



UNIVERSITÀ DEGLI STUDI
DI MILANO

FACOLTÀ DI SCIENZE POLITICHE,
ECONOMICHE E SOCIALI



Centro
ICONA

RINCORRERE GLI USA? IL PIANO DRAGHI DOPO TRUMP

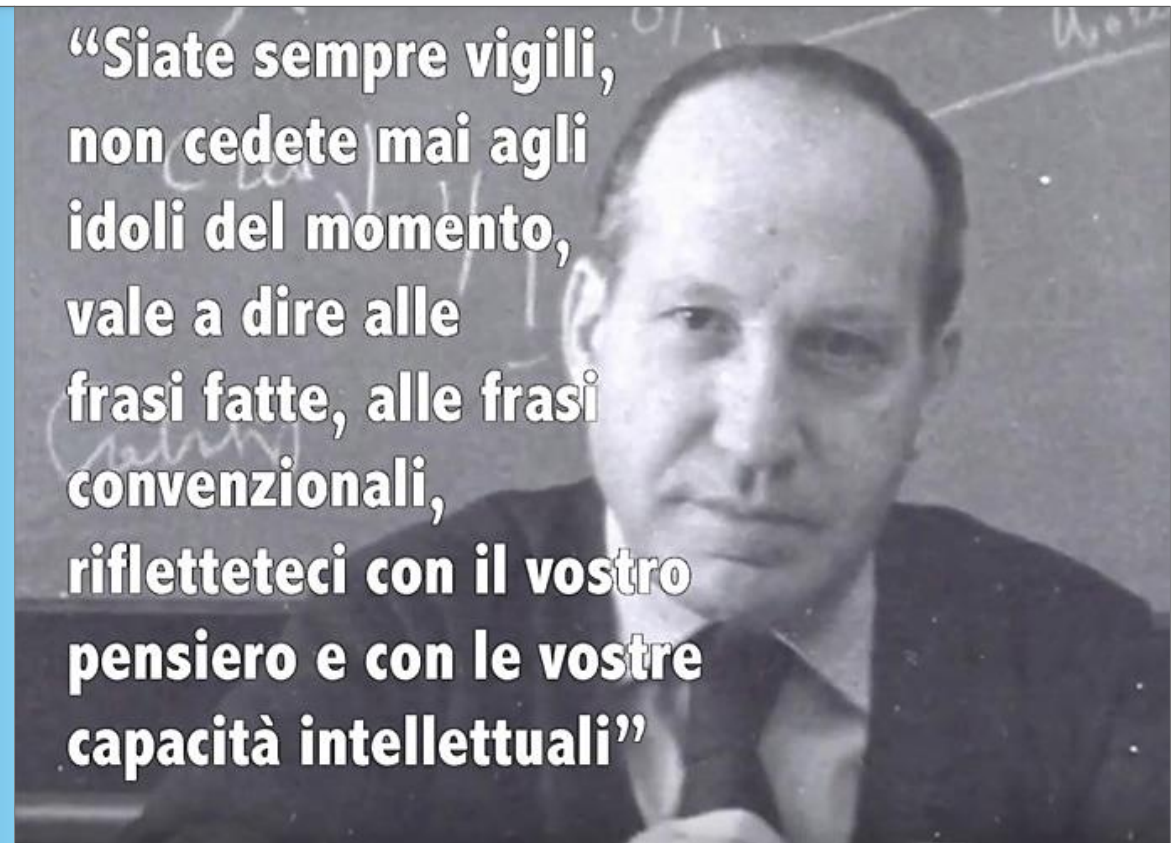
Massimo Florio

Università degli Studi di Milano e CSIL

Seminario organizzato dal Centro Icona

DEMM, 18 Marzo 2025

IL PIANO DRAGHI: CHE COSA NE AVREBBE PENSATO FEDERICO CAFFÈ, SUO MAESTRO ALLA «SAPIENZA»?



**“Siate sempre vigili,
non cedete mai agli
idoli del momento,
vale a dire alle
frasi fatte, alle frasi
convenzionali,
rifletteteci con il vostro
pensiero e con le vostre
capacità intellettuali”**

Part A
A competitiveness
strategy for Europe
66 pages

Part B
In-depth analysis and
recommendations
327 pages

10 SECTORS:

- Energy
- Critical raw materials
- Digitalisation and advanced Technologies
- High speed/capacity broadband networks
- Computing and AI
- Semiconductors
- Energy-intensive industries
- Clean technologies
- Automotive

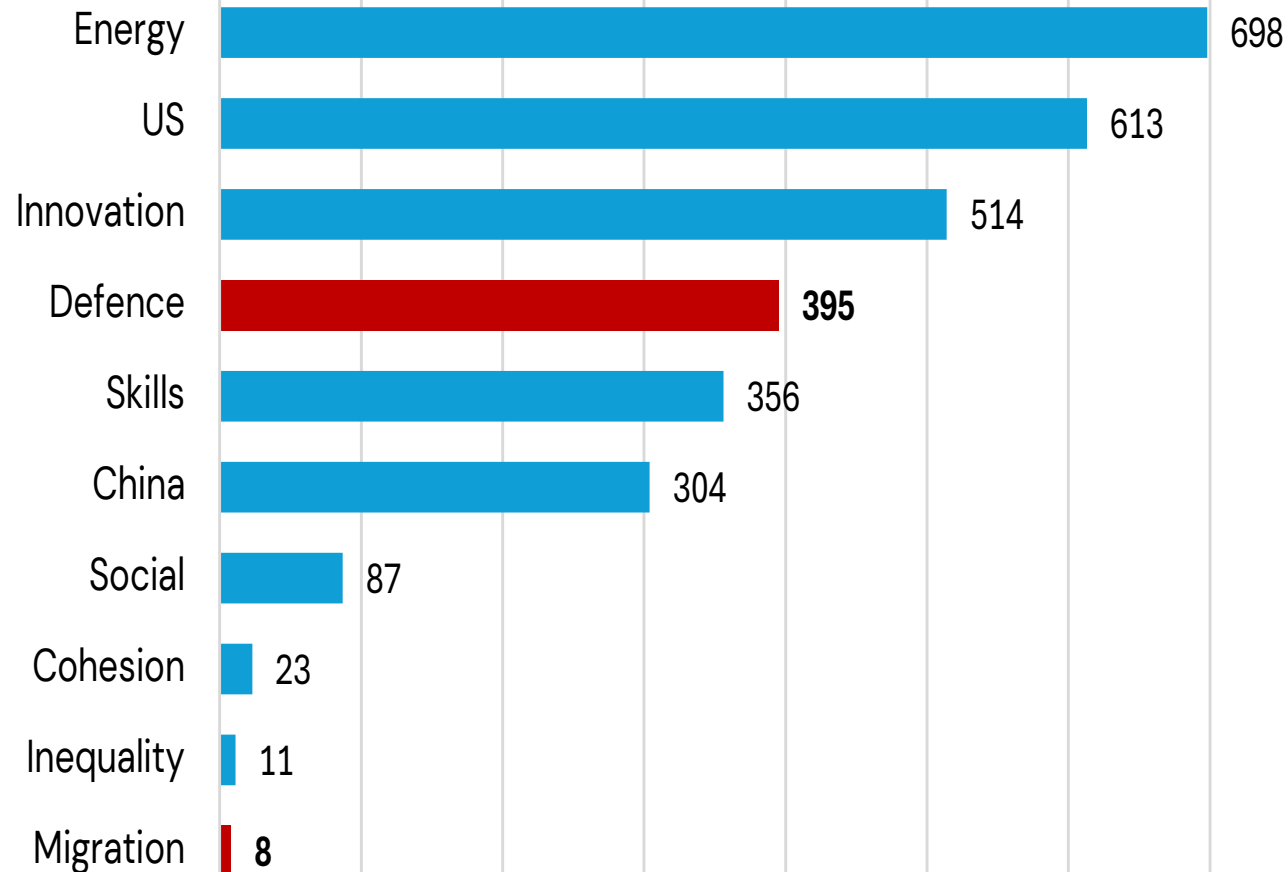
5 HORIZONTAL POLICIES:

- Accelerating innovation
- Closing the skills gap
- Sustaining investment
- Revamping competition
- Strengthening governance

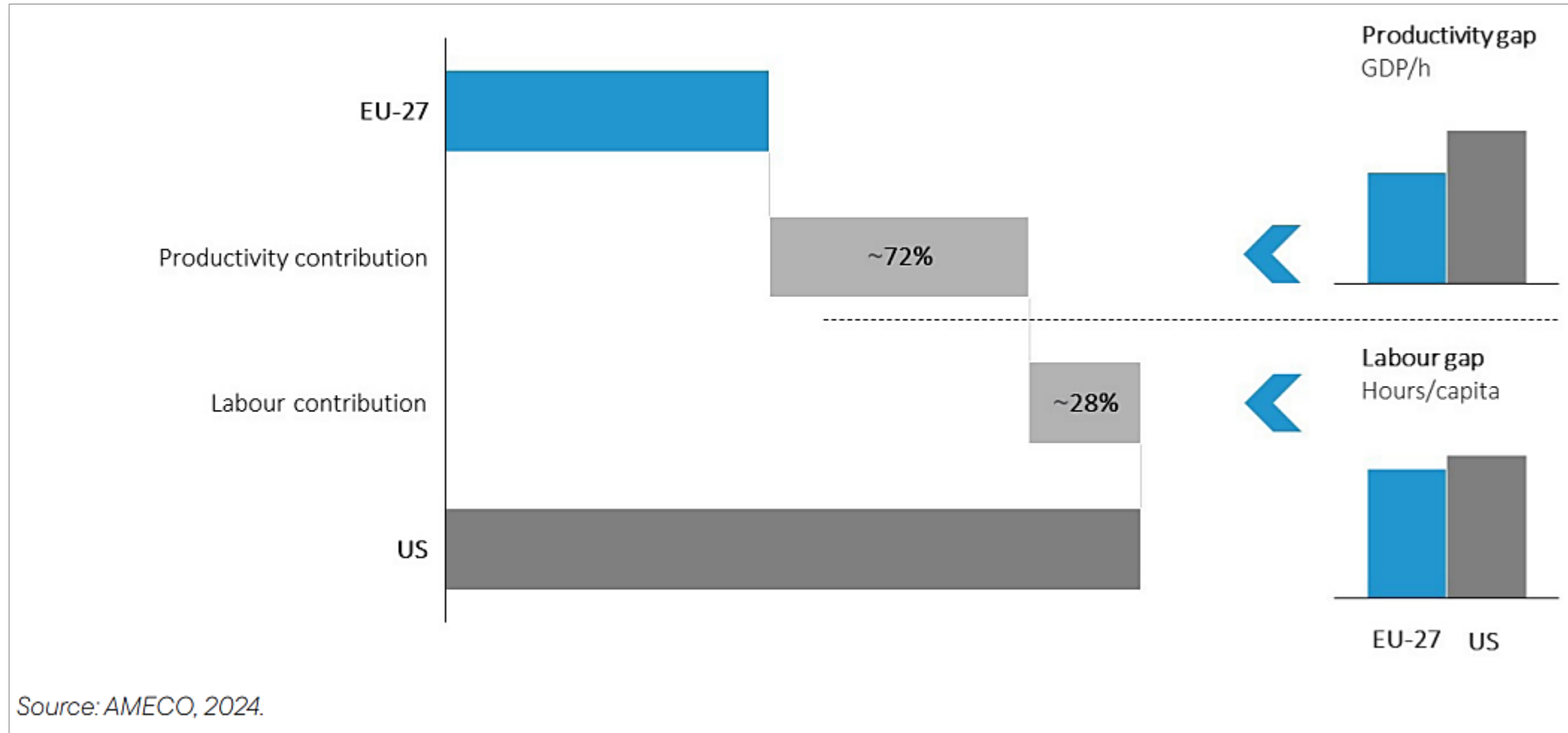
- Around **120** main proposals
- Around **500** detailed proposals

- Around **40** main proposals
- Around **80** detailed proposals

SEMANTIC ANALYSIS



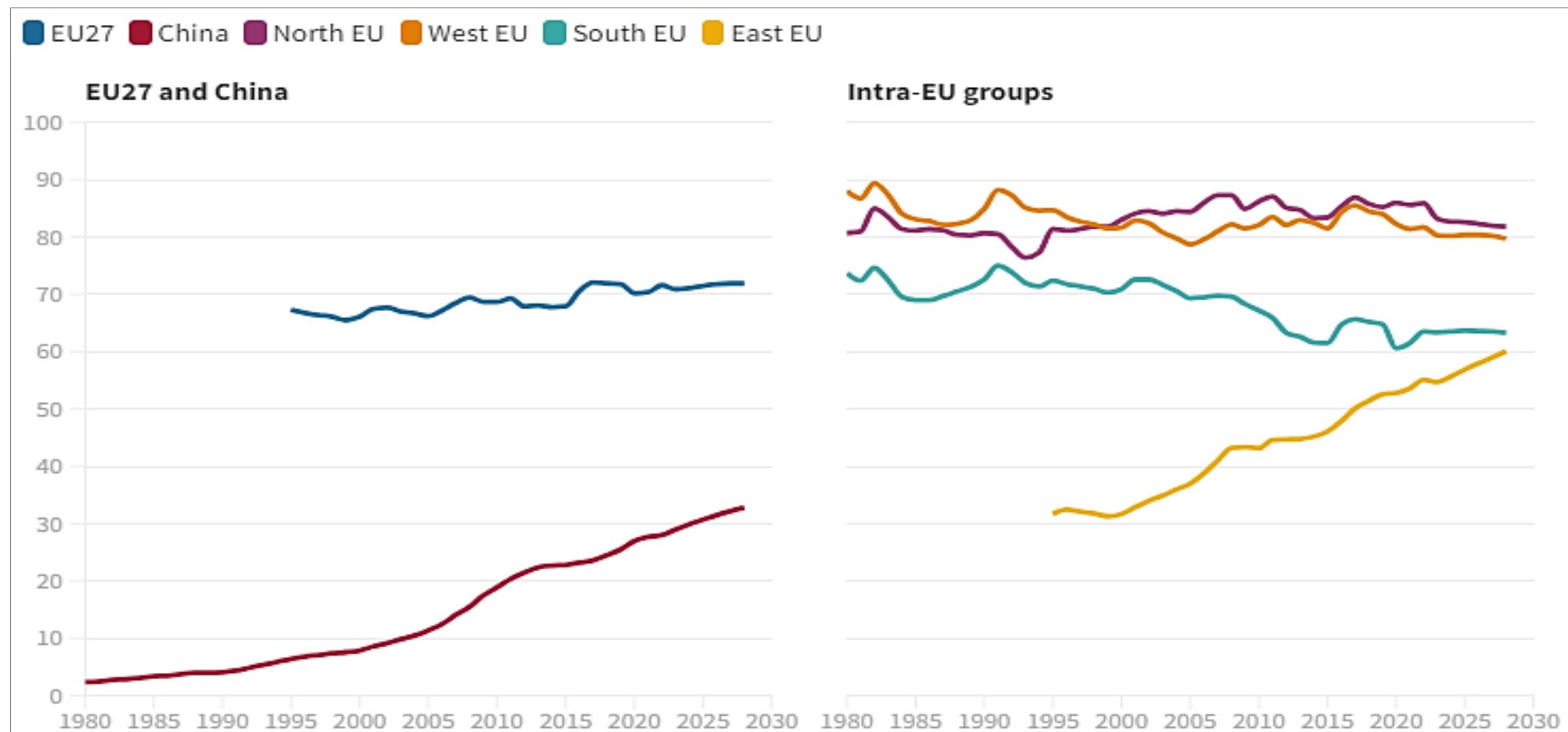
GDP PER CAPITA GAP, GDP PER CAPITA, 2023, CONSTANT PPP PRICES (EUR)



THE WRONG BENCHMARK? HOW TO MEASURE ICT PRODUCTIVITY? (1)

“Excluding the main ICT sectors (the manufacturing of computers and electronics and information and communication activities) from the analysis, EU productivity has been broadly at par with the US in the period 2000–2019. The remaining disadvantage in productivity growth versus the US is significantly reduced to 0.2 percentage points (0.8% productivity growth for the US versus 0.6% for the EU). **The actual EU-US gap can be considered close to zero** as EU 27 productivity growth is 0.2 to 0.3 percentage points higher than the EU10 selection. **For 2013–2019 the role of ICT is even more striking, as the EU productivity growth excluding the main ICT sectors exceeded that of the US by some margin.”**

THE WRONG BENCHMARK? MOSTLY SOUTH EU (2)



Source: Bruegel based on IMF World Economic Outlook October 2023. Note: North EU: Denmark, Finland, Sweden. West EU: Austria, Belgium, Germany, France, Luxembourg, the Netherlands. South EU: Cyprus, Italy, Malta, Portugal, Spain. East EU: Bulgaria, Czechia, Croatia, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia. Because of the large role of foreign multinationals in Irish GDP, we do not include Ireland in intra-EU groups on panel B. Note: for the European Union, the aggregate of the current 27 members is considered in the full sample period.



USA: IL GRANDE SQUILIBRIO (1)

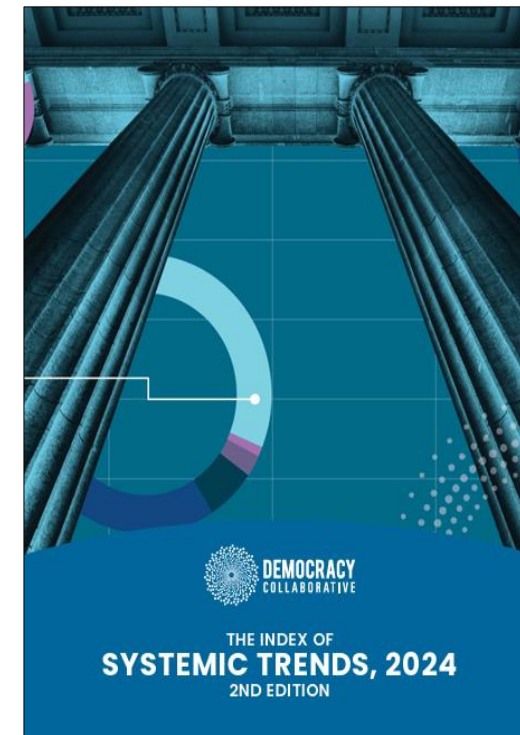
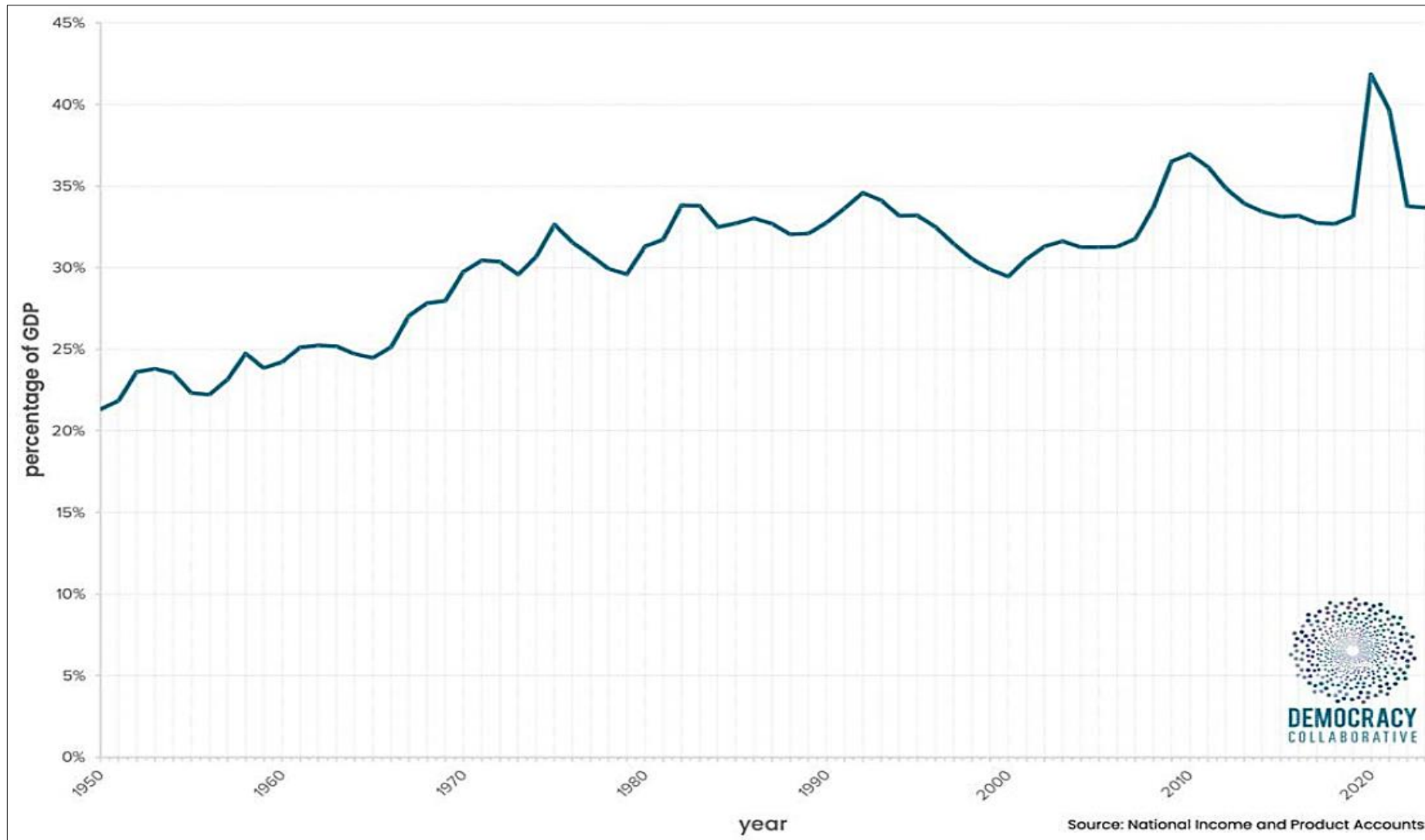
- La **bilancia dei pagamenti** Usa è in cronico, crescente disavanzo dai primi anni Settanta del secolo scorso. Nel 2024 il disavanzo ha sfiorato circa mille miliardi di dollari
- I disavanzi sono stati coperti da una **posizione debitoria netta** verso l'estero esplosa in questo secolo da uno a 24.000 miliardi (prossimi all'85% del Pil)
- L'eccesso delle passività americane (depositi, prestiti, titoli, azioni) detenute dall'estero sulle attività americane verso l'estero si è sinora retto sull'accettazione del **dollaro quale strumento di transazione e di riserva internazionale**
- Il disavanzo della bilancia dei pagamenti di parte corrente degli Stati Uniti risale a due fattori strutturali: la carente **propensione al risparmio** (7 punti di Pil al di sotto dell'euroarea, per eguale propensione a investire) e la **mediocre competitività di prezzo** del made in Usa
- Nonostante le sbandierate tecnologie informatiche e di comunicazione e l'intelligenza artificiale, dal 2% l'anno di un lontano passato glorioso la dinamica della **produttività totale** ha rallentato fino allo 0,5% l'anno, un ritmo quasi italiano

USA: IL GRANDE SQUILIBRIO (2)

- Trump si è dato l'obiettivo di ridurre drasticamente il **debito pubblico** che ha raggiunto la somma record di 36.000 miliardi USD, pari al 138% del Pil
- Biden che in quattro anni ha fatto crescere il debito pubblico di oltre il 30%, portando il **deficit del bilancio federale** al 6% del Pil
- Quest'anno oltre 7.000 miliardi per i **bond in scadenza**
- Come fare? Aumentando i **rendimenti**, ma questo comporta un ulteriore esborso per la finanza pubblica: durante l'anno fiscale 2024 gli interessi netti sul debito pubblico sono stati pari a 881,6 miliardi, per la prima volta superiore alla spesa militare pari a 841,8 miliardi USD
- Meglio puntare sul **rafforzamento del dollaro** anche attraverso una netta riduzione del deficit della bilancia commerciale: da qui i dazi

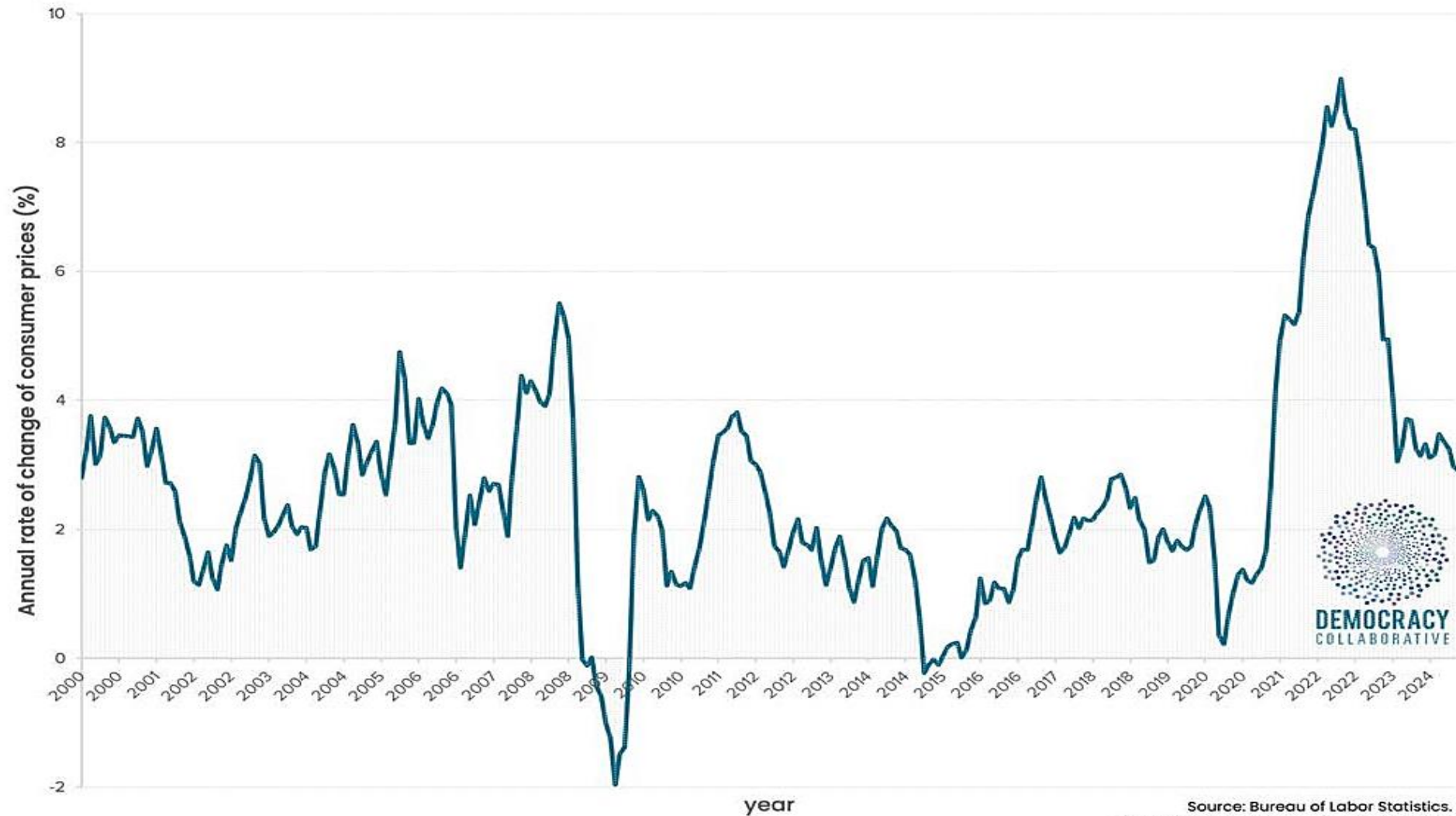
USA MACROECONOMIC ENVIRONMENT (1)

U.S. GOVERNMENT SPENDING AS PERCENTAGE OF GDP, 1950–2023



USA MACROECONOMIC ENVIRONMENT (2)

U.S. CONSUMER PRICE INDEX, 2000–2024

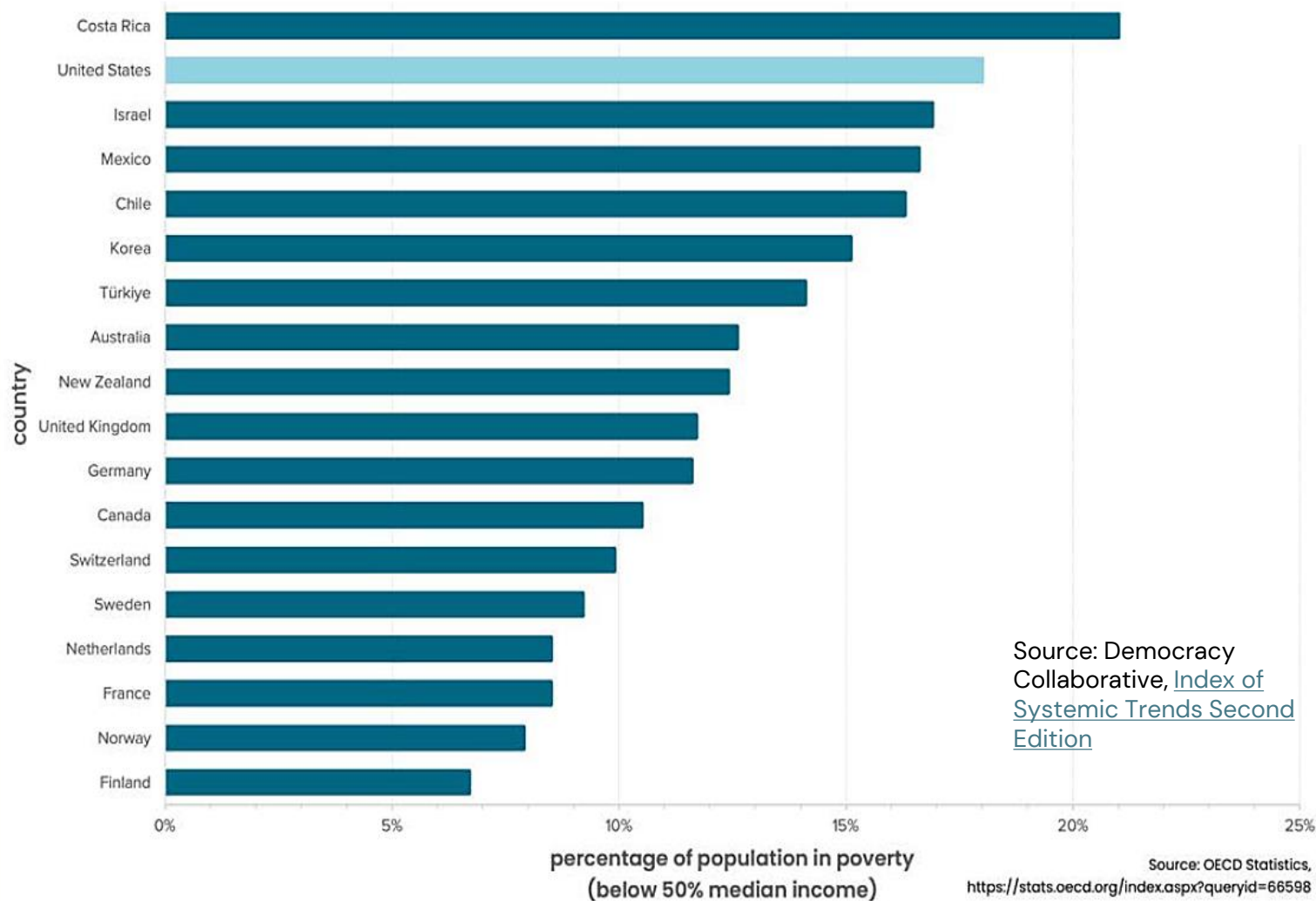


Source: Democracy Collaborative, [Index of Systemic Trends Second Edition](#)

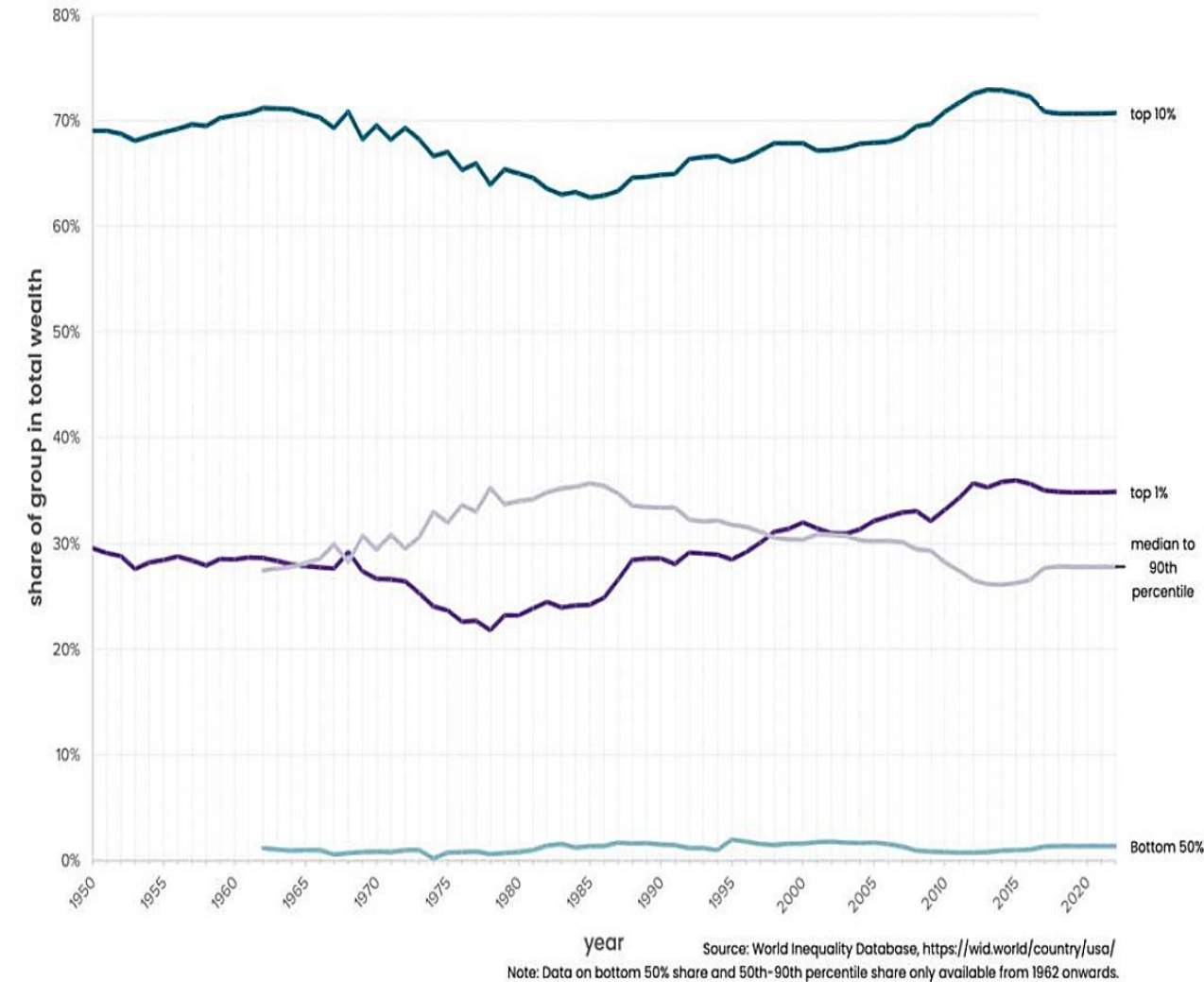
Source: Bureau of Labor Statistics.
<https://fred.stlouisfed.org/series/CPIAUCSL>

USA UNEQUAL ECONOMY (1)

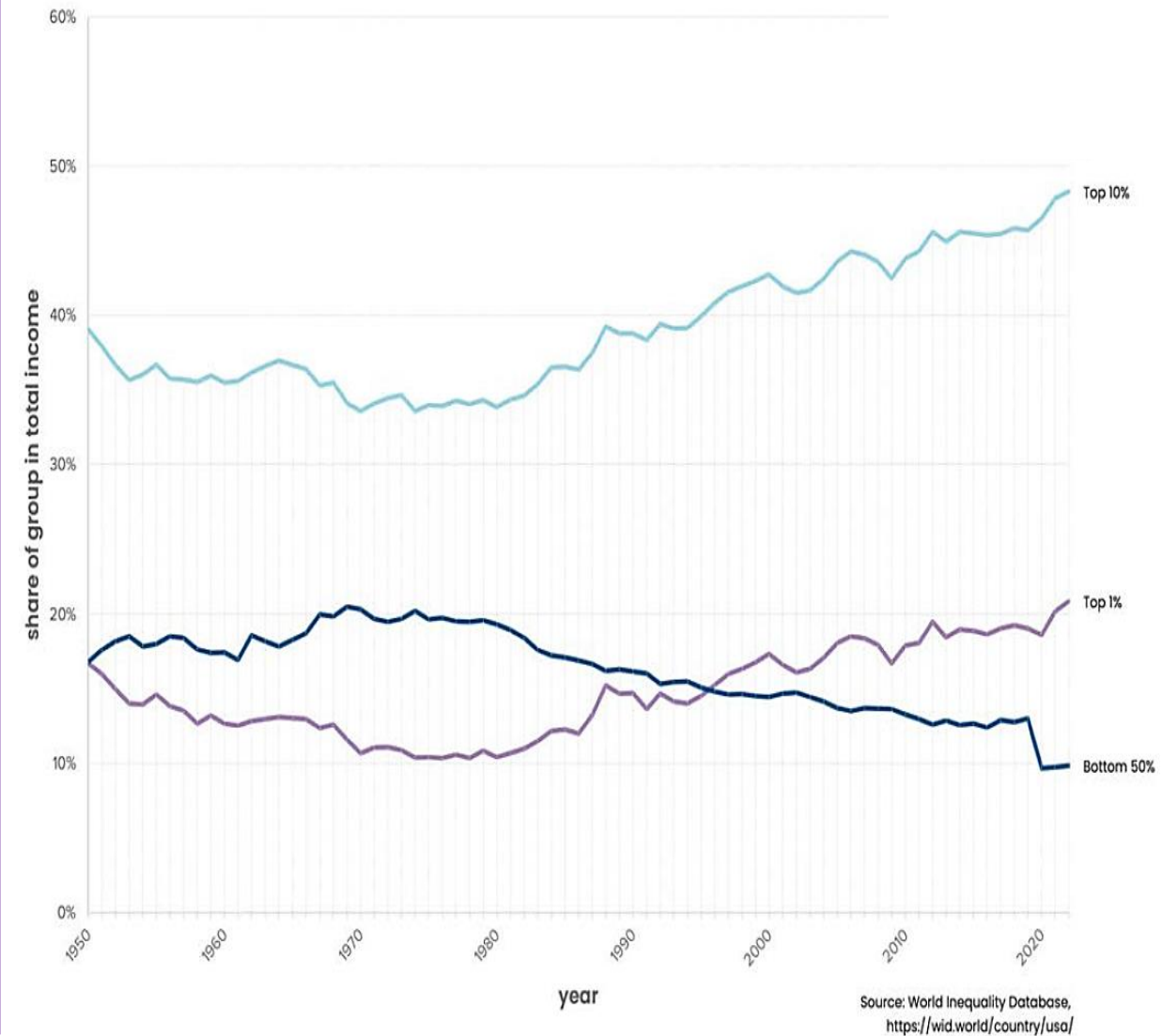
CROSS-COUNTRY COMPARISON OF POVERTY RATE IN OVERALL POPULATION, 2022



SHARE OF THE TOP 1%, TOP 10%, THE NEXT 40% AND THE BOTTOM 50% OF THE U.S. WEALTH DISTRIBUTION IN TOTAL WEALTH, 1950-2022

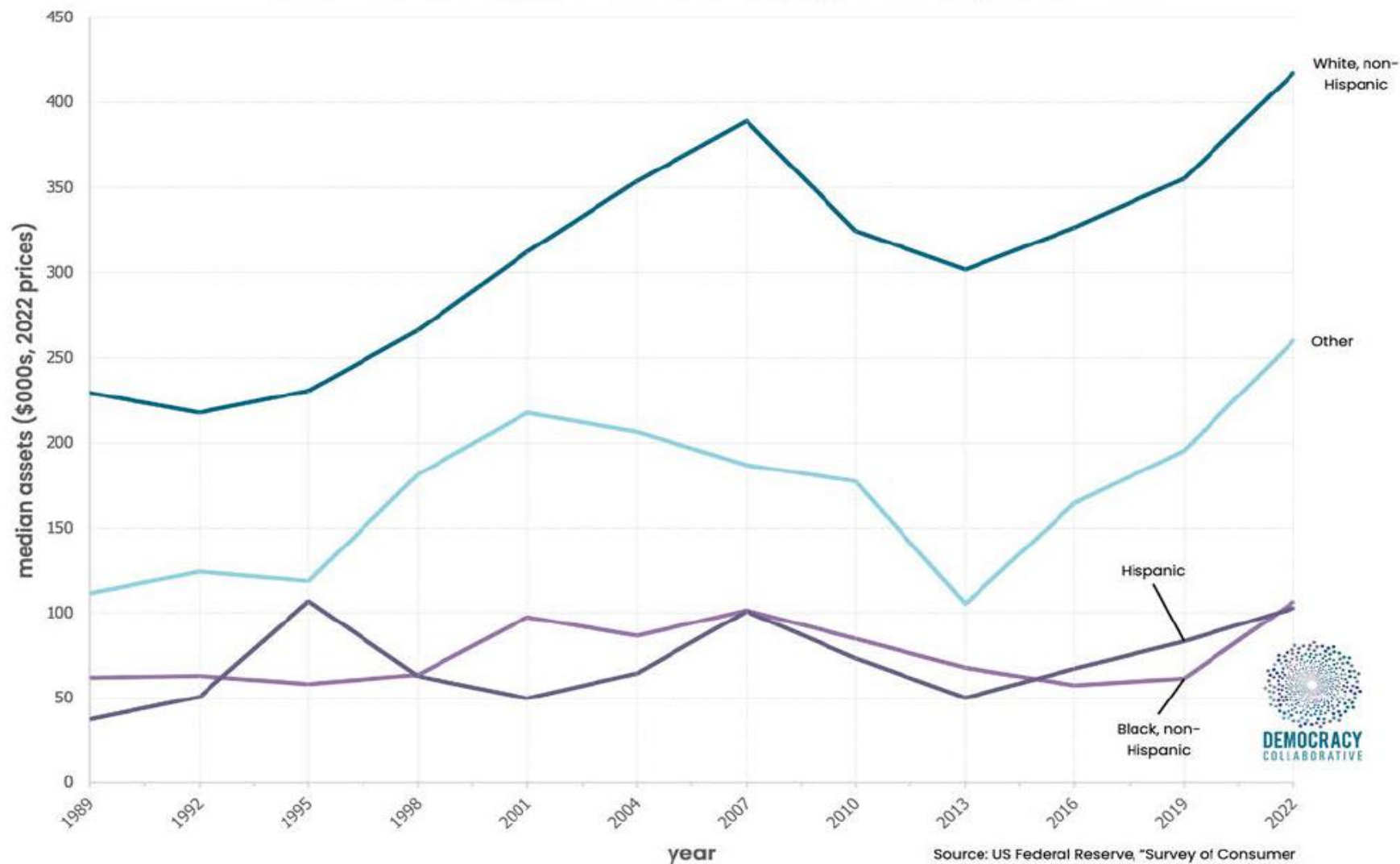


U.S. INCOME INEQUALITY SINCE 1950



FINANCIALIZATION AND THE RACIAL WEALTH GAP

MEDIAN ASSETS BY RACE OF HOUSEHOLD (ALL ASSETS), 1989–2022

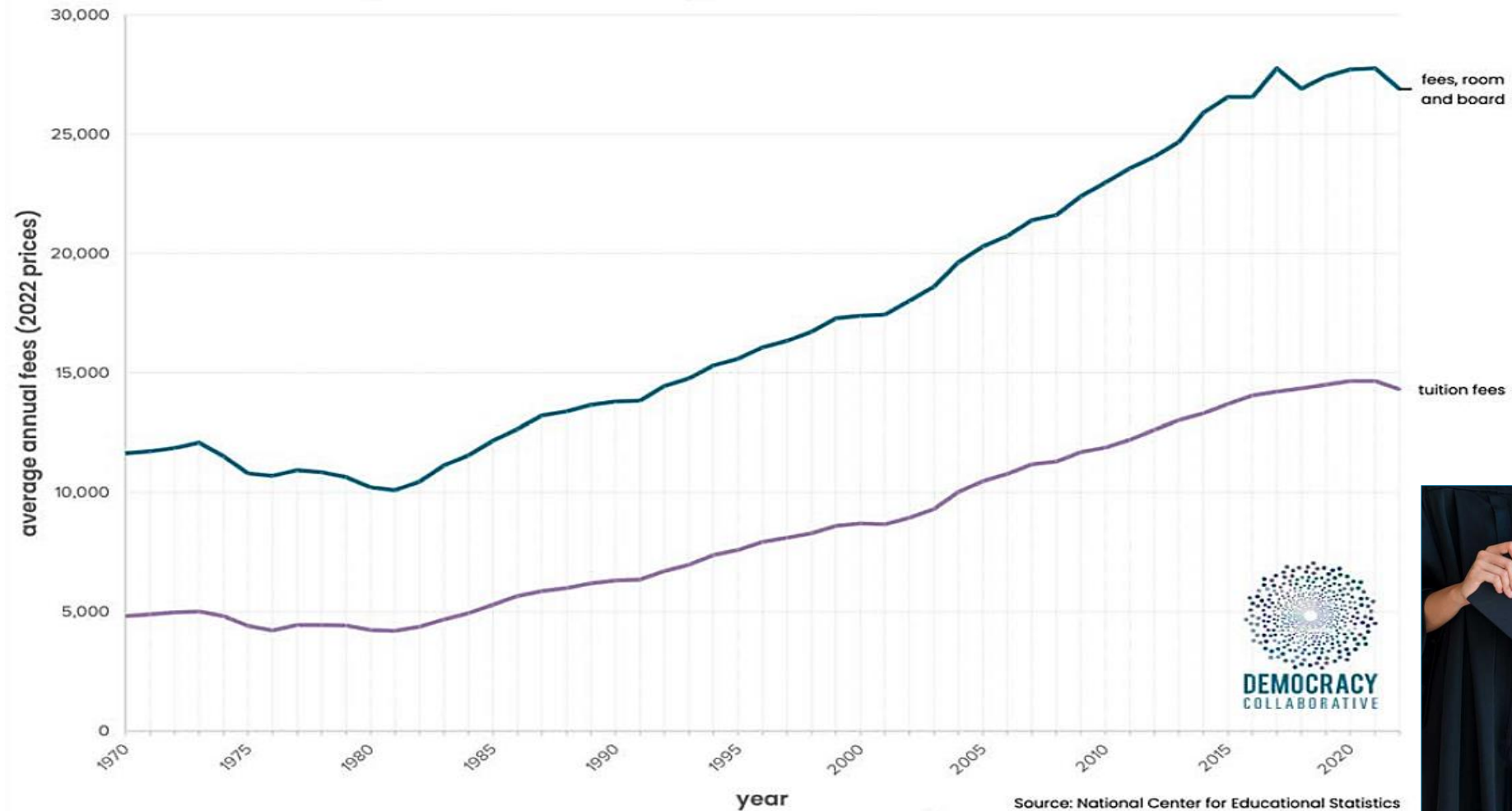


Source: Democracy Collaborative, [Index of Systemic Trends Second Edition](#)

Source: US Federal Reserve, "Survey of Consumer Finances Interactive Chartbook, 1989–2022."
<https://www.federalreserve.gov/econres/sct/dataviz/sct/chart/>

THE AMERICAN DREAM: GETTING AHEAD OR FALLING BEHIND?

AVERAGE ANNUAL COST OF HIGHER EDUCATION, 1963-64 TO 2021-22



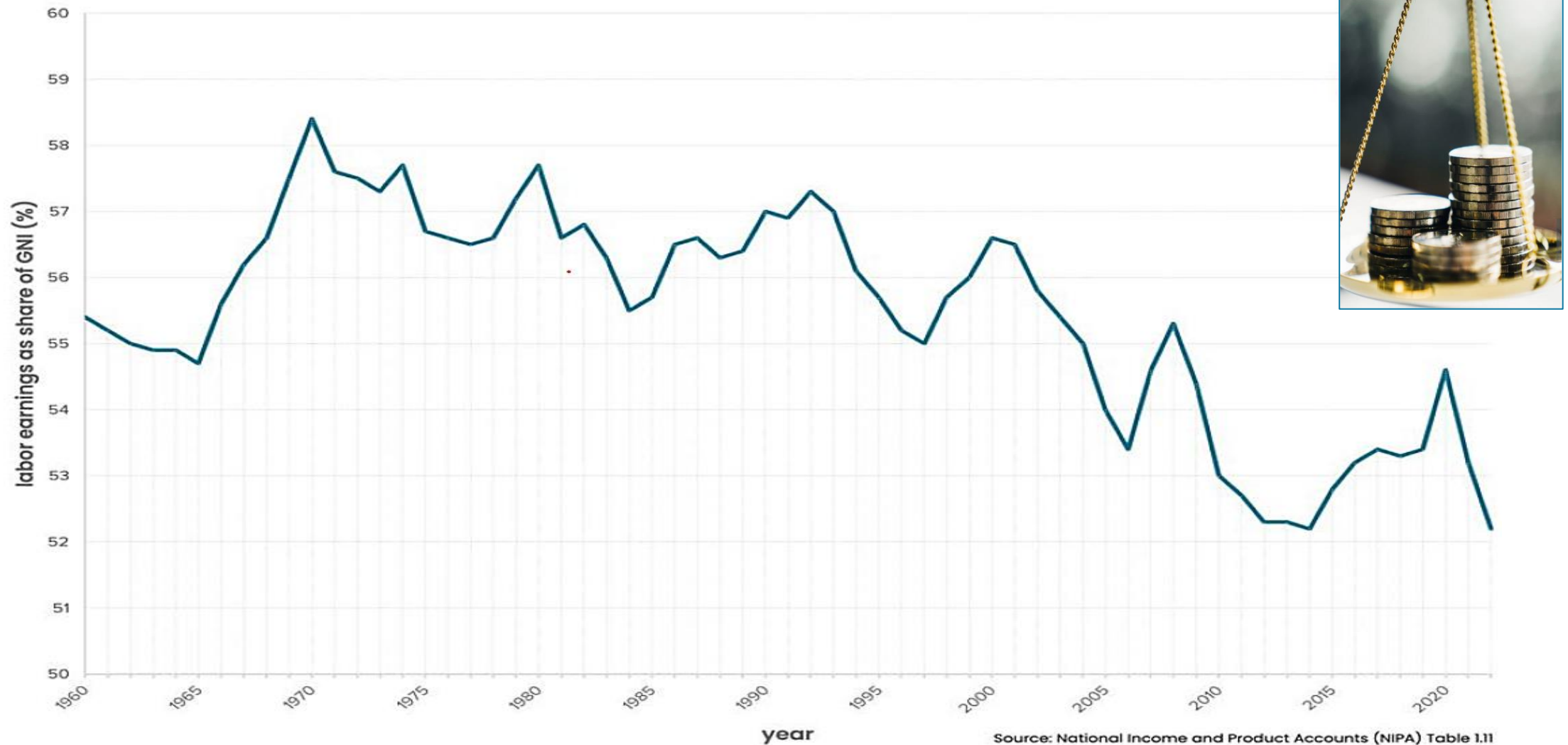
Source: Democracy Collaborative, [Index of Systemic Trends Second Edition](#)

Source: National Center for Educational Statistics
https://nces.ed.gov/programs/digest/d22/tables/dt22_330.10.asp



LABOR VS CAPITAL: A FAIR SHARE? (1)

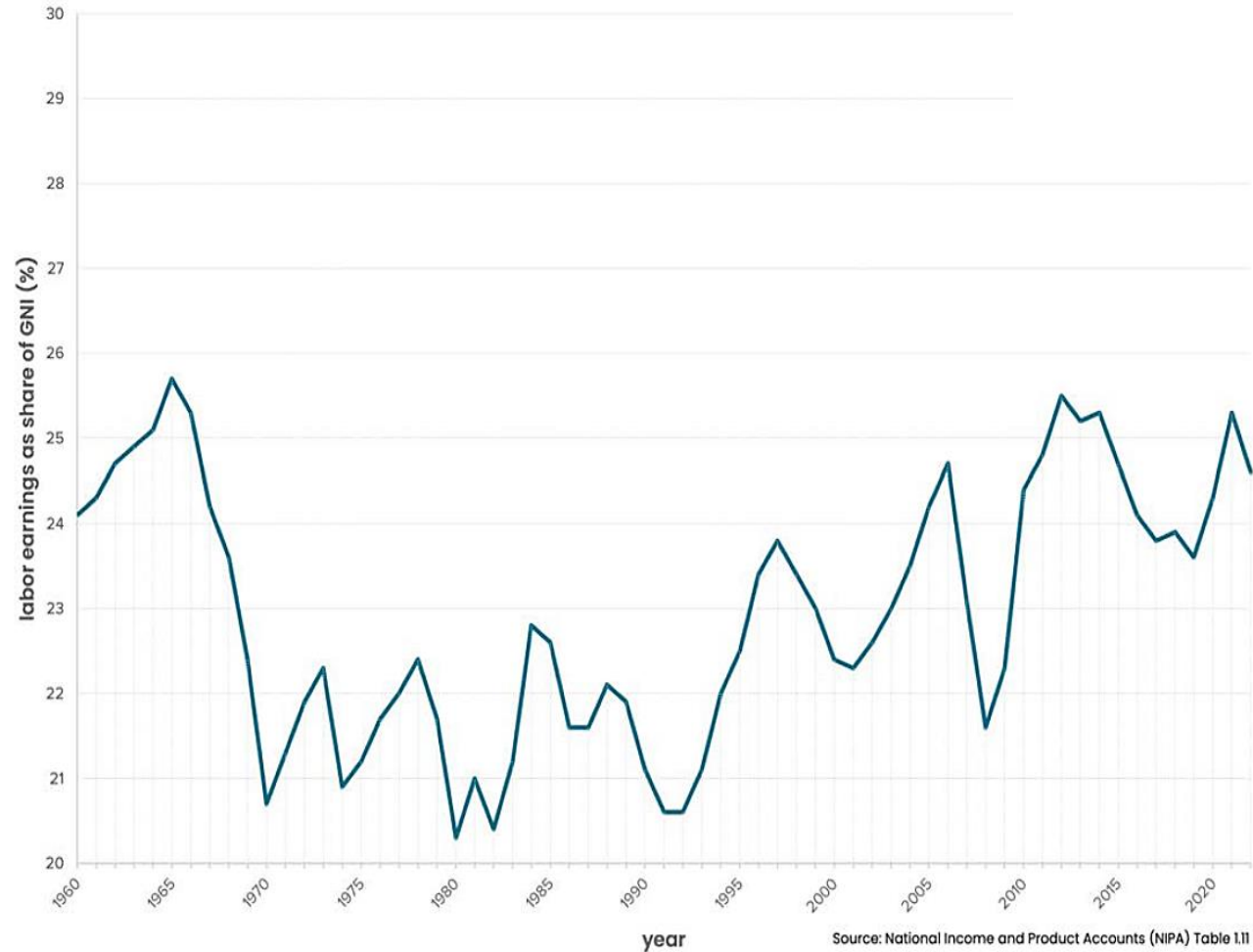
LABOR SHARE IN U.S. NATIONAL INCOME, 1960-22



LABOR VS CAPITAL: A FAIR SHARE? (2)

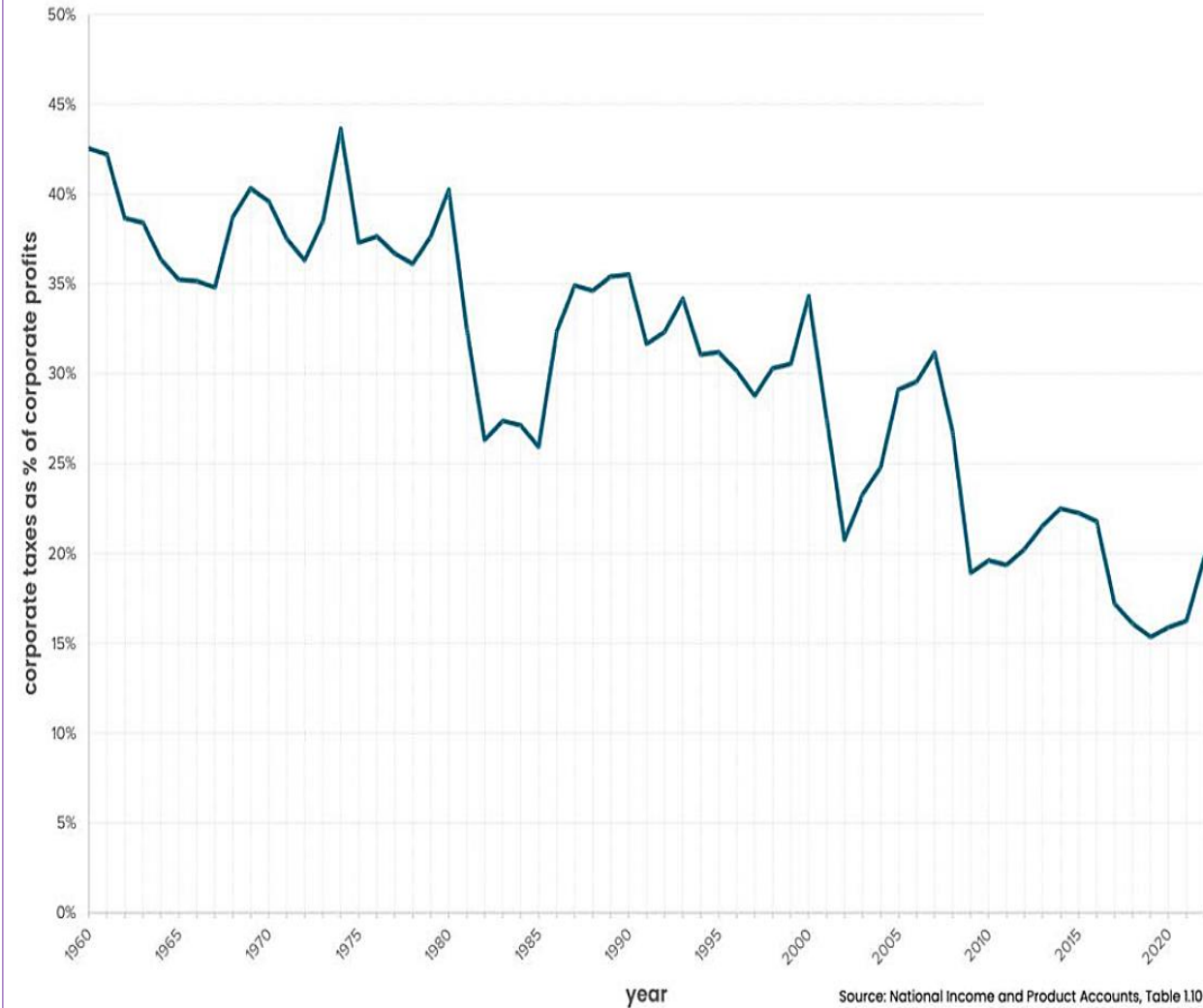
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PROFIT SHARE IN U.S. NATIONAL INCOME, 1960-2022



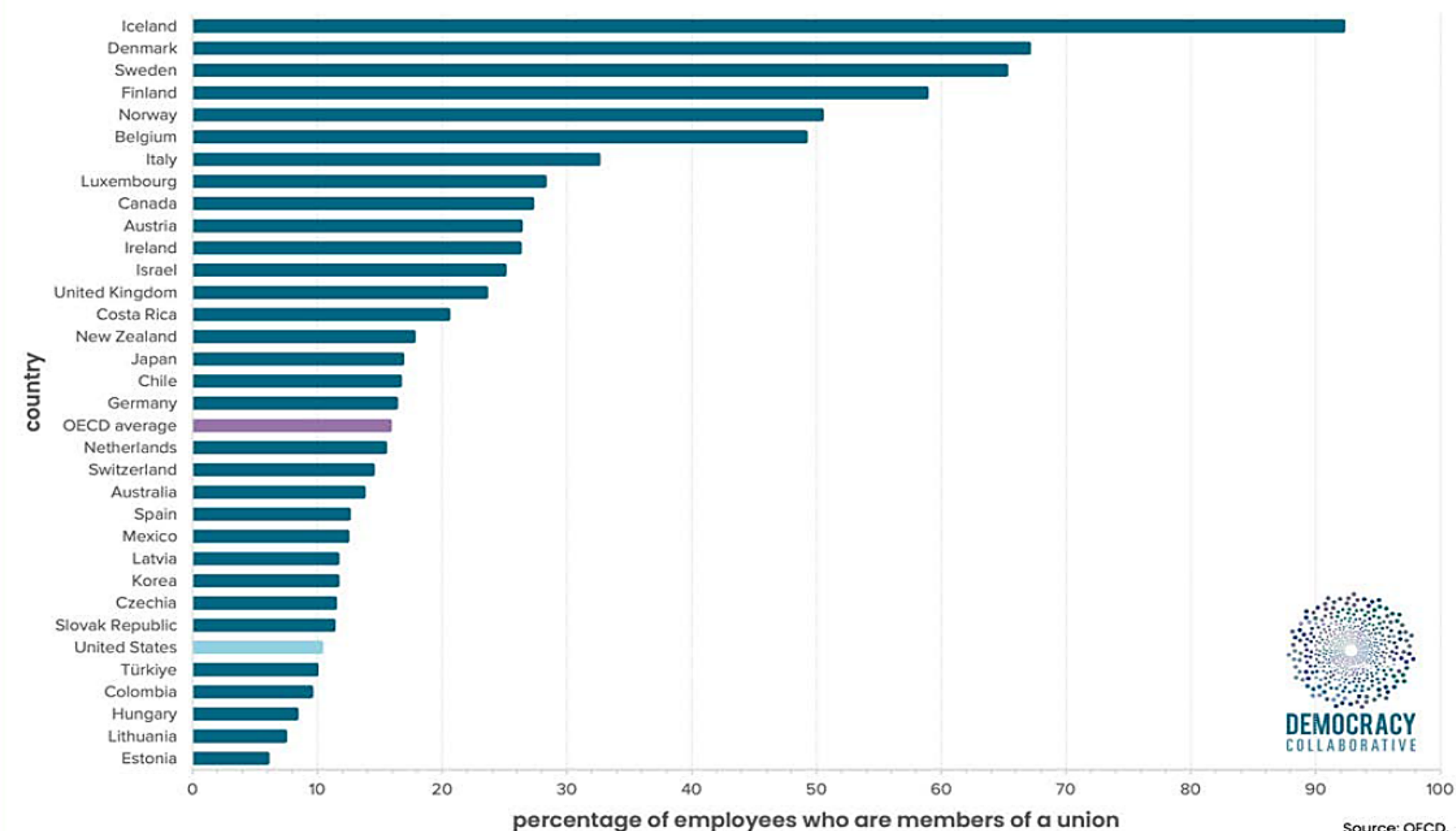
Source: Democracy Collaborative, [Index of Systemic Trends Second Edition](#)

CORPORATE TAX RECEIPTS AS A SHARE OF CORPORATE PROFITS, 1960-2022



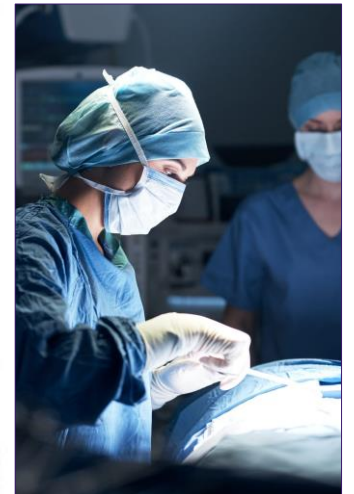
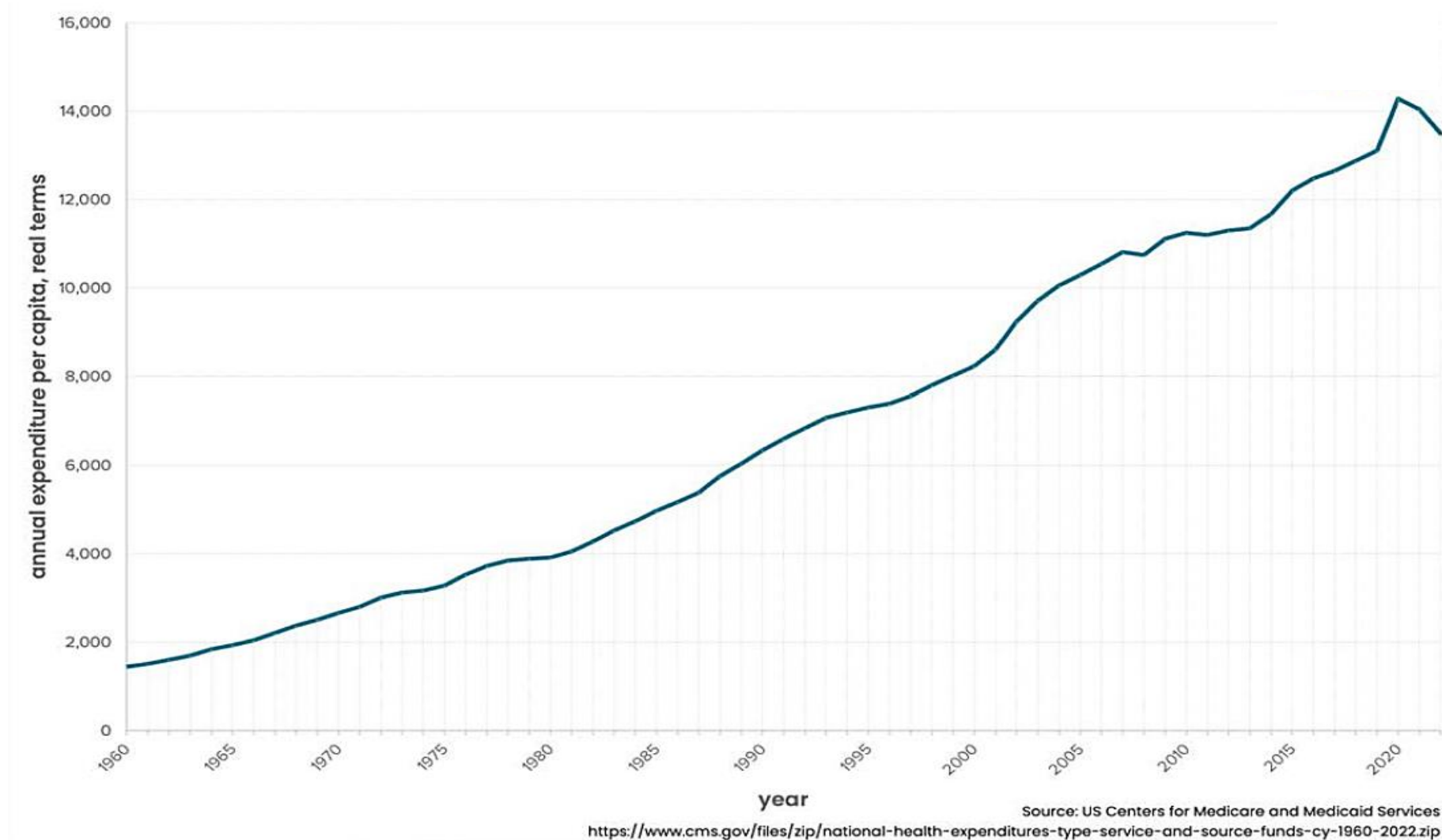
LABOR VS CAPITAL: A FAIR SHARE? (3)

CROSS-COUNTRY COMPARISON OF PERCENTAGE OF EMPLOYEES BELONGING TO A UNION, 2022



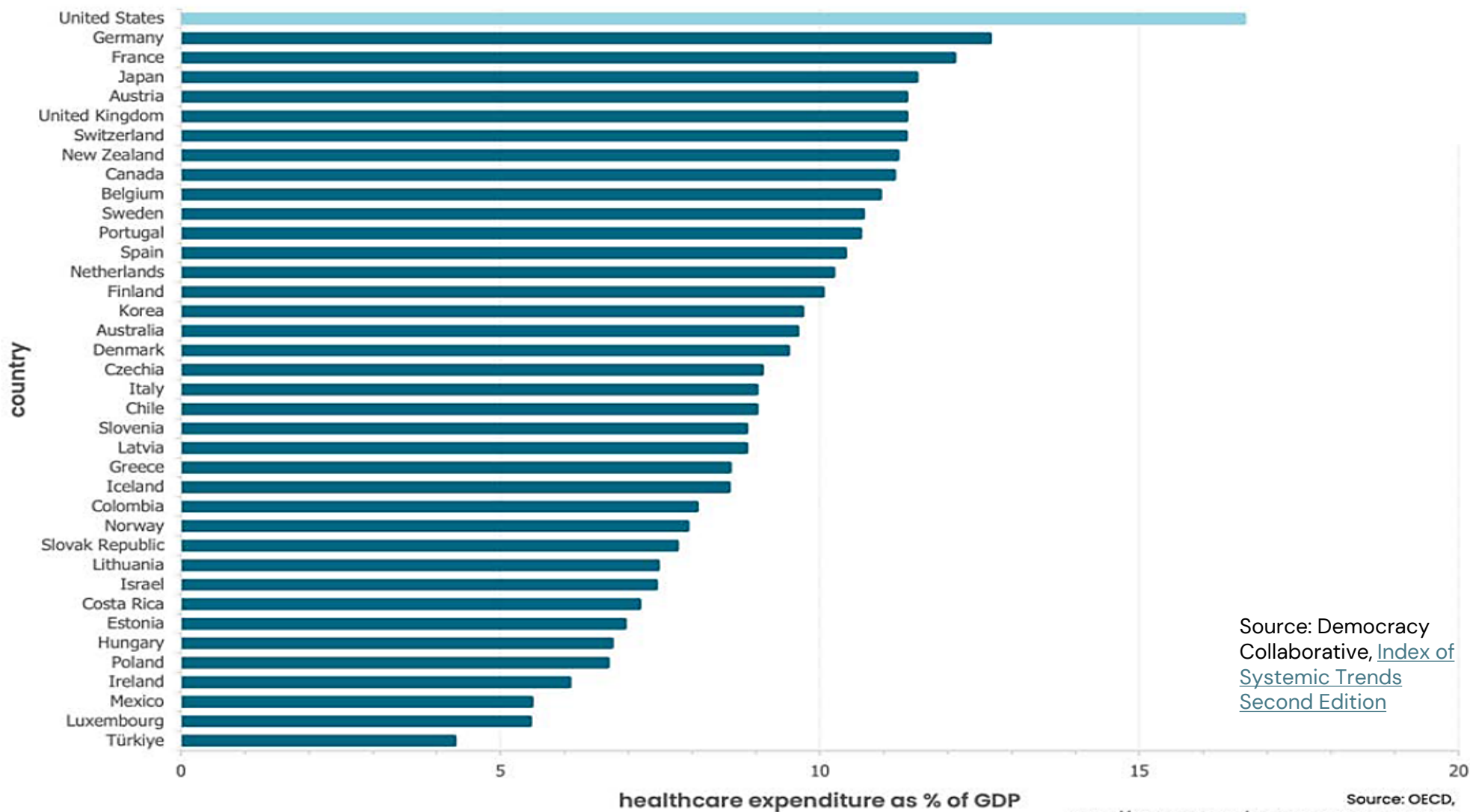
HEALTH AND WELLBEING (1)

U.S. HEALTHCARE EXPENDITURE PER CAPITA, 1960–2022 (REAL TERMS, 2022 U.S. DOLLARS)



HEALTH AND WELLBEING (2)

CROSS-COUNTRY COMPARISON OF HEALTH EXPENDITURE, 2022

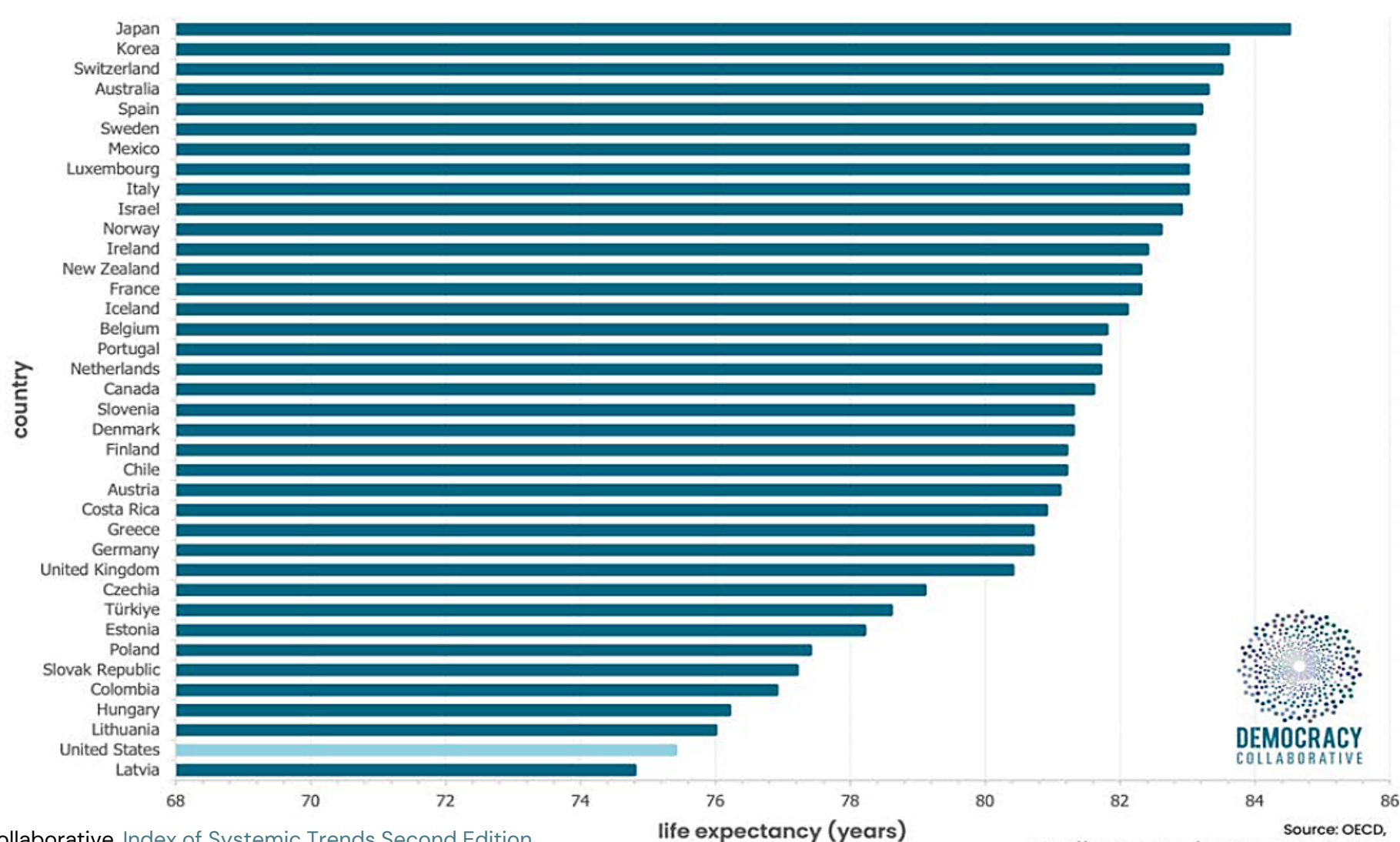


Source: Democracy Collaborative, [Index of Systemic Trends Second Edition](#)

Source: OECD, <https://stats.oecd.org/Index.aspx?QueryId=24880>

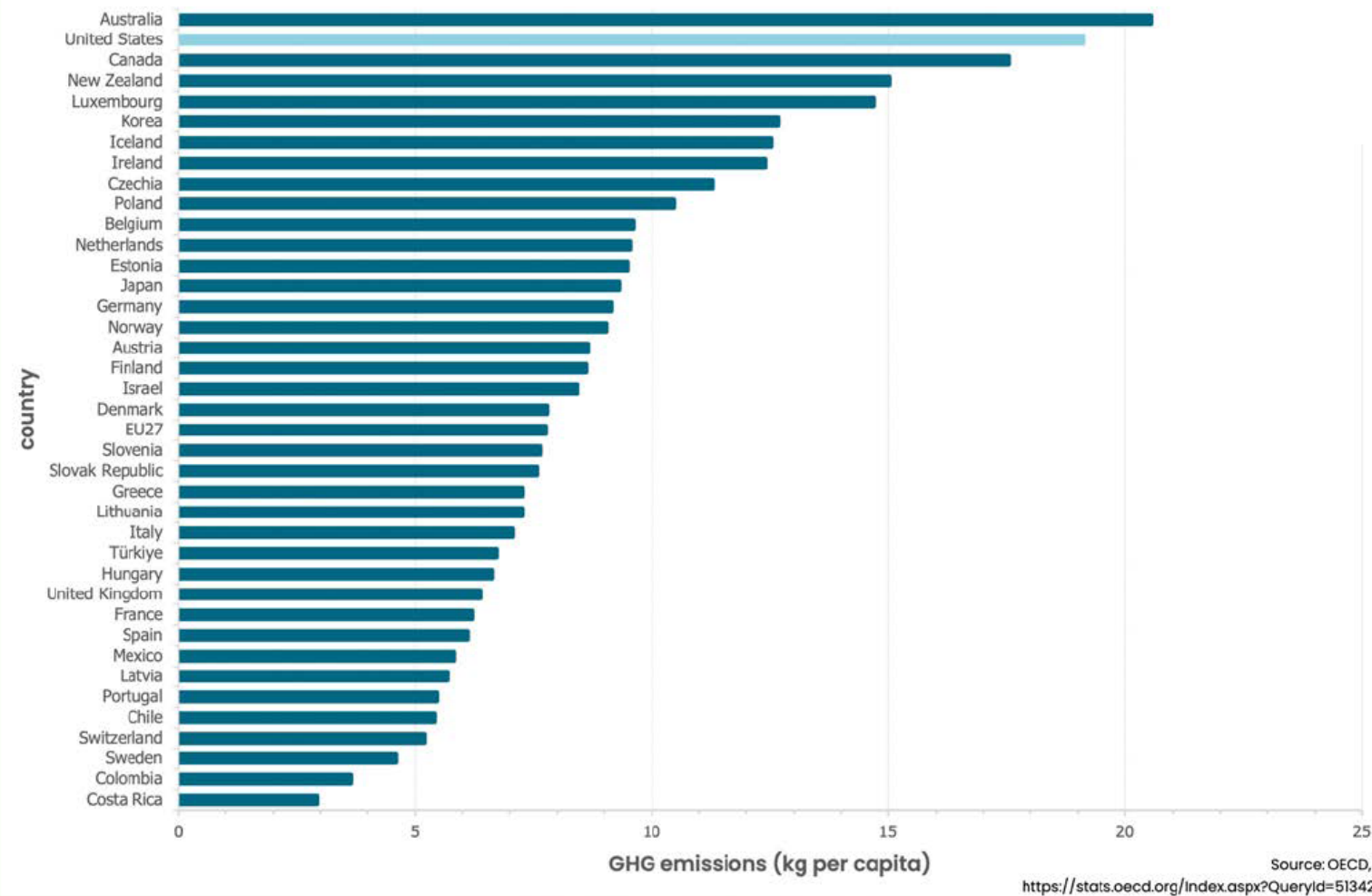
HEALTH AND WELLBEING (3)

CROSS-COUNTRY COMPARISON OF LIFE EXPECTANCY AT BIRTH, 2022



CLIMATE CHANGE

CROSS-COUNTRY COMPARISON OF GREENHOUSE GAS EMISSIONS PER CAPITA, 2021

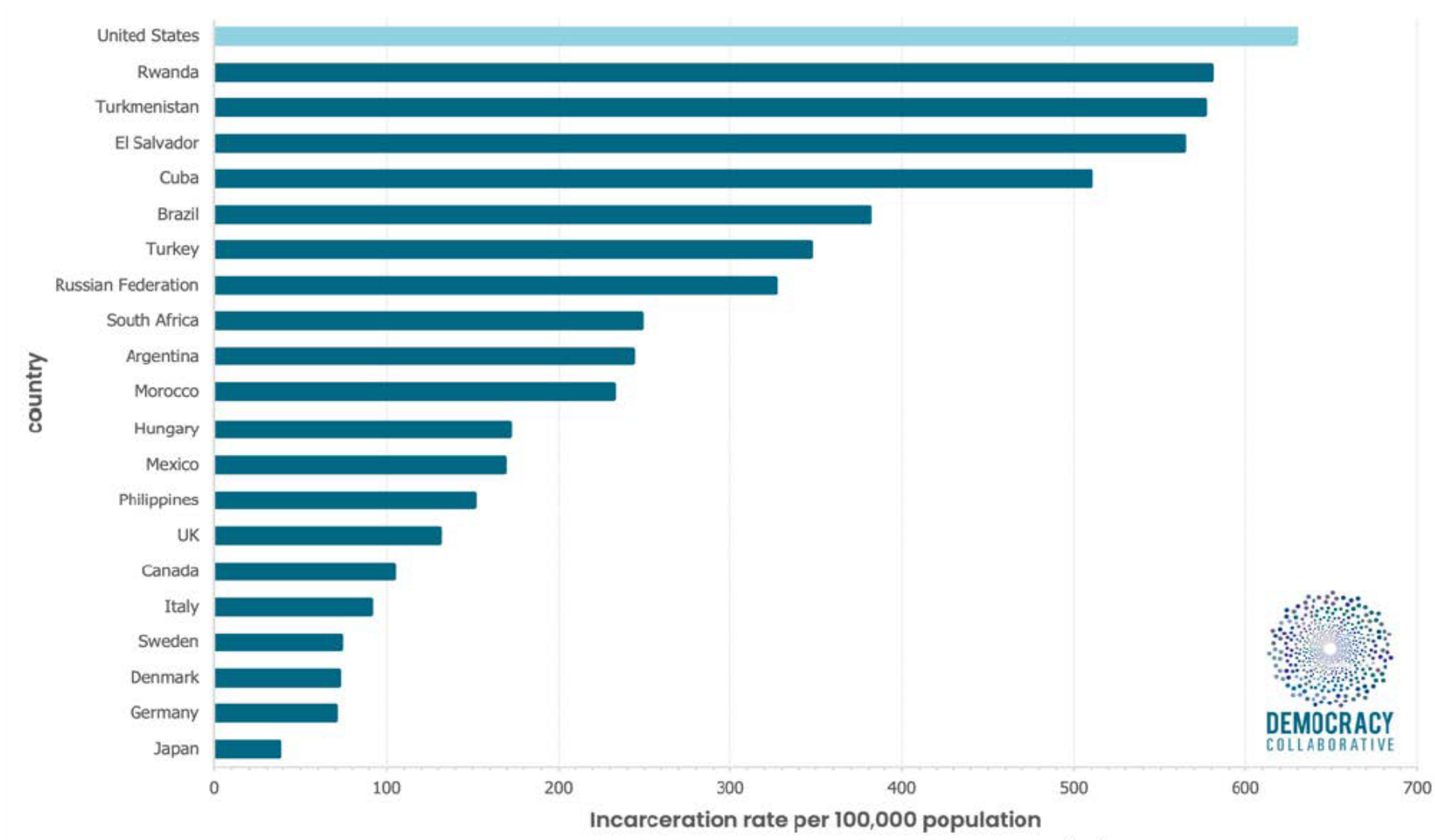


Source: Democracy Collaborative, [Index of Systemic Trends Second Edition](#)



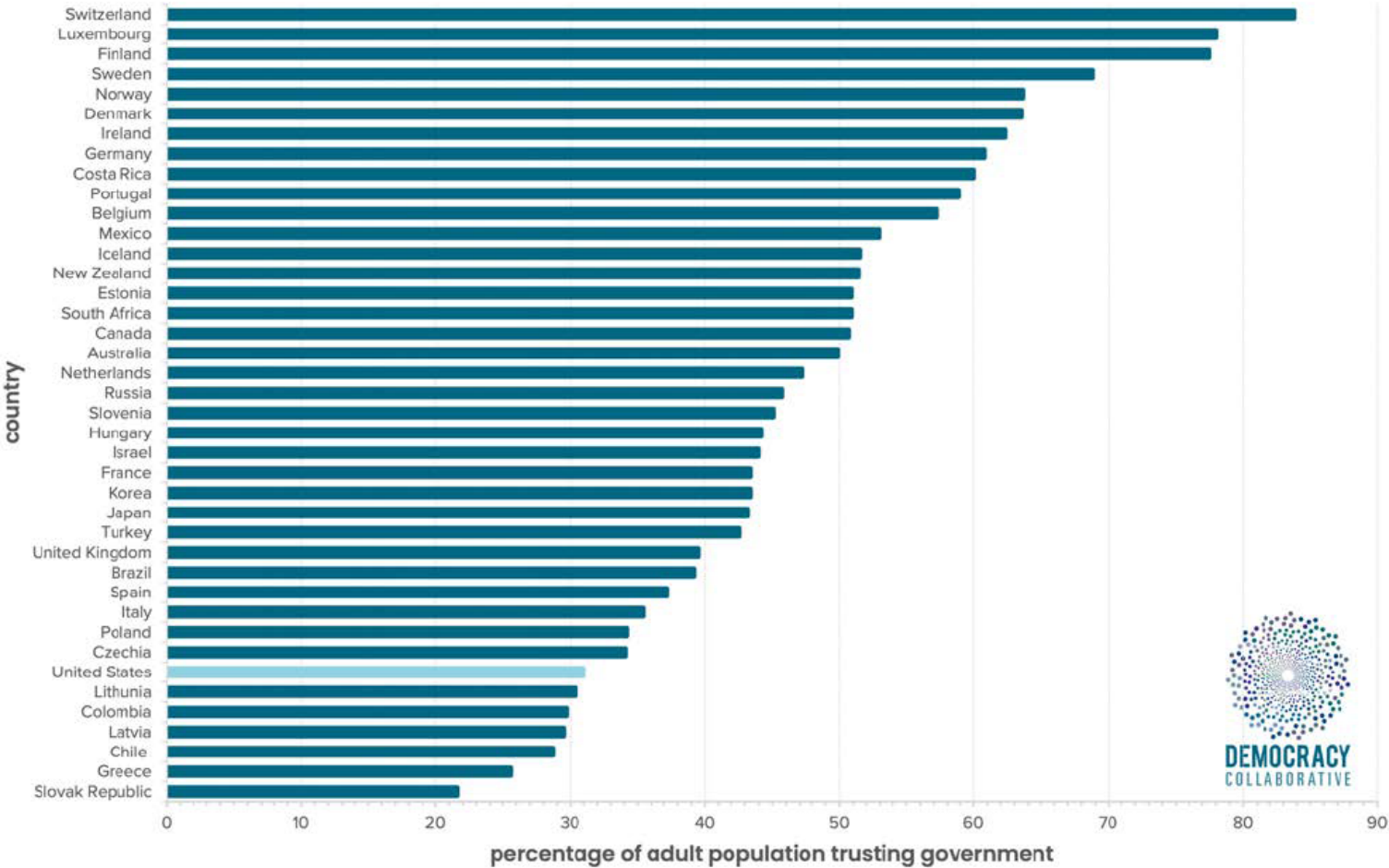
VIOLENCE AND THE CARCERAL STATE

CROSS-COUNTRY COMPARISON OF INCARCERATION RATES, 2021



LEGITIMATION CRISIS

CROSS-COUNTRY COMPARISON OF PERCENTAGE OF ADULT POPULATION TRUSTING THEIR COUNTRY’S GOVERNMENT, 2022



Source: OECD, <https://data.oecd.org/gga/trust-in-government.htm#indicator-chart>

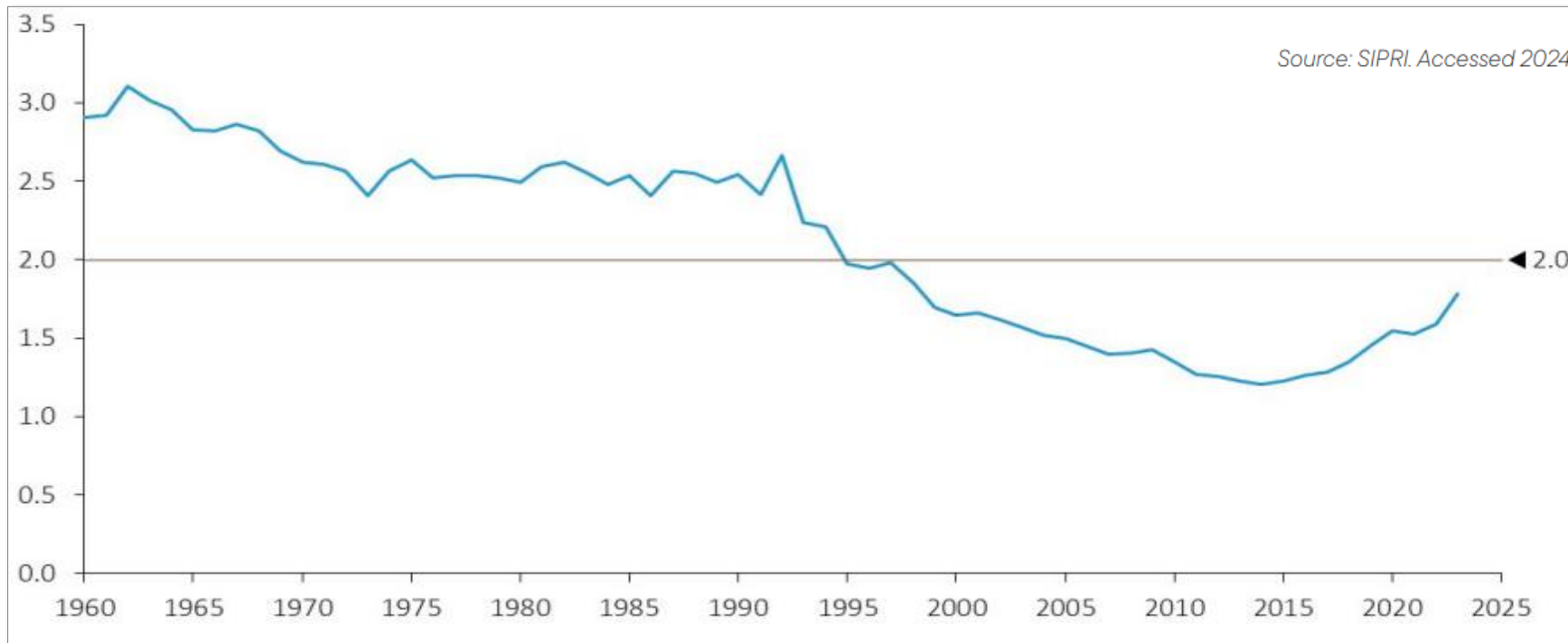
Source: Democracy Collaborative, [Index of Systemic Trends Second Edition](#)



AN EXAMPLE FROM THE DRAGHI REPORT: DEFENCE (1)

- Europe is vulnerable to both **coercion** and, in extreme cases, geo-economic **fragmentation**
- Deteriorating geopolitical relations also create new needs for spending on defence and **defence industrial capacity**
- Becoming more independent creates an “insurance cost” for Europe, but these costs can be mitigated by **cooperation**

EU MEMBER STATES' DEFENCE EXPENDITURE, % OF GDP



AN EXAMPLE FROM THE DRAGHI REPORT: DEFENCE (2)

- Europe now faces **conventional warfare** on its Eastern border and **hybrid warfare** everywhere, including attacks on energy infrastructure and telecoms, interference in democratic processes and the weaponisation of migration
- US strategic doctrine is shifting away from Europe and towards the Pacific Rim driven by the perceived threat of **China**
- Only ten Member States now spend more than or equal to 2% of GDP in line with **NATO** commitments
- If all EU Member States who are NATO Members and who have not yet reached the 2% target were to do so in 2024, defence spending would rise by **EUR 60 billion**
- Additional defence investments of around **EUR 500 billion** are needed over the next decade

AN EXAMPLE FROM THE DRAGHI REPORT: DEFENCE (3)

- The European defence sector: annual turnover of **EUR 135 billion** in 2022 and strong export volumes
- **Aggregate defence spending in the EU is about one-third as high as in the US**
- The US has prioritised **R&D spending**. 2023: USD 140 billion for Research, Development, Test and Evaluation, amounting to around 16% of total defence spending
- In Europe, total funding for defence R&D was EUR 10.7 billion in 2022, amounting to just 4.5% of total spending
- The European defence industry is also **fragmented**. Lack of standardisation and the interoperability of equipment, which have come to light during the EU's support for Ukraine
- 12 types of battle tanks, whereas the US produces only one
- The EU has developed a world-class **space sector**, despite much lower levels of funding, but is now starting to lose ground

AN EXAMPLE FROM THE DRAGHI REPORT: DEFENCE (4)

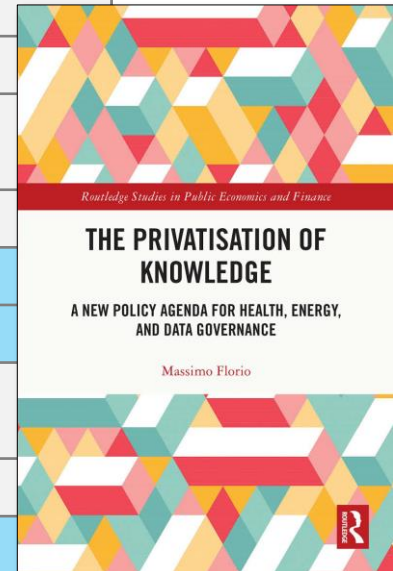
Summary Table – DEFENCE Proposal	Time Horizon
1. Proceed with the swift implementation of the proposed European Defence Industrial Strategy (EDIS) and the adoption of the European Defence Industry Programme (EDIP)	ST
2. Substantially increase the aggregation of demand for defence assets between groups of Member States and pursue the further standardisation and harmonisation of defence equipment	ST
3. Develop a medium-term EU Defence Industrial Policy which supports cooperation, the Europeanisation and integration of SMEs into supply chains, the structural cross-border integration of defence industrial assets	MT
4. Provide EU-level funding for the development of the EU's defence industrial capacities	MT
5. Improve access to finance for the European defence industry, including by removing restrictions on access to EU-funded financial instruments	ST
6. Introduce a reinforced European preference principle and substantive incentive mechanisms to valorise European defence solutions and excellence over non-EU solutions	ST
7. Ensure that EU competition policy enables industrial defence consolidation to reach scale, where needed	ST
8. Concentrate efforts and resources on common EU R&D/R&T defence initiatives and maximise technological spillover between civil and defence innovation cycles	LT
9. Deepen competences at the EU level for defence industrial policy to be reflected in the EU institutional set-up	MT
10. Improve coordination and combine the acquisition of US systems by sub-groups of EU Member States	ST



- I would like you to identify and **harness the EU's dual-use and civil-military potential** across all relevant domains, fully exploiting legal and regulatory margins.
- You will work on creating a true **Single Market for Defence** products and services, enhancing production capacity and fostering joint procurement of European equipment. You should propose action to lower the barriers to cross-border cooperation, reduce administrative burdens, and contribute to specialisation. You will make proposals to improve the **integration of SMEs in supply chains**.
- As proposed in the Draghi report, I would like you to work to **increase the aggregation of demand for defence assets** between groups of Member States and work with the Member States and NATO to pursue the further standardisation and harmonisation of defence equipment.
- Working with Member States and in close coordination with NATO, you will lead the work on proposing **Defence Projects of Common European Interest**. To that end, I would like you to start working with Member States on the design and implementation of a **European Air Shield** and **cyber defence** common project, working closely with the High Representative/Vice-President.

AN EXAMPLE FROM THE DRAGHI REPORT: DEFENCE (6)

Rank	Country	Company	Revenue from defence*	Total revenue*	% of Total revenue
1	United States	Lockheed Martin	59.390	65.984	90
2	United States	RTX Corporation	39.570	67.074	59
3	United States	Northrop Grumman	32.300	36.602	88
4	United States	Boeing	29.300	66.608	44
5	United States	General Dynamics	28.320	39.407	72
6	United Kingdom	BAE Systems	26.900	27.712	97
7	China	Norinco	22.060	82.537	27
8	China	Aviation Industry Corporation of China	20.620	82.499	25
9	China	China Aerospace Science and Industry Corporation	19.560	44.458	44
10	Russia	Rostec	16.810	30.295	55
11	China	China Electronics Technology Group Corporation	15.080	55.837	27
12	United States	L3Harris	12.630	17.062	74
13	Italy	Leonardo	12.470	15.025	83
14	EU	Airbus	12.090	61.805	20
15	China	China Aerospace Science and Technology Corporation	11.770	37.364	32
16	China	China State Shipbuilding Corporation	10.440	51.443	20
17	France	Thales Group	9.420	18.479	51

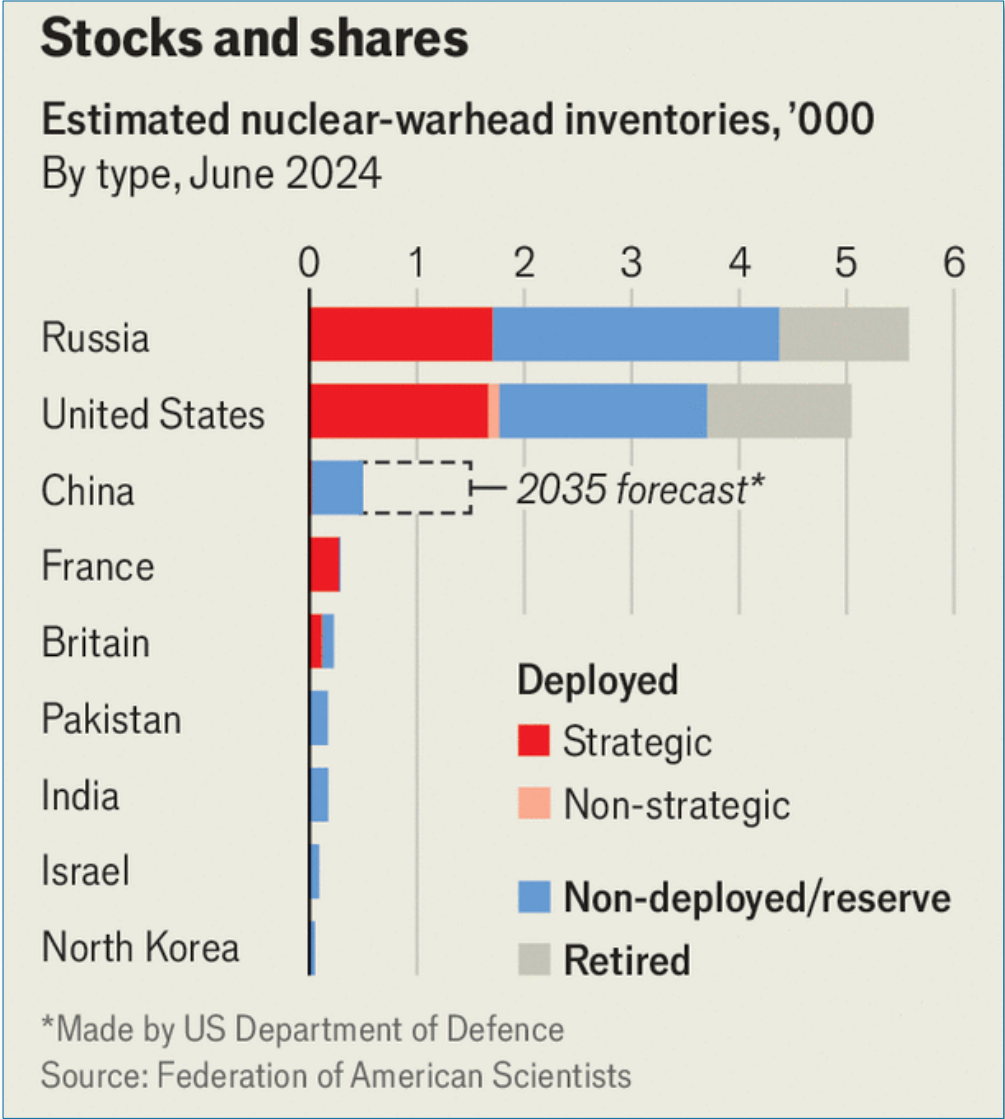


Source: Company Reports; *(USD bln)

AN EXAMPLE FROM THE DRAGHI REPORT: DEFENCE (7)

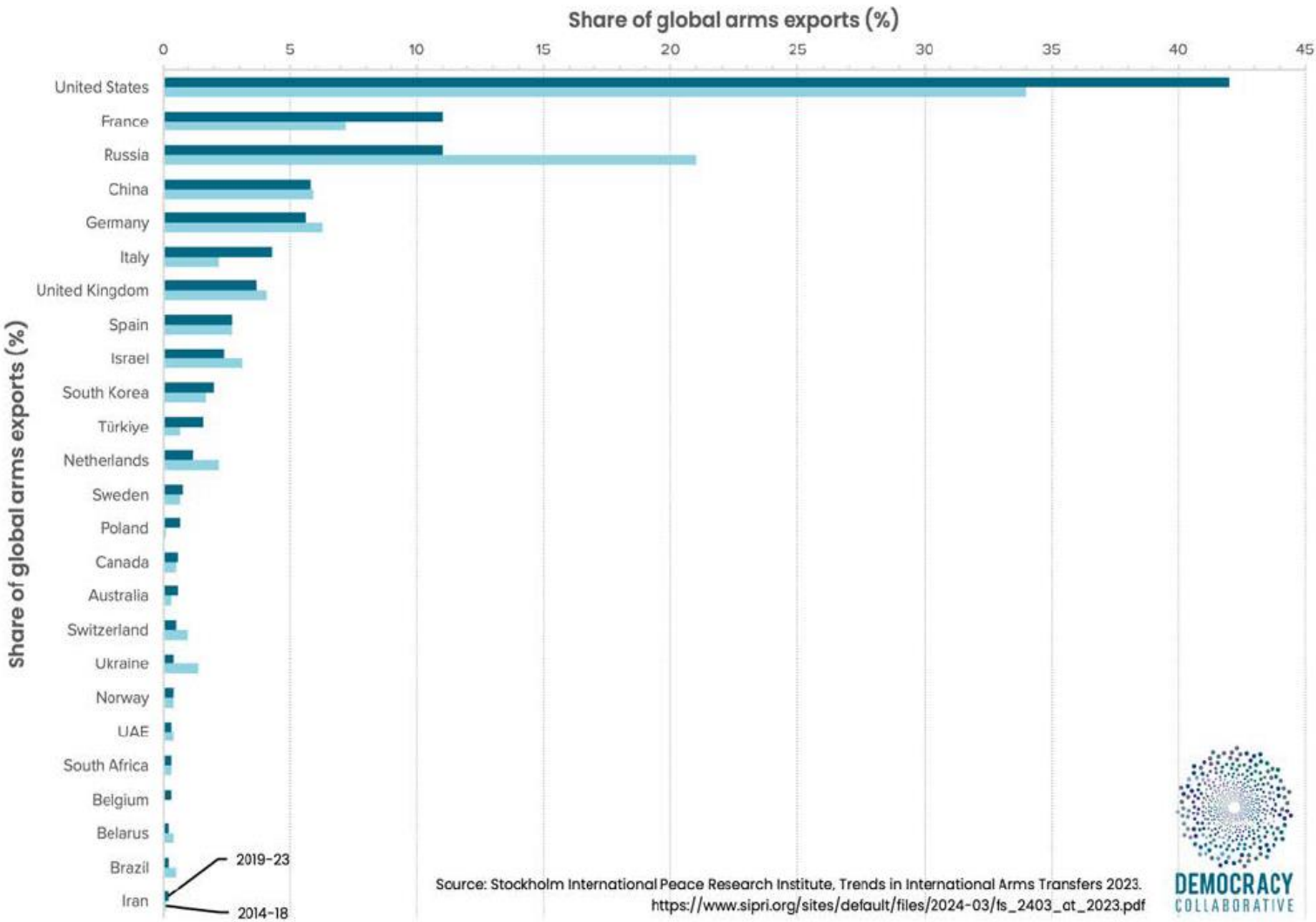
Country	Spending (USD bln)	% of GDP	% of Global spending
United States	916.0	3.4	37
China	296.0	1.7	12
European Union*	237.4	19.1	9.7
Italy	35.5	1.6	1.5
Russia	130.0	6.3	4.5
India	83.6	2.4	3.4
Saudi Arabia	75.8	7.1	3.1
United Kingdom	74.9	2.3	3.1
Ukraine	64.8	37.0	2.7
Israel	27.5	5.3	1.1
Iran	10.3	2.1	0.4

*Selected EU Member States: Germany, France, Poland, Spain, Netherlands, Sweden, Denmark, Belgium, Finland, Romania



MILITARY EMPIRE

CROSS-COUNTRY COMPARISON OF WEAPONS EXPORTS



Source: Democracy Collaborative, [Index of Systemic Trends Second Edition](#)



THANK YOU

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