

Meet the IGIER Scholars

Francesco Giavazzi



You got your undergraduate degree in electrical engineering from the Politecnico in Milan and your PhD in economics from MIT. As an undergraduate student, who was your most impressive teacher?

My first teacher, Luigi Amerio, who taught me Calculus. For someone raised with a classical education it was an incredible discovery. He was able to make the transition extremely smooth. The Bolzano-Weirstrass theorem seemed just another chapter in the philosophy class.

When did you think about becoming an economist? What was the turning point that made you think “this is what I want to study for the rest of my life”?

I met Franco Modigliani by chance, in Milan, in the early 1970s and he told me how to apply to MIT. “You were an ideal candidate,” Franco told me years later, “you knew math but no economics. When Italian students come to MIT we often have to spend a year teaching them math and the following one fighting the ‘strange ideas’ they have about economics.” Then Ezio Tarantelli got me a scholarship – not an easy step since I did not have an economics degree. But the truth is I was envious of my friends who were studying at Bocconi and discussing issues which seemed to me far more relevant for society than the theory of filters—my field at the time (the “punishment” is that today in my Advanced Macro course I have to teach filters!).

Who is the scholar who has left the most profound impact on the way you think as an economist?

Rudi Dornbusch. Rudi has been a teacher and friend, I don’t know which came first. “The next time you come to me with another question about ‘methodology’ you might as well leave the program,” I heard him once say to one of my fellow students. This was Rudi’s approach to economics: techniques are useful tools, but if you don’t have an idea, the technique will get you nowhere. This is why at his 8 am seminar at MIT you were allowed to eat as many doughnuts as you wanted, but slides were strictly forbidden: only words. He also taught me how important it is to be curious about the world. Once, in 1998, he called me and said: “Francesco, I’ve never been to China, neither have

you: let’s go, we need to understand.” We left for a month with no precise commitment, no conference, no seminars. On the way back we wrote a paper on banking reform in China. We received a prize for it!

Your career is a successful combination of academic achievements, institution building, and policy making and advising. From your perspective how do these professional experiences overlap one with the other?

Rudi Dornbusch and Franco Modigliani taught me with their lives that there is no better life than teaching. The three years I spent in government have been among the most important in my life, but my wife Giovannella was right from day one: this is not made for you. People often say that when I speak or write I am particularly clear: it happened at the Treasury, it happens with my editorials on Corriere della Sera. But this is only thanks to my students. Because the moment your lecture becomes convoluted, you immediately see it in the eyes of your students, and it is not a nice sight.

Since 1991 you have been a faculty member at Bocconi University. You have also been pivotal in building IGIER, the research center that has helped attract excellent scholars here in Bocconi. How has been your working experience at Bocconi through these years?

Let me tell you a “secret.” In the mid 1980s I was teaching in Bologna and contemplating an offer from the European University Institute in Florence. One day I travelled to Rome to attend a conference. I flew there with Mario Monti, then the department’s chairman. On the plane we talked about the future and Mario tried to convince me to leave Bologna and join Bocconi. As we landed in Rome, Mario told me: “I came to Rome to have a chance to talk to you without distractions for an hour. I can now take the next flight back to Milan. I have no real interest in this conference.” A master in hiring! I owe Bocconi a lot: IGIER goes a short way in compensating for what this university and particularly its students have given me.

Last question: Is there anything you never did and would love to do? How about singing “Strangers in the Night” like Frank Sinatra? or climbing the Everest together with other economists? Or becoming the next President of Italy?

You came close. Five years ago I planned to walk to the Everest base camp in Nepal with Alberto Alesina. A few weeks before leaving, Alberto suffered an injury and the plan got cancelled. Now I doubt I would be able to reach those altitudes. But I have done some homework and discovered there are places I can still reach, for example in Ladakh, in India. If I get there, I may even be able to spend a week meditating and doing some yoga in a Buddhist monastery.

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