

Thank you Rector,

thank you for your introduction. I am very pleased to be here at your refined university and visit Sardinia. As the Rector says, this is my first trip here. I've been to Italy many many many times over the years, but I've never had the opportunity... I've always wanted to come to Sardinia. So, this gives me four days to travel around and get to know the people here. Before I begin let me make a... on the elections in the United States... I'll make sure I clearly identify myself. I'm a Democrat. Not a Republican. I was appointed by President Obama, who's a personal friend. And whatever I say here you have to understand. I have a long history of being a Democrat and active in democratic politics. My wife is a journalist... was a journalist. She covered every presidential campaign in one way or another, since 1976. So, together we're very experienced, we're very knowledgeable about presidential campaigns. But before I begin to talk about that campaign, let me just give you a little bit of history about America. I'm sure many of you know this already. Our Constitution in 1787 was drafted after the Revolutionary War. It has served as a model for the world. It was drafted by an extraordinary group of people, at that time. I don't think we have assembled in Americas a group quite as good as since, from Jefferson, Washington and Hamilton. And I've read much of that history.

The concept of United States of America has always taken... took a long time to take root. I mentioned that because of the European Union, and the discussion hereabout whether there should be United States of Europe. It took decades for the Constitution itself to be both interpreted and accepted by the States. Questions like "Should there be a Federal Bank?", "Should they be able to loan money", "Should they maintain a standing army?", "What is the power of the Federal government versus the power of individual States?".

Most people thought of Government just being just in their neighborhood, forty kilometers away, and they didn't think so much of a real powerful federal government. But that's what it became over time. And during that period two parties emerged, we have a two-party system in America. Italy is a bit different as many other European countries are. We had the Federalists, meaning they're all for a powerful government... remember these States came together because of a Revolutionary War. They didn't necessarily want to combine with many other States, but they did out of necessity... They favor regulation, they favor being able to make decisions for the States... these were called Federalists. That was the Hamilton group,

then there was the Jefferson group called Anti-federalists. They wanted power to devolve to the States. And that's been the debate, really, over the years. And it continues today. The Republicans and the Democrats really are those two parties. Republicans are in favor of less Government, the emphasis is on free markets and less regulation, more emphasis on the responsibility of the individual to take care of himself or herself. The Democrats want a strong and active federal government, taking care of the less privileged; income inequality is something they've always paid attention to. So this has been the tension between these two parties. That's, in summary, what the positions are today, of the Democrats and the Republicans.

Now the two other factors that have shaped America, made it somehow unique, is that America is a land of immigrants. It is interesting today to consider, given the high migration issues facing the United States and the world. Everybody who came to America, came from somewhere else. My grandparents were Italian immigrants. They came over in 1902 just like many many others in Europe, seeking a better life and better opportunities. So that gives sort of a unique character when you have everybody coming, leaving their homes behind, leaving everything behind, and going to a country across a big ocean to start a new life.

The other factor that really has shaped America, in a bad way, is slavery. Slavery, the scourge of slavery... it's unbelievable that we had slaves brought over against their will... many of them from Africa to service the agrarian needs of the South and others. We, because of that history, we pay a terrible price today. And there's an element of racism, a stain of racism, in America that continues, and I think President Obama, as a black American, has a significant opposition, primarily because he is African-American and the people just won't accept, maybe up to 20-25% of the American voters.

So, let me turn to the campaign, and try to make some sense of it. I just say primarily that this year's campaign is like no other we've ever had or ever experienced. Everybody that I know reacts this way. If the Republicans nominate Donald Trump, which seems almost certain, and if the Democrats nominate Hillary Clinton, which also seems certain, polls at this date suggest and show that these two candidates are more unpopular with the public than any previous races we've had in the last half century.

The polling of Hillary, whom I know and I've known, and I think she's very good... but it's negative, because she's been around too long: 24 years of the stage. And this is

what the polling and the focus groups show. And they want somebody new and somebody different, and they are irritated by her manner and her style. These things matter, but they think she's very smart and they think she's very experienced. I think she'd be a good president. I think she's not been a very good candidate but I think she'll be a good president.

Mr. Trump has no experience in government whatsoever. He has made statements that for many of you seem racist, xenophobic statements. He appeals to anger. For America, for many Americans and for me, his rise in this election year across the world has been an embarrassment. I've had the question posed to me everyday just like all ambassadors do: "What's happening to America?". You've all seen the kind of statements that he has made. What do they like about him? What is the public, the one that is voting for him? Do they like that he's not in Government? The anti-government movement experienced today has reached a real peak. I don't think it's really justified in terms of where the country is.

He's a business man, and he's a rich business man, so they think he must be successful. He's very blunt, he "tells it like it is", that's what they say, and he empowers them to say things that they otherwise wouldn't say, that could be considered racist. There have been violence at Israelis because he ramps up the anger level.

I think most people that I know would be very very worried with the prospect of a President Trump. But remember this, this is only a primary election. Primary means you select from a party who should be the nominee. The Republican Party makes up around 38-39% of the electorate. And he has about 40% of that support. So that's something around 16-18%. But it's been a very highly visible campaign. And it's been very lucrative for all the stations that have been running the debates. They've had tremendous turnout and interest which generate profits. It's much more pervasive, this campaign, than normal.

He appeals to undereducated and under-employed people who are angry. Those who blame immigration and trade relationships on their plate... Those who don't think that their lives will get better. He appeals to that anger. Many are angry at government officials. Their inability to get everything done. Their threat to shut down the government. The paralysis that it has engendered. The default threat of our debt. The language that they use. And the rise of the Tea Party, which is a group that says it shuts everything down. Don't cooperate, no compromise.

Now, things will change. Going forward, there's a long way to go. We haven't even got to the conventions. And the four important events that will make a difference, they could make a difference. It's the selection of the running mate, which will be done between now and July. It's the Convention itself, even though the Convention will be determined before it opens and begins, it will be perceived as an effective Convention or an ineffective one. Now, how is their message be projected to all others, because they do get a lot of people watching. It will be the three debates that they have every year, between the two presidential candidates. And it will also be how popular is the incumbent party's president, in this case, Mr. Obama.

Well, his popularity is going up and if you look at his legacy, it's very strong and, I think, during the course of the campaign it's going to become apparent that he's has a very successful presidency, and the country is on the right track. Unemployment: he took over when there was a financial disaster as we all recall, in 2008-2009. Unemployment ramped up over 10%. Growth was absolutely stopped, going negative. Many many millions of jobs were lost. So what's happened over eight years? Well, the unemployment went from 10% to 5%. A cut in half. The GDP growth is growing and it's roughly twice what Europe's is. Very strong job creation. We are creating something like 2.5-3 million jobs a year, something like 14-15 million jobs created so far. We now have rising wages as well and low inflation. He saved the auto industry. It was very unpopular for him to do. 65% of the people said "Let the auto industry go! Don't take them out of bankruptcy". Well, we have a thriving automobile industry: FIAT-Chrysler with the help of Italy and FIAT joining forces, and General Motors, they've never sold more cars, and that would have meant a million jobs.

President Obama felt that was extraordinarily important. We had to save it despite the opposition and now, of course, it turns out that was for certain the right thing to do.

The "Stimulus package" that he was able to get through, not as much as he liked... This is the same debate going on in Europe, Stimulus versus Austerity. He spent close to a trillion dollars, 800+ billion dollars made a huge difference in getting all these jobs created.

Healthcare. Healthcare is something that really does separate the parties. He want to put on a political risk taking on healthcare. Something that was very hard to do and he was successful in doing that. So today, we have more than 18 million people

who have healthcare, who didn't have healthcare. It's still a controversial issue, but he did it. He cut the deficit by two-thirds. We are now energy-independent with the Shell gas revolution.

But why is it that he's not had the popularity you'd think he would deserve.

When he was here, not too long ago, I said "Mr. President, your popularity here in Italy and all over Europe is over 80%, but your popularity in the United States is 40-42%.". His reaction was "Yeah, I know, I could be President of Europe, if it was available."

But the reason why he was... now his popularity, by the way, is gone back up... it's 50-51, which is high... it's because the contrast of the other Republican candidates, especially when you have Mr. Trump and Ted Cruz who is his main competitor... they see how effective President Obama has been, and they're worried about who's going to succeed him.

Now, that would be a big factor. He has high popularity and if he's up to 55%... because typically in America you don't have the same party in power for 8 years. It's usually hard to get another four years. People just want change. That's the risk, but if you're doing well, if you're on the right track for all the reasons that I identified here, then that's a big plus. The debate on the things that I mentioned will play out. There's been lots of twists and turns with prior races, which changed dramatically during the last 3 or 4 months, based on debates, based on the Conventions as I mentioned; so I think, right now, Hillary Clinton is polling ahead, significantly ahead in some polls, less so in others. My personal believe is, once they understand the issues and the characters, once they understand more about who Donald Trump is and his background, and if he continues making the same statements and outrageous comments, without any support... (they've done a survey to show that 75% of the facts that he represents are wrong), but right know those people who are supporting him don't seem to be bothered by that.

We'll see. I can't predict what it going to be like but I know it's going to attract the attention of the world. The stakes are extremely high. These would be very very different presidents. Going forward, I think people will understand that. I have confidence on our democracy. Also Mr. Trump and the polling I have mentioned before... but 70% of the people have said that under no circumstances would vote for him. That's pretty high.

So, I'm confident, at the end of the day, that our democracy will work and, come November, Hillary Clinton will be elected, but it's going to be a bumpy ride, a very bumpy ride. So...

Thank you.