

## Architect of the single currency dies

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Tommaso Padoa-Schioppa, who has died in Rome aged 70, was a former Italian finance minister and founding member of the executive board of the European Central Bank who was regarded by many as a central architect of the euro.

A passionate advocate of European integration, he was highly intelligent, well-versed in economics, and a first-rate financial technician. A central banker by training, he was witty, charming, deeply cultured and steeped in European history.

He was also a tireless worker on issues of international monetary and financial reform, unpaid adviser on the current crisis to George Papandreou, the Greek prime minister, a regular speaker on both sides of the Atlantic, and a columnist (including in the Financial Times) with a gift for explaining complex issues in a simple way.

As joint secretary and rapporteur of the Delors committee, he helped lay the foundations for European monetary union and a single currency in 1989. "He embodied the spirit of European

construction," Jacques Delors, former president of the European Commission, said on Sunday.

"He was a great intellectual reference-point for me.

"He had a huge historical culture, and he was also a specialist: he had a great knowledge of the economy and financial regulation. And he was even more federalist than me."

As a founding member of the six-person executive committee of the ECB, serving from 1999 until 2005 in Frankfurt, he played a big role in the launch of European Monetary Union.

He coined the phrase "a currency without a state" in 1999, to describe the euro. "Our new currency unites not only economies, but also the people of Europe," he said.

In earlier evidence to the European Parliament in 1998, however, he also spelt out a realistic view of the challenges: "I do not think that a single currency is an event for the last days of the history of mankind that simply crowns perfection," he said. "It is something that has to be in reality while reality evolves."

He was Italian finance minister under Romano Prodi from 2006 until 2008, and curbed the ballooning deficit left by the previous government, helping Italy to weather the current economic crisis. He came to international prominence in 1979 as director-general for economic affairs in the European Commission.

He wrote a seminal paper in 1982 identifying what he called the "impossible quartet" in the European Union.

The combination of free trade in a single market, free capital movement, independent domestic monetary policies and fixed exchange rates, was unsustainable, he argued. The answer was to create a single currency and a single European central bank.

Born in Belluno, near Venice, he was brought up in Trieste, before attending Bocconi university in Milan, then gained a master's degree from the Massachusetts Institute of Technology under Franco Modigliani, the Nobel prize-winning economist.

"He was a very unusual combination of the technician and visionary," said Mario Monti, former Italian commissioner in Brussels, now president of Bocconi university. "He had the rigorous and intellectual approach of a philosopher. He combined that with a great attention to institutions and shaping them."

He spoke good German, as well as English and French, and had great respect for German economic notions of monetary stability, an independent central bank, budgetary discipline and competition policy. Although uncertain that Italy would manage to qualify to be a founding member of EMU, he played a crucial role in persuading Giulio Andreotti, then Italian prime minister, to agree to 1999 as a firm launch

date for the single currency.

He died after suffering a heart attack at a dinner in Rome on Saturday evening.

He is survived by three children from his former marriage to Fiorella Kostoris, a respected economist. His partner in recent years was Barbara Spinelli, journalist and daughter of Altiero Spinelli, former European commissioner and parliamentarian.

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