PROVA NON ESTRATTA

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1) Il candidato rappresenti le finalità del controllo ed i poteri della Consob sui prospetti informativi relativi alle offerte pubbliche e alla quotazione di strumenti finanziari sui mercati regolamentati.

2) Il candidato illustri le finalità dell'attività di vigilanza e i poteri della Consob con riferimento all'informazione societaria degli emittenti quotati.

S.D.

PROVA NON ESTRATTA

1) Premessi brevi cenni sulla nozione di informazione privilegiata, il candidato si soffermi sulle fattispecie di abuso di informazioni privilegiate sanzionabili in via amministrativa e sui poteri di accertamento della Consob.

2) Il candidato tratti dei controlli interni degli intermediari abilitati a prestare servizi di investimento, soffermandosi sul principio di proporzionalità.

S.D.

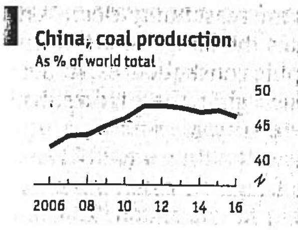
PROVA NON ESTRATTA

Summarise the following article in your own words.

China's economy

Created destruction

Investors have found faith in China's capacity cuts. They should look more closely



STOCKMARKETS have been on a tear over the past 18 months. Shares are, on average, up by a third globally. Commodities have rallied. And the optimism has infected corporate treasurers, who, for the first time in five years, are spending more on new buildings and equipment. Plenty of factors have fed into the upturn, from Europe's recovery to early hopes for the Trump presidency. But its origins date back to a commitment by China to demolish steel mills and shut coal mines.

On the face of it, that is an unlikely spark for a change in sentiment. Normally, growth comes from the investment in new facilities, not the closure of those in use. In fact, China's case is a rare one. By taking on extreme overcapacity, its cutbacks have provided a boost, for itself and for the global economy. The risk, however, is that the way the country is going about the cuts both disguises old flaws and creates new ones.

Steel crazy after all these years

China needs lots of material to build all its homes, trains and tunnels. Even so, it produces more than it can use. It accounts for roughly half of global production of steel, coal, aluminium, glass and cement. By one oft-cited gauge, China's unused steel capacity equals the total annual output of the next four biggest producers (Japan, India, America and Russia) combined. As the excesses piled up in China over the years, they weighed on global prices, depressing profits for all. However, unlike their international rivals, Chinese firms could carry on expanding, confident of state support.

Then, in early 2016, China unveiled plans to cut its steel and coal capacity by at least 10% over five years, reducing potential global supply by 5%. The government's theory was that it could turn the vicious industrial cycle into a virtuous one. With less production, prices would rise, leading to higher profits and, ultimately, a healthier economy. There were plenty of doubts about China's ability to follow through; after all, pledges to cut capacity had featured in officials' plans since the early 2000s, and over-investment had continued unabated.

But the idea that things might be different this time has gradually caught on (see page 59). Coal and steel prices have soared, as have profits in those industries. That set off a dramatic shift in market sentiment about China. Convinced that Xi Jinping, China's president, has the will and ability to impose capacity cuts, investors have shed their fears that damaging deflation might be China's next export. The yuan has appreciated; nominal growth is just shy of a five-year high. Economic policymakers in Beijing have regained some of their standing, which had been dented by a stockmarket crash and a ham-fisted currency devaluation in 2015. Global markets are reassured by the steady hand of Chinese central planners.

That confidence may be misplaced. Investors are overlooking two shortcomings in China's approach. The first is the nature of top-down diktats about supply, which lack flexibility and therefore tend to generate volatile outcomes. China wanted to puff up prices. But the surge that it has caused has gone well beyond what it intended, raising concerns that high prices will lead once more to surplus capacity. Local officials, still hungry for growth, have dusted off their plans for big new coal mines. Officials have started to warn about a speculative bubble in the steel market. In Chinese ports stocks of iron ore, a vital ingredient in steelmaking, are near record highs.

The second problem is that enforced production cuts are not a genuine solution to overcapacity. That firms listen to the government in China should never have been in doubt; the problem is that they still do not pay sufficient heed to the market. In many cases the cuts are not all they appear. In the coal industry, for instance, officials last year simply decreed that mines should operate for just 276 days—a limit that they unwound this year.

More fundamentally, China has done little to tackle the underlying causes of overcapacity. The banking system continues to direct cheap capital at favoured projects and companies. State-owned firms can still be reckless in their investments, safe in the knowledge that they can always be bailed out. And the government's policy of earmarking bits of the economy for development sets off mad rushes into them. Even as China is fighting to rein in excess capacity in heavy industry, it is laying the groundwork for the same affliction in new fields such as robotics and advanced manufacturing.

China has done more to turn around its industrial sector than many expected, to the benefit of its own economy and the wider world. Investors are right to conclude that its planners are powerful. Even so, a tendency towards overcapacity still lurks, and Chinese officials are still fallible. ■

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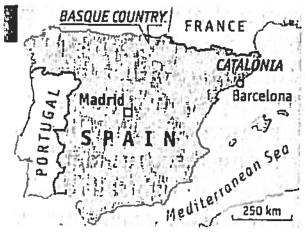
PROVA NON ESTRATTA

Summarise the following article in your own words.

A crisis in Spain

The Catalan question

It requires a better answer than an unconstitutional independence referendum



SPAIN has known tumultuous times: civil war in the 1930s, dictatorship until 1975, a failed coup in 1981, a financial and economic crash in 2008-13, and terrorism of the nationalist and jihadist sorts. Now it faces a constitutional crisis that threatens its unity. The Catalan government plans to hold a "binding" referendum on independence on October 1st. If a majority votes yes—regardless of the turnout—then Carles Puigdemont, the Catalan president, will unilaterally declare independence.

The Spanish constitutional court has declared the vote illegal, and the conservative government of Mariano Rajoy has taken control of the region's finances to try to block the ballot. The Guardia Civil has raided Catalan government offices and a private delivery firm to seize posters and ballot papers, and arrested at least 12 officials. The Catalan government has called for "peaceful resistance".

The crisis is snowballing into a serious threat to Spain's democracy. Solving it sensitively matters to the rest of Europe. The precedent set in Catalonia will affect other would-be separatists, from Scotland to the Donbas region of Ukraine.

Catalonia enjoys a standard of living higher than the average in both Spain and the European Union and more self-government than almost any other region in Europe, including powers to protect the Catalan language. It is, to outward appearances, a lovely and successful place. Yet a majority of Catalans are unhappy with their lot, feeling that Spain takes too much of their money and fails to accord respect to their identity (see page 21). Mr Rajoy has been wrong to assume that time and economic recovery would cure Catalans' discontent.

The Spanish constitution, adopted by referendum in 1978—and backed almost unanimously in Catalonia—proclaims the country's "indissoluble unity". It vests sovereignty in the Spanish people as a whole, not in the inhabitants of its constituent parts. The Catalan government claims the right to self-determination. But international law recognises this only in cases of colonialism, foreign invasion or gross discrimination and abuse of human rights. These arguably do apply to the Kurds, who are planning to hold a disputed referendum on secession from Iraq on September 25th (see page 31).

Catalonia, however, hardly counts as colonised, occupied or oppressed. Many Spaniards worry that its secession could swiftly be followed by that of the Basque country. If the rule of law is to mean anything, the constitution should be upheld. Mr Puigdemont should thus step back from his reckless referendum. Opponents are unlikely to turn out, so any yes vote he obtains will be questionable, not just legally but politically.

That said, by playing cat-and-mouse with ballot boxes Mr Rajoy has needlessly given Mr Puigdemont a propaganda victory. A big majority of Mr Rajoy's voters in the rest of Spain support him in part because he refuses to yield to Catalan nationalism. But something important is wrong in Spain, and it is his duty to try to fix it.

Democracy requires consent as well as the rule of law. Constitutional change, especially the right to break away, should be difficult—but not impossible. In Scotland and Quebec, allowing people to have a say did not lead to breakaway. Mr Rajoy should be less defensive: he should now seek to negotiate a new settlement with Catalonia, while also offering to rewrite the constitution to allow referendums on secession, but only with a clear majority on a high turnout.

Damage to Catalonia

Many Catalans want the right to decide, but polls suggest that only around 40% want independence. Most would probably be satisfied with a new deal that gave them clearer powers, let them keep more of their money and symbolically recognised their sense of nationhood. The tragedy is that neither Mr Puigdemont nor Mr Rajoy seems interested in putting such an offer on the table. ■

S.D.

PROVA NON ESTRATTA

Summarise the following article in your own words.

The Federal Reserve

Dangerously vacant

Why Donald Trump should reappoint Janet Yellen to lead the Fed

ONE of the many fears about President Donald Trump was that he would pack the Federal Reserve with loyalists. That concern has been replaced by another: the central bank's top echelons are unpacked with anyone. On September 6th Stanley Fischer, a seasoned policymaker and crisis-fighter (see Free exchange), announced that for personal reasons he was retiring early as vice-chairman. That means a fourth vacancy has opened up on the Fed's board; as a consequence, four of the 12 seats on the Fed's interest-rate-setting committee are also up for grabs. That number could rise to five in February, when Janet Yellen's term as Fed chair is due to end.

Mr Trump has been slow to make senior appointments of any kind. But an underpowered Fed is a particular concern. Its policies help determine everything from the health of the American economy to the price of credit in emerging markets. The best way for the president to start dealing with the backlog is to reappoint Ms Yellen head of the Fed. That might clash with his instincts. Mr Trump values loyalty above competence. Ms Yellen, first appointed by Barack Obama, is a Democrat who has pushed back against proposals from the Treasury that would weaken financial regulation. But a second term for her would provide clarity about the Fed's future direction and independence, and make the other posts easier to fill.

The case for reappointing Ms Yellen is not cut and dried. In principle, it would be better for central-bank bosses not to serve more than one term; a supplicant for a second term is likelier to do the bidding of politicians. The president of the European Central Bank is limited to a single eight-year term in part for this reason. Alan Greenspan served as Fed chairman for long enough to inspire an unhealthy cult of personality.

Yet the arguments for an experienced hand to guide the economy also have more power than usual at the moment. The Fed faces some tricky technical tasks, from reversing quantitative easing (see page 63) to solving the puzzle of why low unemployment has not juiced up inflation. America's economy is on a good run. Only twice in its history has its GDP grown for more consecutive quarters. Mistakes in monetary policy are often made as the economic cycle matures, when judgments about the right interest rate are hardest. And when the next recession arrives, the Fed will not have much firepower: its policy rate is unlikely to be much above 2%, leaving little room to cut. A seasoned policymaker will be all the more valuable, since the Treasury is also notably short of them.

A second reason to reappoint Ms Yellen is that the Republican-backed candidates to replace her are not impressive. Gary Cohn, Mr Trump's senior economic adviser, has no experience as a central banker. (He may also have scuppered his chances by criticising his boss's response to the recent violence in Charlottesville.) Another aspirant, Kevin Warsh, served on the Fed's open-market committee from 2006 to 2011, and has been lobbying hard for the top job. But he displayed some questionable judgment during that stint, fretting that monetary policy was too loose at a time when the American economy still needed support. His co-authorship of a paper in praise of the economic-policy proposals of Mr Trump may endear him to the White House but raises questions about how independent he would be as Fed chairman. Another of the co-authors, John Taylor of Stanford University, might be too rigid in his judgments on interest rates when discretion is needed. Others in the frame lack the breadth of experience and knowledge that the job demands.

A third argument in her favour is precedent. Every Fed chairman since the late 1970s has been given a second term by a president from a different party. Paul Volcker, a Democrat, was reappointed by Ronald Reagan. Bill Clinton gave Mr Greenspan, a Republican, a second term. And Ben Bernanke was renominated by Mr Obama. The Fed is supposed to stand above politics; ideally the appointment should have bipartisan support. If Mr Trump is not swayed by precedent, he might be convinced by a more practical concern: Ms Yellen's confirmation would be less fraught than that of other candidates.

Four more years

None of these arguments would carry much weight if Ms Yellen had not done a good job. But she has. She is decried both for having raised interest rates too soon and for being too cautious about the pace of increases. Yet instinctive hawks should note that inflation is still shy of the Fed's 2% target. And doves should acknowledge that jobs growth has been a healthy 185,000 per month since the Fed started to raise rates in December 2015. The Yellen Fed has found a decent balance. Mr Trump should decide now to give her another term. ■

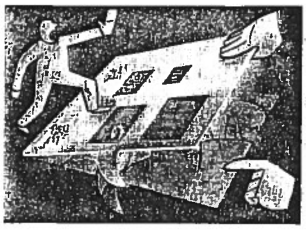
PROVA NON ESTRATTA

Summarise the following article in your own words.

Online regulation

Limited liability

The internet has grown up, and so must its biggest companies



ONCE the giants of the internet could do no wrong. Now they are a favourite target of politicians everywhere. Europe's finance ministers are discussing ways to increase taxes on digital services. Theresa May, Britain's prime minister, this week demanded that social-media platforms be able to take down terrorist material within two hours. In America Facebook's bosses must soon tell Congress what role users tied to Russia played in last year's presidential campaign.

Much of this is still political theatre. But not all. America's Senate is contemplating the Stop Enabling Sex Traffickers Act (SESTA), a bipartisan bill that seeks to deter sex trafficking by ensuring that the Communications Decency Act (CDA) does not protect online services, such as Backpage.com, notorious for making money with sex-trafficking ads (see page 54). Should the bill pass, a wave of lawsuits against social-media platforms is likely to follow.

SESTA highlights a growing problem with which many governments are grappling: how online firms should be held liable for illegal content that is published on their platforms. From October, Germany will require firms to take down hate speech and fake news within 24 hours, or face fines of up to €50m ($60m). Yet the debate over SESTA is especially important. It could end up being the model for other areas, chilling free speech and innovation.

If the internet and some of the firms it has spawned have taken over the world, this is the result not simply of entrepreneurial brilliance but also of an implicit subsidy. In America and Europe online platforms have until now inhabited a parallel legal universe. Broadly speaking, relevant media laws—in particular the CDA—exempt them from liability for what their users do or for the harm that their services can cause.

This made sense in the early days of the internet, when it was still a sideshow. Ruinous lawsuits might have crushed then-infant digital ventures. But today online firms have come to dominate entire industries. They can also no longer be considered neutral conduits for information, like telecoms carriers. Facebook's algorithms, for instance, determine what members see in their news feeds. The words and deeds of online ghouls have consequences in the real world.

SESTA has a worthy aim. Yet it is too broad. It greatly expands the definition of enabling sex trafficking, including ten actions, from advertising to transporting. It would also let state attorneys-general and civil claimants sue online platforms. A deluge of lawsuits is likely. In general, big tech firms can afford such programmes, but startups may face bankruptcy. Both will want to avoid trouble by erring on the side of safety, curbing free speech.

Web-friendly

Rather than attempt to define precisely what material is banned—which invites arguments—the law should instead require firms only to follow a reasonable, transparent process by which they decide what to take down. That would cover sites like Backpage.com and limit potential lawsuits. It should take into account differences in size. Smaller firms could be held to a different standard, depending on their resources and business models. Widely accessible sites could be more tightly regulated than those with a restricted audience.

The drawback is that this turns online firms, especially big ones, into arbiters of acceptable speech. But it would be preferable to a series of all-controlling, SESTA-like laws, which could ultimately turn them into regulated utilities (see Schumpeter). To avoid that fate, they need to realise that, as the dominant actors of the digital age, they bear special responsibility. ■

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