

## Istituto Bruno Leoni Monthly Report

N. 4 – November 2005

*Istituto Bruno Leoni (IBL), named after the renowned Italian lawyer and philosopher, was established to encourage public debate from a strictly classical liberal perspective. IBL strives to investigate, to promote and to spread the ideals of the free market, private property, individual liberty, and free trade. IBL publishes both scholarly and popular works, organizes seminars and meetings, publishes articles in the daily press both in Italy and abroad, as well as short studies and briefing papers. Its main purpose is to orient decision-making, inform the public and foster a new generation of intellectuals and scholars devoted to the cause of liberty.*



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# IBL Report

## Events

18 November 2005

Grand Hotel Duomo - via San Raffaele 1, Milan

### *Twenty Years of TLC Liberalization: Europe and Beyond*

*(20 anni di liberalizzazione delle telecomunicazioni: In Europa ed oltre)*

Jointly organized with Cattaneo, Zanetto & C.

Speaker: *Christian Hocepiéd*

Christian Hocepiéd (aged 49) is head of the sector 'Liberalization Directives, Article 86' within the Telecommunications, posts and coordination of the information Society' unit of DG Competition of the European Commission in Brussels (Belgium). He is a specialist in the application of the EC competition law to the telecommunications sector and in particular to State measures. In DG Competition, he is coordinating infringement proceedings against Member States in this area.

He has been extensively involved in the drafting of the new regulatory framework and in particular as regards the original approach aimed at combining the application of sector specific regulation with horizontal competition law. He was in charge of the preparation of the launch of the sector inquiry in the telecommunications sector in 1999 in the three areas retained: leased lines, international roaming and local loop. Mr. Hocepiéd has lectured to explain his area of practice to various audiences in several EU Member States.

Prior to joining the Commission in 1985, Mr. Hocepiéd was an official with the Belgian Senate and the Belgian Court of Public Auditors. He earned his licence in "Sciences commerciales et consulaires" in 1983 from HEC Brussels, his MBA in 1981 from Vlerick school - Gent, his Law degree in 1980 from the Gent State University.



21 November 2005

Fondazione De Ponti, piazza Castello 23, Milan

Seminario Rothbard

### *Vox Populi, Vox Dei? (Some) Limits and (Some) Paradoxes in Deliberative Practices*

*(“Vox populi, vox Dei? (Alcuni) limiti e (alcuni) paradossi della pratica deliberativa”)*

Jointly organized with Fondazione De Ponti

Speaker: *Luigi Curini*

Second lecture in the third series of the Rothbard Seminar. With the aim of favouring the emergence of a new generation of liberty-loving scholars, in each academic year Istituto Bruno Leoni—with the invaluable help of Fondazione De Ponti—is holding in Milan the Rothbard Seminar, intended as a discussion forum for young scholars to debate and investigate libertarian ideas. The seminar is named after Murray N. Rothbard (1926-1995) one the major libertarian thinkers of our age. Student of Ludwig von Mises at the New York University, he was among the founders of the Cato Institute and of the Ludwig von Mises Institute, he is author of a number of fundamental works of classical liberal and libertarian thought of the Twentieth century.



23 November 2005

Fondazione De Ponti, piazza Castello 23, Milan

Hayek Cocktail

### *Antitrust: A Policy Struggling Against Itself?*

*(Antitrust: una politica in guerra con se stessa?)*

Speakers:

*Alessandro De Nicola* (Presidente, Adam Smith Society)

*Alberto Pera* (Partner in Gianni, Origoni, Grippo & Partners)





16 November 2005

Sala Angiolillo, Palazzo Wedekind  
piazza Colonna 366, Rome

### **Beyond the Welfare State** **How to Solve the Pensions and healthcare Crisis**

Speakers:

Giampiero Cantoni (*Forza Italia*)

Pierluigi Magnaschi (*Ansa*)

Wilfried Prewo (*Hannover Chamber of Commerce*)

Nicola Rossi (*Democratici di Sinistra*)

Moderator: Alberto Mingardi (*Istituto Bruno Leoni*)



Debate and presentation of Wilfried Prewo, *Oltre lo Stato assistenziale* Istituto Bruno Leoni .



*The welfare state has corrupted our minds, many of us having become insecure, doubting that we can decide for ourselves. Building self-confidence towards individual responsibility is the most difficult task. And it is worth the effort..*

Wilfried Prewo, *Oltre lo Stato assistenziale*



On the press:

*Il Foglio*, 16 November 2005, [Lo Stato assistenziale è in crisi. Cantoni spiega come andare oltre](#)

*Il Giornale*, 17 November 2005, [La crisi e gli sprechi dello stato sociale visti dalla Germania. Un libro di Wilfried Prewo al centro di un convegno a Roma](#), by Carlo Lottieri

*Il Tempo*, 17 November 2005, [Stato sociale, per uscire dalla crisi serve la previdenza a misura di cittadino](#), by Antonio Angeli

*Libero*, 18 November 2005, [Stato sociale e famiglia sono la chiave della campagna elettorale. Idee nuove da Prewo e Cantoni](#), by Renato Farina



16 novembre 2005 - ore 18:00

Sala Angiolillo, Palazzo Wedekind - piazza Colonna 366, Roma

**IBL**  
Istituto Bruno Leoni

## **OLTRE LO STATO SOCIALE**

**Come risolvere la crisi di previdenza e sanità**

Intervengono:

**Giampiero Cantoni** (Forza Italia)

**Pierluigi Magnaschi** (Ansa)

**Wilfried Prewo** (Camera di Commercio, Hannover)

**Nicola Rossi** (Democratici di sinistra)

Nell'occasione verrà presentato il libro di Wilfried Prewo, "Oltre lo Stato assistenziale" (Istituto Bruno Leoni).



### *Hit One to Educate One Hundred: The “Microsoft Case” and the Future of Competition in Europe*

*Colpirne uno per educarne cento. Il caso Microsoft e il futuro della concorrenza in Europa*

by Alberto Mingardi e Paolo Zanetto

The decision against Microsoft by the European antitrust authority was warmly welcomed from many a quarter. The setback for the giant American corporation by the hands of the European Union was prominently reported in the news as a victory for a more “fair” and “regulated” vision of the market. But does in fact such a momentous decision foster more competition? Is Microsoft really a monopolist? Was its market share achieved by damaging more efficient and deserving competitors? How proper is to embrace a merely “quantitative” measure of competition, to the disadvantage of innovation?

This essays attempts to answer these and other questions. Starting with the “Microsoft Case,” the Authors investigate the pros and cons of antitrust, on the assumption that its effectiveness is to be assessed not on the basis

of today’s victim, as instead by the long-term effects of every single decision and fine. The events surrounding the Seattle-based software-house are thus useful to understand the “future of competition in Europe,” in the awareness that the foremost goal is to secure more competitiveness and innovation. The vision that underlies this essays, as Oscar Giannino writes in the Introduction, is “the hayekian, Austrian-school notion that competition is not a standard amount to guarantee, as instead an ever-changing process in which the companies’ efforts to innovate and merge are to be rewarded whenever they benefit both the market and the costumers.

*Alberto Mingardi is Director for Globalization and Competition of Istituto Bruno Leoni, and Senior Fellow of the Centre for the New Europe in Brussels, Belgium. A prolific author, he edited Antitrust. Mito e realtà dei monopoli (Rubbettino-Facco,2004).*

*Paolo Zanetto is Policy Analyst and Co-ordinator of the European Antitrust Watch for Istituto Bruno Leoni. He authored with Alberto Cattaneo, (E)lezioni di successo. Manuale di marketing politico (Rizzoli-Etas, 2003). He is in charge of the Istituto Bruno Leoni’s European Antitrust Watch..*



## *From Welfare State to Social State*

### *Oltre lo Stato assistenziale*

by Wilfried Prewo

“Delaying choices that may impact the electors’ pockets is a way to avoid making one’s re-election less likely: but it is at the same time an injustice, an outrage towards the generations to come, that demeans the ambitions of those who aim to govern. A true leadership needs to be able of looking afar. The way to reform with fairness the welfare state exists, and it is the approach outlined by Wilfried Prewo.” (From the *Introduction* by the Italian Senator Giampiero Cantoni).

The “European social model” is clearly in crisis: while demographic trends are challenging the very survival of pay-as-you-go pension systems, the aging of the population means that socialized health care is unsustainable in the long-term. In the meantime, however, European politicians can only suggest a tinkering with the current system. Narrow reforms and cost-containment measures only manage to disappoint their constituencies and are at best stopgap expedient.

Enter Wilfried Prewo, among the keenest observers of the German and European economic scene, with his proposal for a reform of the welfare state that is both cautious and radical. A reform that endows both individuals and families with the responsibility on their own lives and on their own future, without disavowing a genuine concern for solidarity.

Putting individuals back in charge of their own savings is for Prewo the turning point for dismantling the welfare state with the goal of rebuilding it in a more fair and efficient fashion. As Senator Cantoni remarks in his Introduction, “the real answer to the crisis of the welfare state is a return to private savings, making it a regulated, but first and foremost a transparent, safe, free market.”

*Wilfried Prewo is chief executive of the Hannover Chamber of Industry and Commerce in Hannover, Germany, and a board member of the Centre for the New Europe in Brussels (Bruxelles).*

### IBL Special Report

3 November 2005 – Special Report

*Kyoto Protocol and Beyond*

*The Economic Cost to Italy*

*(Il Protocollo di Kyoto e oltre. I costi economici per l'Italia)*

ICCF Report

This study prepared for the International Council for Capital Formation assesses the economic cost of reducing carbon dioxide emissions through the mechanisms of the current emissions trading system for the industrial sector as well as economy wide taxes or fees on energy use including the household and transportation sectors.

The ratification and implementation of the Kyoto Protocol would have a significant impact on the economic performance of Italy. The carbon dioxide emission reductions for the first period (2008-2012) are significant, and the reductions required to meet either of the proposed emission caps for the second period (2013-2017) and beyond are daunting. The targets established under the Kyoto Protocol as well as even more stringent restrictions will be difficult to achieve as economic output grows.

Download pdf: [Special Report](#)





**Impact on Italy of Meeting the Kyoto Commitment in 2008-2012  
and Meeting Alternative Targets for the post-2012 period**

	2010	2020		2025	
	Kyoto: 6.5% below 1990 emissions	Caso 1: 60% below 2000 emissions	Caso 2: Zero emissions by 2050	Caso 1: 60% below 2000 emissions	Caso 2: Zero emissions by 2050
	.94 * 1990	.84 * 1990	.75 * 1990	.77 * 1990	.63 * 1990
<b>Int'l Credits Price (2004 US\$/tonne of CO<sub>2</sub>)</b>	€ 39	€ 50	€ 50	€ 55	€ 55
<b>Int'l Credits Price (2004 US\$/tonne of CO<sub>2</sub>)</b>	\$48	\$59	\$59	\$64	\$64
<b>Target Reduction from Base Case (%)</b>	24.8%	33.9%	40.8%	39.5%	50.6%
<b>Target Reduction of Emissions *</b>	119.2	165.8	199.5	194.9	249.6
<b>Reduction from Domestic Actions *</b>	21.2	44.7	44.7	57.8	57.8
<b>Purchased International Credits *</b>	98.0	121.1	154.8	137.1	191.8
<b>% Reduction from Domestic Actions*</b>	18%	27%	22%	30%	23%
<b>Value of Purchased Intl. Credit (million 2004 €)</b>	3,776	6,001	7,668	7,598	10,629
<b>Impact on Delivered Prices (% increase)</b>					
Motor Gasoline, pump price	8.2%	10.4%	10.4%	11.5%	11.5%
Diesel, pump price	11.1%	14.1%	14.1%	15.6%	15.6%
Home Heating Oil	11.1%	14.1%	14.1%	15.6%	15.6%
Natural Gas, Industry Sector	43.8%	53.5%	53.5%	58.7%	58.7%
Electricity, Industry Sector	12.8%	14.0%	14.0%	14.8%	14.8%
<b>Impact on Economic Performance</b>					
Real GDP (% decline)	-2.1%	-2.3%	-2.8%	-2.8%	-4.0%
Real GDP (billions of real €)	-27.2	-35.0	-42.8	-45.0	-64.8
Employment (level decline, thousands)	-221	-247	-305	-295	-433
* unit: million tonnes of CO <sub>2</sub>					

### IBL BRIEFING PAPER

22 November 2005 – Briefing Paper N. 25

#### *Time for the International Monetary Fund and World Bank to Reconsider the Strategy for Millennium Development Goals*

*(Povertà e sviluppo. Nuove strategie per Banca Mondiale e FMI)*

by Ana Isabel Eiras

The MDGs proposed at the U.N. Millennium Summit almost exclusively target the symptoms of poverty instead of its roots, calling for a redistribution of wealth from rich to poor countries in the form of aid—a practice that promotes corruption and does not foster economic growth. Therefore, the overall goal of reducing extreme poverty by 2015 is not likely to be achieved. Aid-supported programs remove the incentives for poor countries to generate their own wealth. If the World Bank and the IMF are to play any constructive role in achieving this poverty-eradication goal, their lending programs must give the right incentives to the governments of poor countries to promote economic growth as the solution to poverty. Specifically, their programs must encourage poor countries to uphold an independent, effective judiciary, to lower taxes and excessive regulations, to eliminate trade barriers, and to be more accountable to their citizens.

Download pdf: [Briefing Paper 25](#)

### IBL OCCASIONAL PAPER

11 November 2005 – Occasional Paper N. 22

#### *Strike as a Right*

*(Il diritto di sciopero)*

by Bruno Leoni

In this short essay originally written in 1965, the Italian thinker Bruno Leoni sketches out some of the arguments he was to investigate in his later works. Leoni upholds the value of the market and stresses the peaceful character of exchange and contract, in opposition to the conflictual approach of trade-union practices, strongly influenced by Marxism and its assumption of an insurable conflict between capital and labor. Furthermore, from a legal perspective, Leoni also challenges the notion that a walk-out by the workforce (as well a lock-out by the employers) can be characterized as a right, since such a practice entails a breach of contractual terms. Such a characterization (as provided by the Italian Constitution) undermines every contractual relationship and, therefore, the very basis of a free society.

Download pdf: [Occasional Paper 22](#)

4 November 2005 – IBL Focus N. 13

### *Live8 Economics*

*(L'economia vista dal G8)*

by Rudi Bogni

Every time the leaders of the Western world or international organizations meet, stardom raises its collective voice in a plea for more money to be taken from the taxpayers in developed countries, claiming that this is the right approach to solve the problems caused by poverty and disease. Behind this high-minded calls, however, lurks the attempt of soothe an irrational guilt for one's own affluence and a patronising attitude towards the very peoples one is claiming to help. As the Author says: "Only Africans can save Africa and create the stable economies that will sustain a growing and healthy population. The politics of handouts and dependency will only postpone the day of reckoning and in the meanwhile create new distortions and nourish corruption, fuel new conflicts and possible genocides and delay the demise of brutal tyrants."

Download pdf: [Focus 13](#)



28 November 2005 – IBL Focus N. 14

### *The "Nordic Model:" Myth and Reality*

*(Il "modello scandinavo" tra mito e realtà)*

by Tito Tettamanti

For decades the welfare state in Nordic countries, particularly Sweden's, has been touted as the ideal towards which to strive for all other European social-democracies (both declared and de-facto). The mix of high taxation and good economic performance is said by the supporters of the welfare state to be a veritable economic miracle, but is not gold all that glitters. In a brief comparison between Sweden and Switzerland (where he lives, although many of his observations also obtain in Italy's case), Tito Tettamanti shows that in the much-vaunted Nordic model is actually both a lot more and a lot less than meets the eye.

Download pdf: [Focus 14](#)



### 1) Section “Theory and Current Events”

*Istituto Bruno Leoni*, 3 November 2005, [Venticinque anni dopo. La rivoluzione liberale di Reagan e Pinera. Quel 4 novembre che cambiò l'Occidente e il mondo](#)

*Istituto Bruno Leoni*, 5 November 2005, [Bastiat contro il protezionismo: il sole come la Cina. La petizione dei fabbricanti di candele](#), by Frédéric Bastiat

*Istituto Bruno Leoni*, 10 November 2005, [Lamon sarà solo l'inizio? Un circolo virtuoso che nasce dal Veneto](#), by Paolo Bernardini

*Libero*, 13 November 2005, [La vera censura in Italia l'hanno subita le idee liberali](#), by Antonio Martino

*Libero*, 12 November 2005, [Il vero problema della nostra epoca: sbarazzarsi delle leggi inutili](#), by Alberto Mingardi

*Libero*, 16 November 2005, [Il padre del federalismo avrebbe detto di no](#), by Alberto Mingardi

*L'Unione Sarda*, 17 November 2005, [Un federalismo sbiadito, timido e contraddittorio. L'approvazione della devolution](#), by Carlo Lottieri

*Il Sole 24 Ore*, 18 November 2005, [Benedetto sia il mercato. Cattolici e capitalismo - Un'antologia curata da Dario Antiseri](#), by Gianfranco Fabi

*Il Corriere del Veneto*, 18 November 2005, [L'Università e la politica. Elogio della libertà di ricerca](#), by Paolo Bernardini

*Istituto Bruno Leoni*, 20 November 2005, [Informazione e sviluppo](#), by Antonio Martino

*Libero*, 25 November 2005, [Caso Canfora. All'estero la storia raccontata ad uso dei comunisti scandalizza ancora](#), by Marco Bassani

*Il Riformista*, 30 November 2005, [Il compito del progresso è superare la democrazia. E l'istruzione pubblica è una peste razionalista](#), by Denis De Rougemont

### 2) Section “Competition and Globalization”

*Il Corriere della Sera*, 31 October 2005, [Bolkestein, la direttiva della discordia. Il confronto L'Europa chiede nuove regole e una maggiore libertà di mercato](#)

*Istituto Bruno Leoni*, 7 November 2005, [Liberia o libertà? L'ultimo match di George Weah. Il programma statalista dell'ex-giocatore del Milan](#), by Paolo Bernardini

*Il Giornale*, 3 November 2005, [Regione, Verdi e Ds ora contestano Kyoto](#), by Giovanni Buzzatti

*Istituto Bruno Leoni*, 7 November 2005, [Sommosse nelle periferie di una Francia in crisi. Assistenzialismo e giacobinismo alle radici del malessere](#), by Carlo Lottieri

*Libero*, 8 November 2005, [I farmaci sicuri non esistono. Lo dicono i giudici](#), by Alberto Mingardi

*Il Sole 24 Ore*, 19 November 2005, [Se la finanza dimentica le PMI. Fondate le lamentele delle piccole e medie imprese](#), by Rudi Bogni

*La Provincia di Como*, 23 November 2005, [Da Nixon a Bush, ma ora la Cina è tutta un'altra cosa](#), by Carlo Lottieri

*L'Indipendente*, 23 November 2005, [In Francia si ribellano, in Inghilterra hanno successo. Immigrati di qui e là della Manica](#), by Carlo Lottieri

*Libero*, 26 November 2005, [Latte contaminato, la solita favola no-global](#), by Alberto Mingardi

*La Provincia di Como*, 28 November 2005, [Per crescere l'Italia si affidi di più ai privati](#), by Carlo Lottieri

*L'Indipendente*, 29 November 2005, [Un Mezzogiorno targato Ryanair. Se si governasse da sé anche il Sud avrebbe una chance](#), by Carlo Lottieri

### 3) Section “Welfare and Tax Policy”

*Il Tempo*, 3 November 2005, [Germania Anno Zero. Lezioni per l'Italia](#), by Giuseppe Pennisi

*L'Indipendente*, 3 November 2005, [L'Italia non va malissimo, ma bisogna tagliare le spese. L'analisi del Fondo Monetario Internazionale](#), by Carlo Lottieri

*Il Tempo*, 4 November 2005, [I tagli al FUS e le loro conseguenze](#), by Giuseppe Pennisi

*Italia Oggi*, 8 November 2005, [Sanità e pensioni, uno sviluppo insostenibile](#), by Marco Bertoncini

*Il Foglio*, 10 November 2005, [Perché non sarà l'aumento della spesa sociale la risposta alla banlieue](#), by Ernesto Felli & Giovanni Tria

*Istituto Bruno Leoni*, 12 November 2005, [Questo sindacato aiuta i forti e snobba i deboli](#), by Benedetto Della Vedova

*L'Indipendente*, 11 November 2005, [Per una finanziaria senza figli e figliastri. E' necessario porre fine all'assalto alla diligenza dei favori](#), by Carlo Lottieri

*L'Indipendente*, 12 November 2005, [L'eccezione francese](#), by Giuseppe Pennisi

*Il Riformista*, 15 November 2005, [Dissent: questo governo risuona di campane a morto. Ecco i politici meno coraggiosi in materia di liberalizzazione](#), by Oscar Giannino

*Il Foglio*, 16 November 2005, [Lo Stato assistenziale è in crisi. Cantoni spiega come andare oltre](#)

*Il Giornale*, 17 November 2005, [La crisi e gli sprechi dello stato sociale visti dalla Germania. Un libro di Wilfried Prewo al centro di un convegno a Roma](#), by Carlo Lottieri

*Il Tempo*, 17 November 2005, [Stato sociale, per uscire dalla crisi serve la previdenza a misura di cittadino](#), by Antonio Angeli

*Liberio*, 18 November 2005, [Stato sociale e famiglia sono la chiave della campagna elettorale. Idee nuove da Prewo e Cantoni](#), by Renato Farina

*La Repubblica*, 25 November 2005, [Si al voto agli immigrati - ma diamo loro anche il lavoro](#), by Davide Romano

*Il Tempo*, 25 November 2005, [TFR, una riforma da mal di testa](#), by Alberto Mingardi

### 4) Section “Environment and Energy”

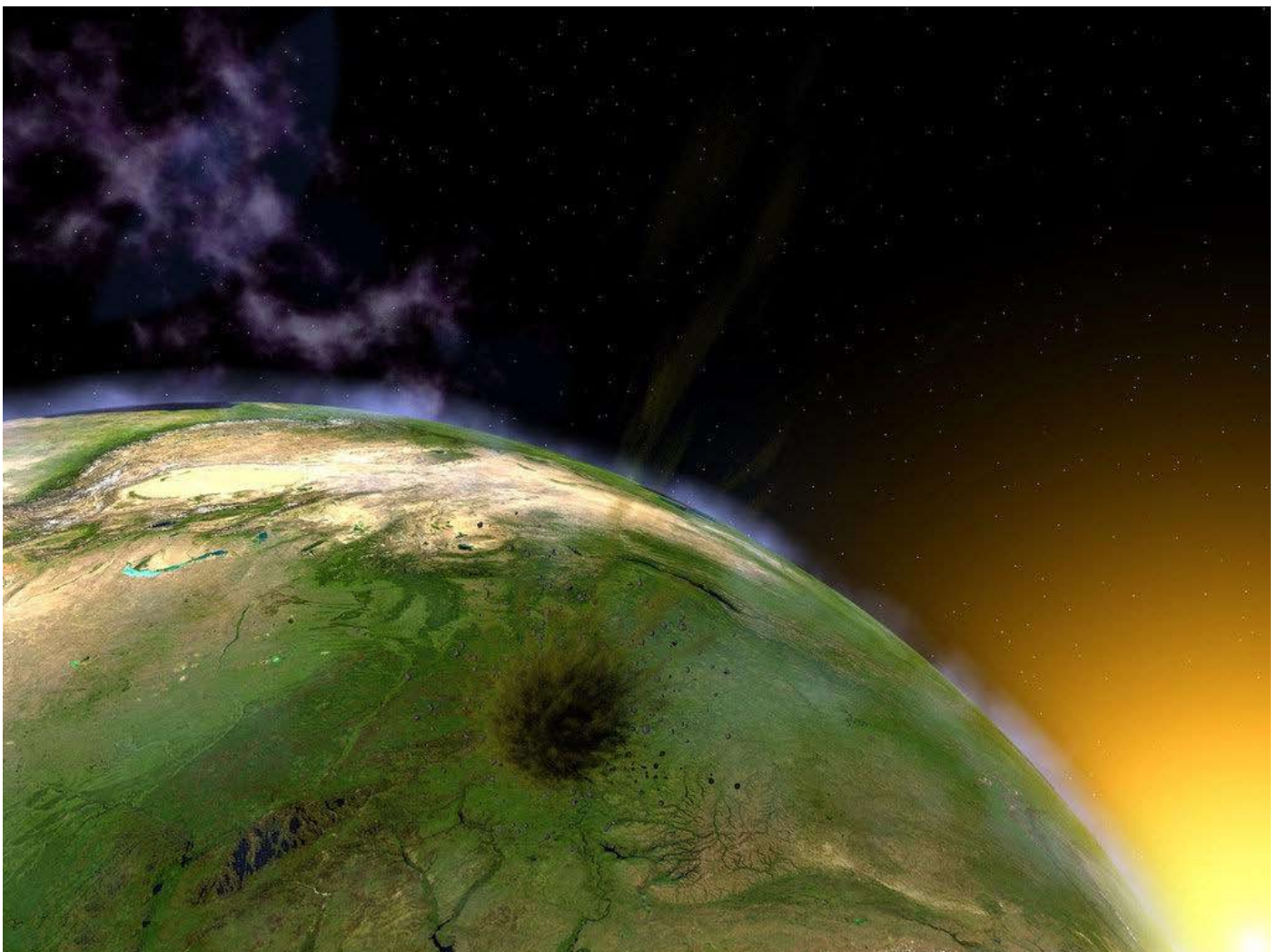
*Istituto Bruno Leoni*, 2 November 2005, [Kyoto: studio IBL, protocollo costerà a Italia ‘lacrime e sangue’. Il rapporto IBL sugli effetti di Kyoto](#)

*Agenzia ANSA*, 7 November 2005, [Kyoto: studio, Italia rischia +13% prezzi energia e -2% PIL](#)

*Il Sole 24 Ore*, 3 November 2005, [“Il futuro è nucleare”. L’amministratore delegato dell’Enel Conti: bene Scajola, ha sfatato un tabù](#), by Federico Rendina

*Il Foglio*, 8 November 2005, [Nucleare? Nì grazie. Diciottesimo anniversario di un referendum che \(a leggere bene\) non vieta l’uso dell’atomo](#), by Carlo Stagnaro

*Ideazione*, November-December 2005, [La tecnologia salverà la Terra. Intervista a James Inhofe](#)





## *OUR INSTITUTE*

The mission of Istituto Bruno Leoni (IBL), named after the renowned Italian lawyer and philosopher, is to encourage public debate from a strictly classical liberal perspective. IBL strives to investigate, to promote and to spread the ideals of the free market, private property, individual liberty, and free trade. IBL publishes both scholarly and popular works, organizes seminars and meetings, publishes articles in the daily press both in Italy and abroad, as well as short studies and briefing papers. Its main purpose is to orient decision-making, inform the public and foster a new generation of intellectuals and scholars devoted to the cause of liberty.



## *OUR AIM*

Our philosophy is known under a number of labels: “liberal,” “individualist,” “libertarian.” Names do not matter. What really matters is instead our pledge to what Lord Acton called “the highest political end: individual liberty. In an age in which the enemies of freedom seem to regain strength, IBL aims to promote the spread of ideas on liberty through rigorous and accurate research, which at the same time can be accessible to a broader audience.