

The banking crisis in Italy and its impact on the Euro

Recently, Italy has become the focus of international media attention, mostly due to the fragility of its banking system. One bank, Monte dei Paschi di Siena has already been saved by a strange combination of bail in and bailout. Other Italian banks, amongst them major players, are also in a vulnerable situation. In the meantime, the Eurozone has brought about rules that prevent states from bailing out banks. They now have to be bailed in by their owners and even eventually their depositors.

The panel will discuss the following questions: What has caused the Italian banking crisis? Has it been imprudent lending, or is it due to the lack of growth in the Italian economy? In terms of per capita GDP, Italy is now doing worse than before the introduction of the euro. There is a massive lack of demand in the Italian economy, partly due to constant austerity. Can this be the reason for the fragility of the Italian banking system, where the ratio of non-performing loans has reached 19%?

Italy, unlike the previously mentioned countries, is a large part of the EU. Its collapse, or a crisis in its banking system, may have an enormous impact on the European Union.

Panel:

Prof. Guido Montani, Professor of International Political Economy at the University of Pavia

Prof. Riccardo Fiorentini, Professor at University of Padova

Dr. Thomas Fazi, Institute for New Economic Thinking

Vanessa Redak, Oesterreichische Nationalbank (OeNB, Austrian Central Bank)

Date: Thursday, 23. 11.2017
15:15-17:00

Location: Vienna University of Economics and Business (WU)
Welthandelsplatz 1, 1020 Wien
TC.2.01 Siemens Hörsaal (120)

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