■

It Added Up to a Wonderful Year

Max Weber Fellow | **Maria Heracleous**



The road to Florence has been long and winding with many unexpected turns and detours. It started on the island of Cyprus, where I was born and raised at a time of uncertainty; I was taught that education and knowledge is something you always carry with you and nobody can take away from you. With this in mind I left home for the London School of Economics where I did my undergraduate and graduate studies in Econometrics and Mathematical Economics. Doing a PhD was not in my plans but soon after my brief return to Cyprus, where I worked both in the private sector and at the University, my plans changed. This time my interest in research, and my advisor took me away from the Mediterranean over Europe and across the Atlantic to the United States. After completing my PhD in Economics at Virginia Tech, I got a job as an Assistant Professor at American University, in Washington, DC. Then a fellowship opportunity came along which brought me back to Europe as a Max

Weber Postdoctoral Fellow, on 'junior leave' from my position in the States.

I was delighted and excited to be able to spend one year at the European University Institute. I heard only the best about this leading research institution, its unique community of professors, fellows and researchers and its perfect location that provides the ideal environment for research. Moreover, I was looking forward to meeting people in the Economics department. Over the years, I had read numerous articles and studied from books authored by EUI past and current professors. While a summer intern at the IMF some years ago I had also met students from the EUI. It was a privilege to finally be here!

My academic background is in econometrics and mathematical economics which might sound narrow and boring to some but incredibly interesting to myself and others. Most would agree however that econometric methods and techniques are useful tools for research and are indeed widely used to answer practical questions in economics, sociology, marketing and various other fields. My own research interests are varied and include theoretical and applied econometrics, financial econometrics, applied macroeconomics, and the application of econometric techniques to experimental data. A common theme in my research is the desire to formulate empirical models that are statistically well founded and give rise to reliable and precise empirical evidence. For my dissertation I worked in the area of financial econometrics, and in particular modeling and forecasting dynamic volatility. I used the student's t distribution to suggest alternative models to the various extensions/modifications of the GARCH type volatility models. A paper based on this research was published in *Advances in Econometrics*, in a special volume in honour of the 2003 Nobel Prize winners in Economics Rob Engle and Clive Granger.

During this year at the EUI, I have continued to work on time series econometrics as well as some other projects which are more applied in nature and involve microeconomic analysis. Time series econometrics typically involves drawing inferences (estimation, testing, forecasting and policy evaluation) concerning economic phenomena using historical data. The reliability of these inferences, however, depends crucially on the validity of the underlying model assumptions. A crucial assumption is time-invariance of the model ▶▶

► parameters. In a paper with co-authors we develop an alternative approach to testing structural change which is designed to detect t -heterogeneity that is a smooth function of time (t) rather than an abrupt shift. This technique is based on rolling window estimates of the moments of the variables, using the Maximum Entropy density Bootstrap rather than the residuals or the coefficients from the regression. Monte Carlo simulations show that the testing procedure clearly distinguishes whether the model t -heterogeneity arises from changes in the mean or variance of the process and is effective even for relatively small samples. I would like to thank my mentor, Anindya Banerjee and Helmut Lutkepohl for their valuable feedback on this line of research. Thanks also to all who provided the much needed constructive criticism and participated in the lively discussion during a seminar I gave in the department. The paper has now been accepted for publication.

While my work is primarily in time series econometrics, I am also interested in statistical analysis of experimental data. In economics we design experiments where we control economic factors but cannot completely isolate the question of interest. Clearly there is more to human behaviour that we can control and we often use techniques like survey sampling to account for them. During this year away from teaching I was able to get back to the analysis of experimental data from a project which investigates gender differences in actual and predicted risk attitudes. Many studies find that women are more risk averse than men and are also perceived to be more risk averse by both gender. The perception of greater risk aversion has important implications since it may lead statistical discrimination, which can adversely affect women in many aspects of their lives, such as job offers, potential earnings and career profile. My co-authors and I use experimental data to examine the connection between physical prowess—strength and size—and financially risky decisions. We also look at the effect of physical prowess and perceptions on others risk attitudes. This work was warmly received in a presentation to the microeconometrics working group. I would like to thank Luigi Guiso for his incisive suggestions and his encouraging comments.

Another project I was able to start this year involves strategic behaviour in professional tennis matches. The idea is to use a unique dataset from professional tennis matches to investigate whether there is support for the minimax theory in real life professional sports. This builds on some existing work in the literature but I will not reveal more at this initial stage of the project; I hope to have more on this by the time this article is published. In addition to my research duties, this year I have also served as the representative of the Max Weber Fellows on the Steering Committee. This task, which at

the outset seemed unimportant, turned out to be demanding and challenging. The importance of balancing viewpoints, clearly communicating ideas and carefully navigating through the reality of academic life were the most important lessons I take from this experience.

“During this year away from teaching I was able to get back to the analysis of experimental data from a project which investigates gender differences in actual and predicted risk attitudes”

As I write this article, in the beautiful garden of Villa La Fonte, I realize how lucky I have been to share an office in such a rich and stimulating environment. At La Fonte, I had the pleasure of exchanging ideas with colleagues from different disciplines, educational backgrounds and cultures. The differences in research style, attitude and approach would sometimes lead to intense discussions which were best settled with a glass of wine or a table tennis match. By and large it has been a rewarding and illuminating experience, though at times I felt overwhelmed with too many interesting things to choose from and too little time to appreciate all. At the same time discussing research with professors and researchers in the department has been fruitful and valuable. It was great to have a second office in the Economics department, especially given the rather long but beautiful walks from Villa La Fonte to Villa San Paolo. I am sure the knowledge and experience I have gained at the EUI this year will be with me for a lifetime, be that in my choice of research topics, my ability to impart better instruction in the classroom or simply in my understanding and appreciation of different people, approaches and ways of thinking.

Overall it has been a memorable year! Going back to Washington DC, I will definitely miss the coffee, the *gelato*, the walks by the Arno and the beautiful views from the hills of Fiesole. But above all I will miss all the new friends I made, the excellent and cheerful help of Thomas Bourke in the Library, and the incredible support from the Villa La Fonte team, who made every day a special one. I still remember my first few days in Florence. Though exhausted by the frantic search for an apartment, which took quite a while, I was amazed by the beauty of the city. The architectural masterpieces, the beautiful countryside, the extraordinary sculptures, paintings and frescoes continue to amaze me. Now the time has come to say goodbye, and it is with sadness that I have to do that. I would rather say instead *au revoir, arrivederci*, till next time. ■

Intellectual Property Rights: An Economist's View

Max Weber Fellow | **Carlos Ponce**



I was born in a small town of Argentina and at the age of 18 I decided to go to college to become an accountant. I soon realized, however, that this was going to involve a great deal of legal study and that accomplishing my goal was going to be extremely difficult.

I was lucky and discovered that I could continue my studies in the same college by changing my subject to economics. At the time in Argentina being an economist was seen as something rather weird and not very important as a career. But I had no other choice and my grades in Economics and Maths were good.

Studying economics changed my life completely. Not only because it exposed me to a new kind of thinking, but also because the people who were studying economics were very ambitious. In economics terms: the environment was very competitive. From the start my classmates talked of getting good enough grades to apply to the best U.S. Economics Departments. At the time I didn't know what a PhD was, nor did I speak English!

Five years after getting my degree in Economics, I started my PhD in Economics at the University of California, Los Angeles (UCLA). It was a good and a bad experience at the same time: the opportunities for learning were unlimited, but so was the pressure.

In the second year at UCLA I took a class in General Equilibrium Theory that changed my view of economics completely. It was taught by Joseph Ostroy who later became my supervisor. His style of teaching and doing research impressed me: mixing the right proportion of pure economic thinking with the appropriate mathematical tools to produce a great impact on my own manner of thinking and perceiving economics. I was his Teaching Assistant and later he became my thesis supervisor. My topic of research was, and still is, the role of property rights in the appropriation process and in providing incentives for innovation.

The main line of analysis is trying to understand how property rights and, more importantly, how the amount of rewards to innovators may accomplish the final goal of providing good incentives for innovation.

Since September 2003, after obtaining my PhD, I have been working as Assistant Professor in the Department of Economics at the University of Carlos III de Madrid. There, and this year here in the EUI, I have been concentrating my research on three particular questions not yet dealt with adequately in the literature.

The first and most critical question is that all the literature on innovation and Intellectual Property Rights (IPR) assumes that in the absence of IPR innovators make almost zero rents. This assumption has been challenged by a couple of authors but much research remains to be done. People are aware of the damage that patents may cause but there is almost no formal argument in economics showing that without IPR innovators may reap economic benefits that would allow them to cover their innovation costs. I am currently building a model to fill this void, and although as yet unfinished, I think the theory is promising. Here, I recognize, with much pleasure, that I have benefited a great deal from discussions and interaction in the Competition and Growth reading group organised at Villa La Fonte.

The second question is the disclosure of innovations and the choice of IPR by first and second inventors. Again, a presentation in the reading group on Com- ▶▶

- ▶ petition and Growth organised at Villa La Fonte was extremely useful.

The third question, which is arguably as important as the first, is how much innovators should be paid for having the right incentives to introduce the best innovations in the market. In other words, all the literature focuses on the problem that we desire to pay a certain amount of money to a given innovator, but what is the best way to do that (patents, prizes)? The question I address is different: what is the amount that we need to pay to innovators for them to do things correctly? I have not yet started to formally model the question but I think it deserves a great deal of attention not only because it has not been considered, but also because it is related to another important issue, i.e. the distribution of income between innovators and their savings to finance future projects.

In relation to this last issue, let me say that the idea has been in my mind for a long time but lacked clarity. My mentor at the Economics Department of the EUI, Massimo Motta, organised an excellent set of discussions under the label Competition Working Group. Apart from being very grateful from having been introduced to topics that I had no previous experience of, some of the presentations were related in knowledge and tools to this third issue that I discussed

before. For someone like me who doesn't place too much faith in knowledge spillovers, I felt happy to know that some of my ideas had been worked on by other authors and I could built on them to make my point about rewarding innovators and financing their projects over time.

“People are aware of the damage that patents may cause but there is almost no formal argument in economics showing that without IPR innovators may reap economic benefits that would allow them to cover their innovation costs”

As far as academic output is concerned, I have now completed one paper, am currently writing a new one, and I now have a more solid basis for others in the future. ■

Building up EUI

Sala del Capitolo

After several months of restoration work, the Sala del Capitolo, a new conference room at the Badia Fiesolana, opened at the Badia. When the EUI arrived at the Badia, 30 years ago, the room had been divided into small offices, and the original room hidden and unrecognisable. For those of



you familiar with the Badia, these former offices were Dario's office and the Computer Room for researchers. This recent restoration work has uncovered the original beauty and dimensions of this breathtaking room, originally a library.

Important building projects get the green light

The EUI has received official approval for the project at Villa Salviati, future location for the Historical Archives of the European Union. Authorisation has also been received for the project to build researcher residences nearby the Institute.



Getting to Grips with Inequality

Max Weber Fellow | **Juan Rafael Morillas**



During this year at the EUI, I have developed two research projects that share a common concern with questions of the social and political economy of inequality and poverty in industrial societies. The first project is concerned with the political economy of redistribution. The second project analyses the dynamics of inequality and poverty in advanced industrial societies.

“An understanding of redistribution is crucial for a correct comprehension of the political economy of inequality of industrial societies”

The political economy of redistribution.

The welfare state plays a crucial role in the process of inequality. By means of tax and transfer systems, it modifies the income stratification generated in the market. Such an effect typically has two features. First, those individuals at the bottom of the distribution of market income obtain a higher share of final or disposable income, while those at the top experience a substantial reduction in their share of disposable

income as compared with that of market income. Second, the aggregate level of disposable income inequality is lower than that of market income inequality.

An understanding of redistribution is crucial for a correct comprehension of the political economy of inequality of industrial societies. Its description and measurement allows an evaluation of the ‘true’ effect of the welfare state on the stratification of households’ opportunities for income acquisition. In addition, by collecting taxes from some strata and distributing them to others, the process of redistribution entails a distributional conflict. Such conflict needs to be properly understood if we want to have an accurate knowledge of the politics of the welfare state.

In spite of the importance of the process of re-stratification, it is still neither identified nor measured. This is due mainly to the, until recently, unavailability of reliable and comparative data on different income sources, i.e. market and disposable income. As an attempt to compensate for the lack of data, the literature has used proxies for redistribution such as social spending as a proportion of GDP. More recent attempts at measuring the redistributive consequences of welfare states have compared aggregate measures of inequality for the distributions of market income and disposable income and have assumed that the difference between the two or the proportional reduction of the Gini coefficient is a meaningful measure of the effect of redistribution on the reduction of inequality.

However, neither types of measures capture the effect of taxes and transfers on inequality. This project aims first at providing an adequate knowledge of redistribution. In order to do so, it starts by developing a set of indexes of redistribution for advanced industrial societies. I calculate these indexes using comparative micro-data from the Luxembourg Income Study. This systematic comparison will allow us to obtain a picture of the similarities and differences of the process of redistribution across advanced industrial societies.

Once we are equipped with such set of indexes, the project takes a step further and analyses the political determinants of the variability of redistribution across countries. In order to do so, I combine the family of measures of redistribution mentioned above with country-specific measures of political institutions, partisanship, constitutional structure and other macro variables. Combining the two sets of variables pro- ▶▶

► duces an extraordinarily rich database with a panel of countries with time-series cross-sectional data. These data are analysed by testing time-series cross-sectional regression models. The findings from these analyses will become crucial for an accurate understanding of the political economy of the welfare state.

Finally, in a third step, I shall provide a test of the median-voter theorem. According to this theorem, the greater the inequality of market income, the higher the redistribution of income. This is the basic conclusion of Meltzer and Richard (1981). The underlying argument on which it is based departs from the empirical fact that the distribution of income is asymmetrical to the right; in other words, the mean income is higher than the income of the median voter. As a consequence, in democracies, the median voter pushes for redistributive policies. If political competition follows the logic of the Downs' model, the median voter imposes redistributive policies. This theorem is fundamental to a number of research areas in the social sciences, from the economics of growth to the political economy of inequality and the expansion of the welfare state. However, it has not been tested with the right data, mainly due to issues of data availability.

The dynamics of inequality and poverty in industrial societies.

This is a joint research Project with Pablo Beramendi (Department of Political Science, Duke University), financed by the Center for Advanced Study in the Social Sciences, Juan March Institute (Madrid, Spain). It is on the impact of welfare regimes and institutions on the dynamics of inequality and poverty in advanced industrial societies. Inequality and poverty are complex, multidimensional, phenomena. Several generations of scholars have written extensively about it and, as a result, there exists a well established corpus of knowledge on the topic. Why then another project on inequality and poverty? What is it that we can potentially say that merits time and resources?

There has been a significant growth in the literature on the political economy of poverty and inequality over the last few years. The number of papers directly or indirectly referring to the topic continues to rise, creating what has become a substantive body of cumulative knowledge. Yet the rising number of contributions is still overwhelmingly dominated by a static approach. The novelty of my research project rests on the introduction of a dynamic long-term perspective into the political economy of inequality and poverty (e.g. are people equally stuck in poverty across political economy regimes?).

A dynamic perspective is crucial in order to determine the welfare and stratification effects of the increase in inequality. Despite the importance of the increase

in cross-sectional inequality, if we want to assess its implications for well-being and social stratification, we need to move beyond static measures of inequality. Certainly, at any given year, people may have incomes that are transitory, for example, due to unemployment or illness. Using a metaphor by Joseph Schumpeter, the distribution of income at a point in time is like the rooms in a hotel: always full, but not necessarily occupied by the same people.

“ Using a metaphor by Joseph Schumpeter, the distribution of income at a point in time is like the rooms in a hotel: always full, but not necessarily occupied by the same people ”

The substantive aim of this project is to study the extent to which the persistence of inequality and poverty is different across welfare regimes. By so doing, I shall analyse the problem addressed by Shorrocks (1978) of whether income mobility equalizes longer-term incomes. And more specifically, whether, over time, inequality and poverty are more or less persistent, and whether such variation is contingent on welfare regimes or across different varieties of capitalism. ■

Honours and prizes...

In June 2007 **Charles-Henry Massa** of the Law Department won the **International Trademark Association ADR Online Competition** for Best Mediator and Second Place Advocate.



The **EUI** was nominated in, and reached the final phase of, the 2007 competition for the prestigious **Spanish Principe de Asturias Award** in the International Cooperation category.

Europe and Colonialism During the Liberal Revolution

Max Weber Fellow | **José María Aguilera Manzano**



My name is José María Aguilera Manzano, and I am one of the first generation of fellows in the Max Weber Programme (MWP), which is directed by Ramon Marimon. I arrived at the European University Institute (EUI) at the end of August 2006, a short time after having finished my doctorate in history at the University Pompeu Fabra, Barcelona, Spain, and I will be here until September 2007.

“I try to explain how, in the second half of the eighteenth century and the first half of the nineteenth, the transition from the Ancien Régime to liberalism took place in almost all of Europe”

For most of this time I have tried to develop the research project ‘Europe and colonialism during the liberal revolutions’, with which I was selected for a Max Weber Postdoctoral Fellowship. In it, I try to explain how, in the second half of the eighteenth century and the first half of the nineteenth, the transition from the Ancien Régime to liberalism took place in almost all of Europe. That is, the concept of citizen appeared and

the construction of nation states began to take place. In this process, the old and new empires of Europe had to ask themselves questions about what they wanted to do with the territories that were outside their metropolises and whether or not these were part of the new nations. Finding answers to these questions was not easy. For its part, the history of empires, during the transition from the Ancien Régime to liberalism, has mainly been written from a historiographical standpoint, which considers states as being built by metropolitan groups of power from their metropolises. However, in recent years, some writers have shown us how, in the process of assembling states during the nineteenth century, the power élites of the so-called ‘colonial peripheries’ queried the state projects that reduced them to the category of colony, and tried to gain a more advantageous situation for their territories.

This has led me to study in greater depth the origin of the idea of ‘nation’. In this sense, it is fundamental to understand that the concept of ‘nation’, as we understand it today, is a relatively recent historical construction. Historiography, however, has taken time to understand this fact. In the past, Hans Kohn and Carlton Hayes were unequivocal in their understanding of nations as natural realities, and their debate focused only on the elements which defined them. All authors were thus forced to make an almost canonical review through race, language, religion, and the historical past. However, towards 1960, Elie Kedourie observed that states needed the support of the population. At the same time and for this reason, a state could not allow anyone to debate the cultural identity that supported its uniqueness. Because of this, states attempted to guide the population’s will, that is, to educate it. The national problem, concluded Kedourie, was a question of education, and the main promoter of political education was the state. However, to outline the problem in this way meant giving a place to the notion of inheritance. Instead of accepting national identities as natural realities, historians began to see them as artificial creations, moved by political interests. The seminal studies of Ernest Gellner, Benedict Anderson, and Eric Hobsbawm, among others, have continued on this path over the last thirty years. This approach to the idea of ‘nation’, has allowed us to reach a more complex vision of the internal relationships established at the heart of imperial organisations. These took the form not only of structural relationships polarised in central states (settlers) and peripheral states (colonised), but also of entities that were sustained in

- ▶ much more complex relationships (of an economic, social and cultural nature). This has led to a clearer and more layered understanding of the different voices that communicated in this relationship and the processes of miscegenation that took place.

I have described the results of this research in a seminar in the Department of History and Civilization (EUI), and in two papers presented in international congresses. As a result of all this work, I have also written a paper which will appear as a Max Weber Working Paper, and two articles that will be published in *Cuban Studies* and the *Canadian Journal of Latin American and Caribbean Studies*. However, the objective of MWP is not only to finance its fellows for a year of research, but also to give them some training as teachers. Working with the Department of History and Civilization in this direction, I first taught a session in the research seminar run by Professors Bartolomé Yun Casalilla and Antonella Romano during the first term, while, during the second term, I taught together with Professor Yun the seminar “Interdisciplinary Approaches to Early Modern European and Atlantic History”, and also organized several workshops with him. These experiences have introduced me to teaching at a doctorate level. They have also given me the opportunity to meet important historians in my field, some in the Department and others from outside, such as Professors Giovanni Levi, Patrick O’Brien, Maxine Berg, Michael Müller and Juan Pimentel. Finally, the MWP also has an interdisciplinary scientific and academic content. This third part of the programme has given us the opportunity to improve our understanding of research and research careers in the social sciences, improving our communication skills, and also towards making the MWP a reference point for social sciences in Europe. To support this aim, its director has organized the Max Weber Lectures, the workshops on Questions, Methods and Results in Social Science Research, and the workshops on Writing, Presenting and Teaching, all of which have been very useful. Besides attending these activities, I have also collaborated with the Academic Careers Observatory in Social Sciences, which has allowed me to understand how the different European academic realities operate.

The EUI has allowed me to enlarge my aims and gain a wider vision of the world. Even though my research topic has been centred on the study of Latin America and the Spanish Empire during the transition from the Ancien Régime to liberalism, since coming to the Institute I have given it a much more global dimension. The result is that my field of interest has expanded, in a comparative perspective, to the different colonial systems in the Caribbean during the period on which my research focuses. This space was in fact a micro-world, in which the biggest colonial empires of that

period—the British, French, Dutch and Spanish—were ‘represented’. This has also led me to read historiography that was unknown to me up to now. However, while it is true to say that the Institute has given a great deal to me, I too, have contributed to the Institute. I am one of the few fellows in this centre who study that wonderful area of our planet, Latin America. In addition, in my research, I try to understand the world and Europe from a perspective which goes beyond Europe (a perspective whose centre is outside Europe, and is not Eurocentric). In my opinion, if Europe and the Europeans wish to understand their history, one of the most important chapters, that of colonization, should be included and integrated to provide a wider perspective and deeper understanding.

“ The EUI has allowed me to enlarge my aims, ... since coming to the Institute I have given my project a much more global dimension ”

To sum up, this year has been a fantastic, intense and very happy, but also exhausting experience. The pressure to publish and to find work for next year has been intense. Nevertheless, I will never forget the Italian and English classes and the lunches and coffees with friends in the wonderful gardens of Villa La Fonte and Villa Schifanoia. Plus, Florence and Tuscany offer hundreds of beautiful places to visit and enjoy. ■

Right Winner, Wrong Prize

In the last EUI Review we announced that Rainer Bauböck had been awarded the Latsis Prize by the Swiss National Science Foundation. He did indeed receive the Latsis Prize, but it was the one awarded by the European Science Foundation and not that awarded by the SNSF.

Faith and Economics

Marie Curie Chair | **Harold James**

“ The modern world seems to be marked by both the globalization of markets and the resurgence of religious activity worldwide. Are these two trends connected? ”

The modern world seems to be marked by both the globalization of markets and the resurgence of religious activity worldwide. Are these two trends connected? How does religion influence economic development? On 19 March 2007, in a programme chaired by Marie Curie Professor Harold James and sponsored by the EU's Marie Curie Programme and the Robert Schuman Centre, the Witherspoon Institute in Princeton and the Social Trends Institute in New York, some eminent scholars and practitioners reflected on “faith and economics”. At the opening of the session EUI President Yves Mény, asked, “What does it mean to talk about faith and economics when for many, economics is the religion of the times?”

After a smaller workshop, the speakers presented their views and the results of the meeting to an audience of over one hundred EUI students and faculty. The four

major speakers were the former Malaysian Deputy Prime Minister, **Anwar Ibrahim**, the former Managing Director of the International Monetary Fund, **Michel Camdessus**, the intellectual historian, **Emma Rothschild**, and Nobel Laureate, **Amartya Sen**.

All four agreed that economic growth must be connected to promoting human dignity. Each made unique suggestions regarding how to accomplish this. For example, as Emma Rothschild pointed out, the market does not create equity, yet classical authors such as Hume and Montesquieu were concerned about the perverse effects that gross inequality could have on a democracy. Although much contemporary writing on economics has separated the ethical and the technical, the study group participants stressed how religious ideas and religious people contribute to generating an ethic that guides the distribution of wealth and the proper use of the fruits of wealth. Amartya Sen remarked how most religions contain a missionary element that leads humans to encounter other humans and, importantly, to consider them in an ethical light. Although neither Professor Sen nor Professor Rothschild practices a particular religion, they recognized how religious faith as a transcendental approach to life—or what Professor Rothschild called “an imaginative transposition”—leads one to ▶▶



- ▶ put himself in the position of other human beings and to consider how we should treat them. In this sense, they endorsed Michel Camdessus's plea to take up the principle of *miseritordia* or of deep sympathy for the suffering of other human beings.

The other two conference participants are both devout religious believers. They became friends while working with the IMF and began to discuss their faiths, finding many commonalities despite their different traditions (respectively Catholicism and Islam). When steering the IMF, Mr. Camdessus recounted, he strove to bring discussions of values and ethics to his work. He also met regularly with religious and lay leaders. In both the private and public sessions of the study group meeting, Mr. Camdessus recounted conversations he had with Pope John Paul II that led him to ponder a question the Pope put to him. After the fall of communism, and as market economies spread across the globe, the Pope asked him, "Upon what values are you going to build this new global society?" During the rest of his time at the IMF, Mr. Camdessus reflected deeply on this question; he also took advantage of his many opportunities to solicit answers from political and religious leaders. The responses he formulated represent the beginning of a platform with which people of various religious faiths—or, importantly, no particular faith—could agree. During the study group meeting, Mr. Camdessus argued the need to develop a global economic system that promotes human dignity. He outlined three values that he thinks world leaders and world citizens can agree to: a sense of global responsibility vis-à-vis all countries; solidarity to alleviate poverty; and a new sense of global citizenship to back a new global governance.

Mr. Camdessus's presentation developed the idea of universal responsibility and world citizenship as founding principles for both individual and institutional actions. In this regard, the leaders of international financial institutions such as the IMF and the World Bank have much to learn from religious leaders. Religion, he argued, is a source of dynamism for improving the world and can thus narrow the gap between economic science and ethics. He tempered that view, however, by noting that "people who change the world" are people of faith, not necessarily people of religion.

The Islamic scholar and conscience of Malaysian politics, Dr. Ibrahim, began his public statement by supporting Camdessus's concept of responsibility and universal faith as the basis for human dignity and leadership. As an illustration of the dangers of ignoring these relationships, he cited the partial suspension of habeas corpus rights in the United States as a blatant disregard for universally held values that has seriously set back efforts in the developing world

to campaign for the spread of human rights. He also noted similar shortcomings in Islamic countries. Dr. Ibrahim recounted how he has encountered many stereotypes against religious believers, in particular against Muslims, in his work in international economics. For many people, secularism has come to mean not just the separation of church and state but an outright antagonism towards religion. He argued that faith can help to bring back an ethical approach to economics. Rather than thinking of man as *homo economicus*, we should think of man as a universalist humanist. As Dr. Ibrahim pointed out, arguing that the theory and practice of economic development should include faith and religion does not imply the exclusion of non-believers. He also remarked on the appropriateness of holding such a dialogue in Florence, and spoke of his use of Pico della Mirandola's "Oration on the Dignity of Man" as a guide for a better political life in Malaysia.

“ What does it mean to talk about faith and economics when for many, economics is the religion of the times? ”

All the participants agreed that people can reach an agreement on values and ethics even if they start from different religious faiths or from no faith at all. Professor Sen made a passionate call for greater dialogue on economics and ethics. In closing, let me use the words of Michel Camdessus which sums up the importance of this topic and these types of encounters: "The 21st century will be a century of ethics, or it will not be." ■

A New Open Access Legal Journal

Founding Editor-in-Chief, EJLS* | **Rory Stephen Brown**



On 24 April 2007 the European Journal of Legal Studies was launched to a packed Sala Europa. The initiative has caused a stir both within the EUI and beyond. 'Paradigmatic', 'brilliant', 'timely' and 'impressive' were amongst the words of congratulation proffered by the Professors of the Law Department to describe the new web-based project. What then, is all the fuss about? Well, to be precise: 'Excellence in discourse'.

Allow me to elaborate. The Journal is guided by and intends to further two ideals.

First, it is committed to attaining unsurpassed quality of scholarship, or, put simply, excellence. The Flagship Issue, which is emblematic of this aim, contains only first-rate articles by a welter of academics of international repute. Allott, Koskenniemi and Dupuy are but a few of the distinguished contributors.

But the academy is not about names. Neither is the Journal. It is about ideas. The Editorial Board seeks to pinpoint the crucial issues of our times. To that end, the Flagship Issue lays bare the very nature of international law and lawyers. The European Law section considers new forms of power, regulation and governance that are exerting ever-stronger influences on a swiftly-multiplying number of walks of life. A

comparative law analysis utilises the issue of due process versus executive freedom in the 'war' on terror as a lens through which to scrutinise the constitutional Gestalt of liberal democratic ordering. The Theories of Law section sets off in pursuit of that perplexing and seemingly evasive character, law itself.

In the subsequent issues it is our intention to maintain this heady level of excellence by pooling and then plumbing the intellectual resources of the EUI. The Journal is under the management of the researchers of the Law Department. But this does not mean it is ours. It is yours too. The Journal is rooted in, furthers and yet intends to harness, the natural forces of the EUI's uniquely cosmopolitan academic environment. We see the professors, fellows and, indeed, alumni of the EUI as future readers, contributors, and co-reviewers, selected to add an expert opinion to those of the Editorial Board. The review system goes along way to guaranteeing excellence. Naturally, it is anonymous but it is innovative in that it enlists the services of not only doctoral candidates of the EUI but also the other experts and specialists who form part of that community.

So much for excellence. The second ideal is dialogue. There are members of the Board who disagree with all I say and do, and none of them have any qualms about telling me this. It is to them, to the constant voices of dissent, to whom I am most obliged. In short, dialogue is our North Star. In this sense, we have only one vision and, I hope I speak for everyone on the Board when I say that it is not a vision of an end destination, but it is a common inkling and collective intuition about the modalities and methods for getting there, wherever 'there' may be.

But our dedication to discourse is not merely rhetorical, nor is it limited to boardroom disputations. Indeed, we accept submissions and publish articles in almost every European language. That said, perhaps the most demanding and impressive commitment made by the Journal team is to publish each article making it through our rigorous selection procedure alongside a further version, translated into another language. Those of you who have ever translated an academic text will appreciate the magnitude, not to say, impossibility of this task. This is done not to showcase the flashy linguistic talents boasted by EUI researchers, indeed most translators remain anonymous, but to broaden and deepen legal scholarship, to facilitate the sharing of ideas across seemingly insurmount- ▶▶

► able linguistic and cultural barriers, and, insodoing, over time, significantly to improve the quality of legal scholarship itself. This is our hope in the same way that Renaissance translators of Ciceronian texts hoped that, through their labours, if great thoughts could be communicated across various obstacles and difficulties, they would produce great thoughts.

This vision of discursive journeying has been thrown into relief in the oppositional, confrontational nature of the contributions to the first issue. They exhibit scholarly skills of the highest order and a stark diversity in style and angle of attack. Nevertheless, the purpose was unitary. One might say, they were united in diversity. The common plight of the contributors, mirroring ours, was, and is, to create and foster the broadening and deepening of dialogue in the voyage of human self-understanding.

Not content with the arduous task of translation, shortly, by utilizing the unique dynamics of our on-line home, we will allow readers to submit replies and comments to the published articles. 'Oh, so it's a blog', I hear you remark. It most certainly is not. Each reply will be reviewed to ensure that its quality matches (or exceeds) that of the article on which it comments and only the very best will appear on the website. In this way, without any deleterious effect on the quality of the discourse, without descending into what is colloquially termed 'chat', the Journal will harness the potential of its 'cybersetting' to make its pages and the sundry debates come alive—literally.

I know that many of you share or will share my conviction that this Journal is an extremely important opportunity for the EUI, for European legal scholarship, and therefore, by default, for legal thought worldwide. But it is just that, it is an opportunity, a beginning.

And this brings me to the future. Though I am sincerely grateful to all those who have brought the Journal this far, we are only at the start of an initiative, nothing more. We have laid the first stone of a forum that has the power and potential to change the dynamics and contours of the greater discourse in which it must locate itself. But the completion of that forum demands the industry of the entire EUI legal community. And the time is now.

On that urgent note, the second issue, which, barring disaster, should appear before the end of the year, is provocatively entitled 'Judging Judges'. The call for papers is on the website and in general circulation. We invite articles on the judicial theme; e.g. on the competing conceptions of the judicial role, on the nature of judicial reasoning, on the language of the judiciary, and on the (politico-social) class of judges.

We'd like you to grab a gavel, remove the wig, or throw the book at them.

A final word. My money-back guarantee is this: You will not find a more stimulating, challenging, or dynamic legal journal anywhere in the world. And the subject of money calls to mind another advantage of our modest venture. Without being a worthless free-for-all (as is so typical of modern web-based bloggery), in an expression of our shared conviction that great ideas like great art should be open access, the European Journal of Legal Studies is free-to-all, which, incidentally, is why I am so comfortable offering you your money back.

What are you waiting for? Read, ponder, contribute: www.ejls.eu. ■

* The current Editor-in-Chief of EJLS is Bart van Vooren, Researcher, Law Dept.

Births

Congratulations to **Katja Hausteijn** and **Andreas Corcoran** on the birth of their son, **Antonin**, on 8 May 2007.



The European Constitution: Cases and Materials in EU and Member States' Law (Amato/Ziller)

Researcher, SPS Dept. | **Eva Gabriele Heidbreder**

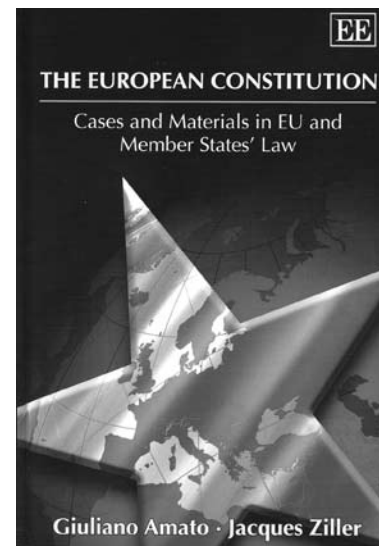
The king is dead—long live the king! The 'Constitution for Europe' is off the agenda—a 'New Treaty' is to be signed and ratified by 2009. Still, G. Amato and J. Ziller's edition of *The European Constitution: Cases and Materials in EU and Member States' Law* is neither obsolete nor anachronistic. Given that an imminent new Treaty for the EU is promising to incorporate most parts of the Constitutional Treaty, the study of the Constitution, its coming into being as well as its contents and expected impact, has not turned into an exercise for historians but remains essential for the understanding of the EU's hybrid legal framework. One of the contributions of the volume is therefore that it sheds light on the inter-linked legal dependencies between national and supranational legal frameworks, the interpretation of these and the (incremental) adaptations that occur in the complex multi-level structure. Even though the volume focuses explicitly on the Constitution and does not yet envisage the shape of the alternative Treaty likely to replace the Constitution, most of the issues discussed continue to be pre-eminent or are likely to reoccur with respect to a new Treaty.

Hence, Amato/Ziller's compilation offers a rich source of materials for scholars of EU integration across academic disciplines. The volume propounds documents that trace the ratification process of the Constitutional Treaty and the central innovations contained in the text. It elaborates on key issues such as primacy of EU law, giving legal force to the Charter of Fundamental Rights and Freedoms, the streamlining of Community competences and procedures foreseen

by the Constitution, and changes regarding the role of national parliaments. Moreover, it offers an insightful illustration of incremental policy developments in the fields of Freedom Security and Justice as well as the Common Foreign and Security and Defence Policies. Admitted that some of these innovations have disappeared with the abolition of the Constitutional text proper, the reasoning behind the original changes remains valid and accordingly persist as unresolved problems for the EU's functioning.

The collected documents on each of these topics cover a vast range of sources, spanning from secondary literature, to political documents such as the Conventions working group reports and statements by EU bodies, and primary legal texts including court rulings both on the EU national levels. The diversity of the materials provided reflects the authors' approach to widen the insight on central questions on the European Constitution, rather than assembling an exhaustive collection documents produced by particular actors. By the same token, a considerable number of primary texts produced by Member State bodies are reproduced in English translation to make them accessible to the sectoral interested reader.

Introductions to each of the nine chapters depict the historical and legal background to the materials. These prologues are useful not only to comprehend the selection of the variety of text materials. More than a guide to the documents, the short introductions offer a comprehensive factual contextualisation to each question tackled. The authors refrain consciously from any in-depth interpretation of the



empirical data "so as to give the readers as much information as possible in order to make up their minds in an independent way" (p. viii). As a book for reference to the advanced scholar on EU integration, the volume presents a valuable resource for analysis and teaching. Although in sum the book demands too much general knowledge on the EU to qualify as introductory textbook, the introductions and some of the secondary texts proffer comprehensible concise overviews. Since it connects the materials with the historical and current legal context on the supranational and national components on which the hybrid system of EU governance depends, the book levels the ground for discussion on the EU's constitutional process well beyond the fading European Constitution. ■

Amato/Ziller *The European Constitution: Cases and Materials in EU and Member States' Law*. Cheltenham, UK/Northampton, USA: Edward Elgar, 2007

Genesis and Destiny of the European Constitution

(Amato/Bribosia/De Witte eds)

Former member of the Convention Secretariat | **Hervé Bribosia**

As a collective work, *Genesis and Destiny*, is in keeping with the EUI tradition of examining the reform of the European treaties. Nevertheless, it risked never seeing the light of day, or at the least, a period of hibernation lasting as long as the pause for reflection on the ratification process of the European Constitution. Following the French and Dutch ‘No’, we were strongly tempted to abandon the project. What would be the point of a legal commentary on a text which was already being referred to as stillborn, and that would probably never come into force in its current state?

Notwithstanding these gloomy prospects, the European University Institute decided to pursue the project, thanks to the support of Helen Wallace, former Director of the Robert Schuman Centre for Advanced Studies, and the collaboration of the Academy of European Law. The book was co-edited by EUI professors, Giuliano Amato (former vice-president of the Convention), and Bruno De Witte, together with Hervé Bribosia (former member of the Convention Secretariat, and rapporteur for EUI studies on the re-organisation of the Treaties) who was also responsible for the book’s scientific coordination.

In April 2006 the authors met at the EUI to discuss their work. The outcome is a substantial, bilingual publication, resulting from an encounter between EU officials, national diplomats and academic experts, including other professors from the EUI Law Department (Jacques Ziller, Neil Walker, Marise Cremona). Mario Mendez, a researcher in the Law Department, deserves a special mention here for his collaboration in revising the English chapters.

The first part of the volume starts with a retrospective of the constitutional process, from its origins to the period of reflection on the ratification process of the Treaty establishing a Constitution for Europe. It includes chapters dealing with the way the European Convention operated and a detailed account of the intergovernmental conference (IGC).

This is followed by a commentary presenting the main innovations of the Constitution, and an account of the evolution of the ideas and debates during the constitutional process. The prime aim of the commentary has been to stress the intentions of the authors of the Constitution rather than to conduct an exegetical legal analysis of the texts. Accordingly, the essential basic materials on which the book is based are the *travaux*

préparatoires of the European Convention and the documents relating to the negotiations that followed in the IGC.

The thematic commentary chapters were entrusted to the ‘machinists’ of the European Convention, namely members of the Secretariat of the Convention and the European Commission Task Force on the future of the Union. Practically all the authors participated in crafting the Constitution, and many took part in the IGC. As such they were ideally placed to recount the arguments, motivations, stakes, influences and choices which led to making the final text of the Constitution what it is today. The benefit of this approach is not simply historical—although a guide through the *travaux préparatoires* would in itself have justified the undertaking—but also sheds light on the current state of the treaties and practices.

The second part of the volume deals with the prospects of the constitutional process of the European Union. It consists of essays mainly by academic experts. At the time of writing the book, the ratification process was in a state of crisis, but had not come to a complete halt. The authors considered different scenarios to exit this deadlock, and examined the future of the innovations contained in the Constitution, as regards their implementation in practice or further treaty reform. The second part of the book thus complements the historical commentary of the first part.

The ratification process of the European Constitution has now been definitively abandoned, and the idea of a European Constitution is likely to remain dormant for a long time to come. However, as most of the substance of the constitutional treaty will be taken up by a ‘reform treaty’ (known as the Lisbon Treaty), namely a classical treaty amending the existing treaties, the value of the book remains intact. Paradoxically, *Genesis and Destiny of the European Constitution* may find its first use now, at precisely the time when the current IGC is ‘deconstructing’ the European Constitution, as it provides an authoritative interpretation of the substantive changes and innovations brought by the Constitution to the EU and EC treaties. ■

Amato/Bribosia/De Witte (eds), *Genèse et destinée de la Constitution européenne/Genesis and Destiny of the European Constitution*, Bruxelles, Bruylant, 2007

EC Competition Law: A Critical Assessment

(Amato/Ehlermann eds)

LAW Dept., 1998-2003 | **Assimakis Komninos**



An EUI brainchild is presented in Brussels

On 7 May 2007 many former and current EUI members gathered in Brussels to celebrate the launching of a new book on EC competition law. The book's full title is *EC Competition Law: A Critical Assessment* and was published by Hart Publishing of Oxford. It is truly a child of the EUI. Its two editors, professors Giuliano Amato and Claus-Dieter Ehlermann have been teaching competition law and educating an ever-increasing number of researchers at the EUI Department of Law since the mid-1990s. They and the associate editor Assimakis Komninos, an EUI alumnus, have brought together a group of young competition law experts, most of them EUI alumni and including two current law researchers, who wrote contributions covering the whole body of EC competition law: Articles 81, 82 and 86 of the EC Treaty, mergers, and procedure.

The book's presentation was attended by over a hundred competition law specialists, including European

Commission officials, academics and practitioners. Claus-Dieter Ehlermann, President Yves Mény and DG-Competition Director General Philip Lowe were the speakers at the event. Most contributors were also present.

The original idea was to publish a competition law textbook based on the past and present expertise of the EUI, which has long been considered a centre of major intellectual developments in the area of competition law. While many former and current EUI researchers have already published extensively and have, with great success, shaped the competition law debates of the last 20 years, this book brings these achievements together and represents a collective restatement of the EUI's leadership in EC competition law research.

The book has two distinctive features. The first is that, unlike similar works which present the law from either an enforcement agency's or a practitioner's perspective in a fairly conventional manner, this work offers fresh, critical reflections on the state of the law. The second is that the authors are young academics, practitioners and administrators who have worked in the relevant fields and are relatively new "voices" in competition law literature. Drawn from diverse jurisdictions and professional backgrounds they bring a distinctively "European" feel (for instance, by not drawing exclusively on literature in English), and thus succeed in introducing debates that have been taking place outside the English language world, thereby achieving a more comprehensive dialogue in this field. The diversity of their professional backgrounds means that each chapter adopts a different perspective, with some chapters focusing on practical solutions to problems, and others exploring more general theoretical questions.

Julio Baquero, Richard Burnley, Sophie Germont, Makis Komninos, Jurian Langer, Jerónimo Mailló, Sigrid Stroux, Luis Souto, Chris Townley, and Bruno Zanettin, all former EUI researchers, and Veljko Milutinović and Ekaterina Rousseva, current EUI researchers, were among the contributors. Other contributors, such as Vassilis Hatzopoulos, David Howarth and Francesco Salerno, have also had the chance to walk down the Villa Schifanoia's corridors as visiting lecturers or students. ■

Amato/Ehlermann (eds), *EC Competition Law: A Critical Assessment*, Oxford, Hart Publishing, 2007

Alumni News

Alumni Weekend in Berlin – 8/9 June 2007

The Executive Committee met in Berlin with fellow 'Berliner' alumni and others coming from Brussels, Düsseldorf, Florence and London. They visited the Technische Universität Berlin, the Ecologic - Institute for International and European Environmental Policy, the Hertie School of Governance and the Freie Universität Berlin, where Tanja Börzel hosted a roundtable discussion on current European issues. A summer outdoor dinner at Café Einstein brought together other alumni. Other activities of the Berlin chapter (which will be announced on our web-page) will follow. Active members of the AA Berlin chapter include: Tanja Börzel, Markus Jachtenfuchs, Ingmar von Homeyer, Victoria Jennett, Till Steinvorth, Mareile Buescher, Carsten Brutschke and Arne Baumann.

Alumni Weekend in Florence – 4/5 October 2007

Job event. The Institute is organising, jointly with the Alumni Association, three orientation seminars with international organisations, consultancy firms and international law firms to guide interested researchers. Seminars, to take place on Thursday and Friday morning, are meant to help students to better understand the nature of certain jobs and to provide them with useful insights in order to increase their chances of success. The meetings count on the presence of EUI Alumni with a successful career in those institutions.

Lunch with Guest Speaker. Professor Mario Nuti from the University of Rome La Sapienza has been invited as guest keynote speaker during lunch on Thursday, 4 October. Mario Nuti will speak on "The European Social Model and its Dilution as a Result of EU Enlargement". The Festschrift volume to mark his 70th birthday, *Transition and Beyond—Essays in Honour of Mario Nuti*, forthcoming in S. Estrin, G. Kolodko and M. Uvalic (eds), London, Palgrave, will be presented thereafter. Mario Nuti was Professor at

the Department of Economics from 1983 to 1989. All alumni, especially those who have been his students during those years, are invited to attend!

The General Assembly of the Alumni Association is also convened for 4 October at 6 pm with the following agenda: 1. Presentation of the President's Annual Report; 2. Presentation of the Treasurer's Report; 3. Presentation of the upcoming publications; 4. Other. The Conferring Ceremony will take place on Friday 5 October 2007 in the afternoon. Jacek Saryusz-Wolski, Chairman of the Committee on Foreign Affairs of the European Parliament, will deliver a speech during the ceremony.

3rd Chianti Walk. Another walk is being organised for 6/7 October 2007, this time by AA Secretary Valérie Hayaert. This two-day walk will include a visit to Bagno Vignoni outside the Chianti area and can be done entirely or in part. Contact Valerie. Hayaert@eui.eu for information.

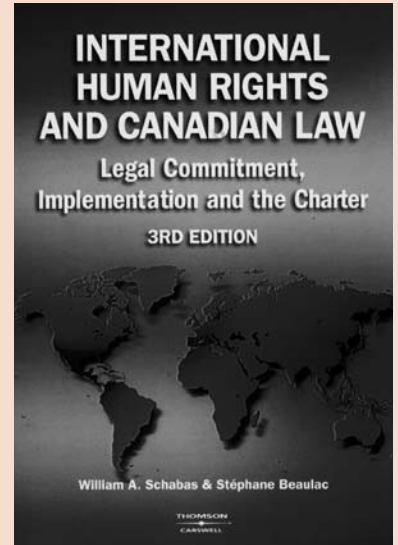
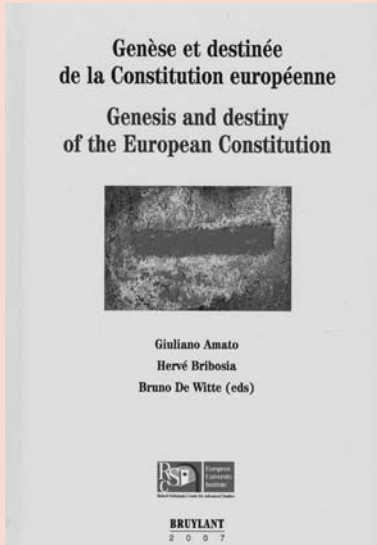
Forthcoming publications (AA conferences)

P. Della Posta, A. Verdun and M. Uvalic (eds), *Interpreting Globalisation: A European Perspective* (Basingstoke: Palgrave); S. Baroncelli, C. Spagnolo and S. Talani (eds), *After Maastricht: The Legacy of the Maastricht Treaty for European Integration* (Cambridge: Cambridge Scholars Publishers).

Please keep an eye on our web-page (www.eui.eu/Alumni) and get in touch with us and with Nancy Altobelli for all relevant information. You can also register with the Alumni Association and receive your Electronic Alumni card (giving access to several facilities and a permanent EUI e-mail address) and thereby become a donor to the EUI since all revenues are devoted to the Alumni Research Grant, administered directly by the EUI.

Francisco Torres, AA President





Latest Books

Amato, Giuliano, Marè, Mauro, *Il gioco delle pensioni: rien ne va plus?*, Bologna, Il Mulino, 2007

Amato, Giuliano, Bribosia, Hervé and de Witte, Bruno (eds), *Genèse et destinée de la Constitution européenne/Genesis and Destiny of the European Constitution*, Bruxelles, Bruylant, 2007

Amato, Giuliano, Claus-Dieter Ehlermann (eds) *EC Competition Law: A Critical Assessment*, Oxford, Hart Publishing, 2007

Amato, Giuliano, Ziller, Jaques, *The European Constitution: Cases and Materials in EU and Member States'*

Law, Cheltenham, UK, Northampton, USA, Edward Elgar, 2007

Amir-Moazami, Schirin, *Politierte Religion: Der Kopftuchstreit in Deutschland und Frankreich*, Bielefeld, Transcript, 2007

Andriychuk, Oles, *Europe - Ukraine. Compatibility Tests*, Kiev, Smoloskyp, 2007

Beaulac, Stephane and Schabas, William A., *International Human Rights and Canadian Law. Legal Commitment, Implementation and the Charter*, Toronto, Thomson Carswell, 2007

Biagioli, Carlo, Francesconi, En-

rico and Sartor, Giovanni (eds), *Proceedings of the V Legislative XML Workshop*, European Press Academic Publishing, 2007

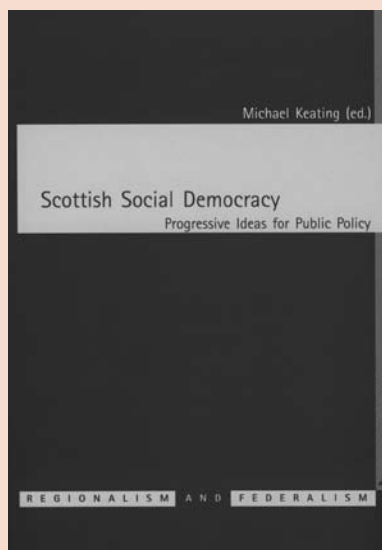
Cafaggi, Fabrizio, Nicita, Antonio and Pagano, Ugo (eds), *Legal Orderings and Economic Institutions*, London/New York, Routledge, 2007

Curto, Diogo Ramada, Bethencourt, Francisco (eds), *Portuguese Oceanic Expansion, 1400-1800*, New York, Cambridge University Press, 2007

Curto, Diogo Ramada, Domingos, Manuela (eds), *As Gentes do Livro*, Lisbon, Biblioteca Nacional, 2007



The EUI Publications Repository



Dehli, Martin, *Leben als Konflikt. Zur Biographie Alexander Mitscherlichs*, Göttingen, Wallstein, 2007 [Published version of EUI PhD thesis (2004)]

Della Porta, Donatella, *O movimento por uma nova globalização*, São Paulo (Brasil), Edições Loyola, 2007

Del Sarto, Raffaella, Schumacher, Tobias, Lannon, Erwan and Driss, Ahmed, *Benchmarking Democratic Development in the Euro-Mediterranean Area: Conceptualising Ends, Means, and Strategies*, EuroMeSCO Annual Report, Lisbon, EuroMeSCO Secretariat at the IEEI, 2007

Francioni, Francesco (ed.), *Biotech-*



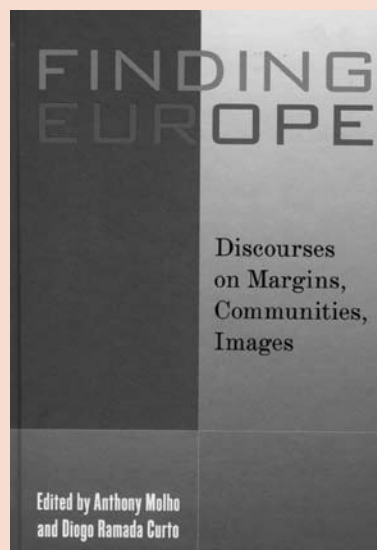
nologies and International Human Rights, Oxford and Portland, Hart Publishing, 2007, Studies in International Law, 13

Keating, Michael (ed.), *Scottish Social Democracy*, Bruxelles, P.I.E. Peter Lang, 2007

Mény, Yves and Surel, Yves (eds), *Demokracja w obliczu populizmu*, Warsaw, Oficyna Naukowa, 2007

Molho, Anthony, Curto, Diogo Ramada (eds), *Finding Europe. Discourses on Margins, Communities, Images*, New York, Berghahn, 2007

Nabli, Beligh, *L'exercice des fonctions d'Etat membre de la*



Communauté européenne: étude de la participation des organes étatiques à la production et à l'exécution du droit communautaire: le cas français, Paris, Dalloz, 2007

Natali, David, *Vincitori e perdenti. Come cambiano le pensioni in Italia e in Europa*, Bologna, Il Mulino, 2007

Persson, Hans-Ake, Stråth, Bo (eds), *Reflections on Europe. Defining a Political Order in Time and Space*, Bruxelles, P.I.E. Peter Lang, 2007, Multiple Europes, 37

Pizzorno Alessandro, *Il velo della diversità. Studi su razionalità e riconoscimento*, Milano, Feltrinelli, 2007



Playing Football for the EUI

If doing a PhD was compared to a sporting discipline, marathon running would probably be the most apt: a long, solitary and introspective experience, which pits one against oneself as much as against anything or anyone else. For all the intellectual fulfilment the academic life at San Domenico brings to everyone that passes through the EUI, it often seems a solitary existence, buried in books or deep in thought, far from the bustle of Florence below in the valley, and even further from the lives that many people have left behind to start their *avventura fiesolana*.

It is for these reasons that the EUI men's football team remains one of the fondest memories of Florence for those EUI researchers, post-doc fellows, professors and stagiaires who have proudly donned the EUI colours and represented the Institute in the provincial football championship. *La squadra fantastica*, as the team is dubbed on occasion, is a rare but very concrete example of the aspirations of the ambitious project that is the European University Institute, and even Europe itself. Players from all over the continent and beyond come together to play for each other and for the Institute, pitting their footballing skills and determination against Tuscan teams who are often bemused by the cosmopolitan nature of the team lined up against them, while also giving a genuine presence to the EUI in our host town, which is often unaware of what our Institute does in the hills of San Domenico, with our results even appearing in the local press.

Several acknowledgements in people's doctoral theses have included references to the team, showing what an important part of people's Florentine experience it often is. Andrew Glencross, captain of the team in recent months, even included a short anecdote about a member of the team several years ago trying to stave off frostbite after a game in Sesto Fiorentino by warming his feet under the hair-dryer, a common feature in changing rooms in image-conscious Italy. Another veteran member of the team, Fabian Breuer, making an emotional speech after his last game, told us all how the best thing about Florence had been *la squadra fantastica*, while failing to mention his girlfriend, who was sitting next to him.

Having had the privilege of being *il mister*, the manager, of the team for the past season, I have had the chance to see at first hand all that is great about the EUI and its members: teamwork, compromise, understanding, sacrifice and, most of all, fun. Being a member of the team gives you an immediate community of friends hailing from across the globe, and gives you the chance to see parts of Florence that are many kilometres from the small portion of it on the tourist maps and which most

people at the EUI get to know during their stay, with the season including trips into the Tuscan wilderness to such places as Signa, Barberino and Strada in Chianti. Football also offers a hands on approach to learning Italian, with the football pitch being the perfect place for Florentines to practice their cutting sarcastic wit on unsuspecting EUI members, who quickly get to grips with the necessary vocabulary to give as good as they get.

The team has gone from strength to strength. We have just finished a gruelling season, which, although we missed out on promotion, saw us finish in our highest ever league position. While the joy of victory and the pain of defeat are keenly felt by everyone in the squad, what we all get from being part of the team goes far beyond what happens on the pitch, offering the chance for people from all walks of EUI life to get to know each other. We have also built up a small legion of fans, which swells to surprisingly large numbers when we are involved in a big match. In this way, football, whether in the guise of the men's team, the women's *calcetto* team, or the now legendary Coppa Pavone tournament held at Villa Schifanoia each June, transforms the EUI into something more than a mere 'scientific' community, and helps it become a real community.

A professorial postscriptum:

As this piece proves, our *mister* is not only a living football encyclopaedia, gifted manager and talented midfielder, he's also a man of words. His match reports are the most quickly opened emails on Wednesday mornings, for all past and current team members around Europe. EUI footie alumni remain attached to our venerable institution because of such irresistible email-headers as 'glitches, big pitches and terrible reffing—Crystal Piazza 2-2 IUE'. *Il mister* cannot be questioned in his decisions, so when he sent me an email entitled 'the EUI team needs you!' I naturally thought of my 1987 Fiat Panda car keys for the upcoming away game. This hunch was correct, but only partially, as my unconditional transport-solidarity with *la squadra fantastica* was rewarded by me being brought on the pitch for the last two minutes of my first (and funnily enough not last) game in EUI colours. The experience confirmed that no matter who you are, once you pull on the shirt, you are fully integrated from day one. True, you have to pay a price (bruises, torn ligaments, multiple fractures and post-victory-celebration headaches) but it's worth it—even for a prof who's used to tackling other things than shins. Oh, and I almost forgot: EUI footballers do not complete their theses later than others—on the contrary... *Forza IUE!* ■

Luke Mason, Researcher, LAW Dept. and
Alexander Trechsel, the Swiss Chair in the SPS Dept.

EUI: *la squadra fantastica*

From strength to strength on the footy pitch



The team listen attentively to pre-match instructions. Obviously not attentively enough, as they lost this game



The EUI players celebrate one of top scorer Irial Glynn's 17 goals last season

New appointments - September 2007



Sebastian Conrad (Freie Universität Berlin): European history in the 19th and 20th centuries in comparative and trans-national perspective; the history of colonialism; the history of globalization.



Kiran Klaus Patel (Humboldt-Universität zu Berlin), Joint Chair with the RSCAS: the history of the European integration process and of transatlantic relations; comparative and transnational history of the 20th century.



Philipp Ther (Europa-Universität Viadrina): Comparative social and cultural history and its methodological foundations; music and history; comparative nationalism studies; ethnic cleansing and genocide; collective memory.



Hans - Wolfgang Micklitz (Otto - Friedrich - Universität Bamberg): European economic and private law, consumer law.



Martin Scheinin (Åbo Akademi, Turku), the relationship between human rights law and public international law; public international law to counter terrorism.



Fernando Vega-Redondo (Universidad de Alicante and University of Essex): game theory: evolutionary models, bounded rationality, and learning; implementation theory and theory of organizations; networks: models of network formation, network search, and the co-evolution of complex networks.

EUIreview

Via dei Roccettini, 9
I-50014 San Domenico, Italy
www.eui.eu/PUB/EUIReview.shtml

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Publisher

European University Institute
Publications Officer:
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Editors' Note

Views expressed in articles published reflect the opinions of individual authors and not those of the Institute.



The European Commission supports the EUI through the European Union budget. This publication reflects the views only of the author(s), and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Printed in Italy
by Tipografia Giuntina – Firenze
September 2007