

IL BOLLETTINO IS BACK

THE ITALIAN-AMERICAN LAWYERS ASSOCIATION OF LOS ANGELES (IALA)

The Overnight Making of a Multinational

By Sassan J. Masserat

Italy currently ranks as the eighth economy in the world, by GDP1. In spite of prevalent pessimism, there is plenty to celebrate and be proud of.

Historically, most people associate Italian global brands with the widely known

“popular” brands such as Luxottica, Ferrero, Fiat/Ferrari, Barilla, Geox. Popular misconception notwithstanding, there are plenty of Italian

companies which boast transatlantic operations (AnsaldoBreda, Beretta, Danieli, Eni, Generali, Iveco, Pirelli, Telecom, UniCredit, etc.)

A multinational corporation is defined as “[a]n enterprise operating in several countries but

managed from one (home) country.” By definition, Eataly is the new kid on the block: it operates in a dozen countries, is centrally



IALA Past President Salvo awarded the MetNews 2018 Person of the Year

managed out of Italy, and it therefore qualifies as a multinational.

The striking phenomenon is that Eataly has joined the multinational club in the span of a decade – in business parlance,

President's Messagio

Welcome to the Italian American Lawyers Association!

Founded in 1977, we are a group of lawyers practicing law in a variety of ways and in a variety of fields.



Our membership requirements are that you have to be a lawyer, of course, or associated with one - but they really boil down to these: You have to either be an Italian, know an Italian or like Italian food. Any one of those and you are in! We are a diverse and welcoming group.

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an incredibly short period, particularly relative to the longevity of the club's older members. Eataly's proliferation of stores across the globe is nothing but extraordinary: over 20 locations in almost every continent –each location per se a conglomerate of a dozen stores and concepts, offering hundreds of brands. Not bad for a privately held company that is proving to be unstoppable. In fact, Eataly is opening more locations across the globe and plans to go public in the near future.

Eataly's New York location is reported to have earned \$80,000,000 during its first year of operation. While an impressive figure that is no doubt due to New York's reputation as one of the most-visited cities in

the world, the gargantuan Century City (Los Angeles, California) location is not likely to disappoint: spanning over three floors within the newly remodeled crown-jewel of the Westfield Group empire (which carries a price tag of over one billion dollars), the affluence of the area, combined with the growing rate of tourism, promise to bring extraordinary results to the group. Needless to say, it helps to have the backing of iconic figures such as Mr. Batali and the Bastianich family, but it is the pure genius of Eataly's founder, Mr. Oscar Farinetti, which created this remarkably simple yet innovative and impressive concept.

Aside from financial milestones, the end-result

is an exquisite presentation of cuisine and artistic gusto that should be yet another reason for Italians to stand proud. Bravissimi!



Sassan J. Masserat, Masserat Law Group

Disclaimer: the views expressed herein are those of author, a lawyer and management consultant dealing on a daily basis with legal, business and governance issues involving foreign (mostly Italian) businesses and entrepreneurs, and who is admittedly affected by Italophilia.

ITALIAN ELECTION & THE GLOBAL RISE OF POPULISM

By Federica Dell'Orto Hadar

The Italian March 4, 2018's election saw the Five Star Movement party gain the majority of the votes both in the House and in the Senate. The party had a great success all over Italy, but obtained an especially overwhelming result in the South. The Lega

party is the other big winner of this election, reaching its historical maximum, overcoming Berlusconi's Forza Italia and becoming the first party within the center-right coalition. The Lega obtained most of its votes from the North of Italy.

The Italian elections were announced as a significant test for the whole European Union, to verify the spread of right-wing populism and the growing anxiety amongst its population regarding the migratory flows.



Ms. Dell'Orto Hadar and other IALA Board members at the IALA 2018 Installation Gala

Italians voted to choose the new government in a climate of rage for economic stagnation and with the right-wing parties gaining more and more points in the country.

Much of the electoral propaganda of the Italian politicians was focused on refugees and migrants: almost 120 thousand have arrived in Italy in 2017 alone. Five Stars Movement, Lega, Casa Pound and Forza Nuova have always expressed their intention to stop the migratory flows.

The result of the vote, which showed the overwhelming victory of the Five Stars Movement and the Lega, testifies - as widely foreseen by foreign press - the strength of populist movements on the continent and their ability to find "mainstream" consensus. After the German chancellor Angela Merkel and French president, Emmanuel

Macron, defeated populist insurrections in their respective countries, Europe seemed to enjoy a truce from the forces that threatened its unity and its values.

This truce, however, was short. The parties that have had the greatest consensus in the Italian elections all share a certain degree of "Euroscepticism".

The Lega and its leader Matteo Salvini obtained about 17 percent of the votes, surpassing the other major coalition party: Berlusconi's Forza Italia. Matteo Salvini who was certainly not apologetic for the language used towards migrants while demanding their expulsion, reiterated his position on the matter many times during his political campaign and after the vote.



Ms. Dell'Orto Hadar at IALA monthly dinner

Merged together, the votes obtained by the Five Stars Movement, Lega and Fratelli d'Italia, paint a scary picture in Italy and outline a deep

frustration with the previous center-left government.

Since 2013, more than 600 thousand migrants have made the insidious journey from Libya across the Mediterranean to reach Italy. The huge number of arrivals has shocked many Italians and has created a fertile ground for the populist rhetoric of many politicians.

Berlusconi has defined the presence of illegal migrants as a "social ticking bomb" and promised mass deportations. In this climate, the electoral campaign saw violent clashes between right-wing supporters and anti-fascist protesters.

The growth of populism has its deepest root in the increase of social inequalities and in the growth of economical and identity insecurities.

These are problems that have been exacerbated in recent times by the surge in migration, which was itself somehow also caused by globalization and by the explosion of multiple military conflicts in Africa and the Middle East. The aforementioned problems have been dealt with differently in the United States, in the United Kingdom and continental

Europe, countries that have all - to some degrees- experienced similar concerns and political turmoil. Unfortunately, these issues have not been fully solved in neither the United States, nor in the United Kingdom, nor in continental Europe. The EU, in particular, has not put in place sufficient actions of social policy and has thus failed to deliver on its original promises.

The result has been the spreading like a wildfire, in large sections of the population, of feelings of social anger, acute resentment and disruptive rancor.



Full House at the IALA-LACBA Senior Lawyers Joint Event on March 27, 2019

Feelings of social rancor appear to be particularly strong in that sector of the population that sees its standard of living in sharp decline, or at great risk of a sharp decline.

To those with social rancor, the populists offer a scapegoat, an easily identifiable target against

which to vent ire and resentments of all sorts.

There is a tendency to propose, as a solution to the economic and social problems, a policy of closure. This explains the fact that populist movements are all opposed to open borders, participation in international organizations such as the EU or NATO, or the existence of supranational realities such as the euro.

After the Second World War and after the experience of the anti-fascist resistance, the Italian political system did not really have many opportunities for a spread of populism.

Only in the nineties, after the end of the cold war and especially after the Tangentopoli scandal, a political climate of agitation and populism started making its way into the Italian politics. This movement was much more widespread than in other European countries. Especially in the north of Italy, secessionist movements and parties like the Lega started receiving popular support.



IALA Board Members at the Nicolas Effect dinner on February 20, 2019

The successes of the Lega had created the right political framework and a favorable climate for the descent into the political battlefield of Berlusconi, who managed to use the populist rhetoric to gain incredible consensus. Similarly to those years, a climate of political uncertainty, economical difficulties and years of uncontrolled migration have awakened nowadays in the Italian people old feelings of populist nationalism. The idea of a European Union that does not properly represents the interests of its member states and does not provide adequate responses to the needs of said states, was a crucial factor in the rise of populist movements. The idea that no sovereign authority has been able to intervene and protect national interests, is a concept that has become so rooted in people's mind, that turning to parties like the Five Stars Movement or the Lega is only a natural reaction. This phenomenon though is not exclusive of Italy, and even if France and Germany were able to obtain

different electoral results, it would be foolish not to see the seeds of populism sprouting almost everywhere in Europe.

While we are going to be witnessing the developments

of the latest electoral results, it is essential to note that it will be crucial in Italy as well as in the rest of the western world, in order to avoid drifting towards more radical political scenarios, the ability to reduce social hardship and

economical insecurities as well as finding a way for citizens to connect with their Government while feeling adequately represented in their interests.

As a specialty bar association, our purpose is to promote our shared Italian heritage, enhance our professionalism and civility and share good friendships, good food, and good programs. Our dinner meetings allow us to gather with lawyers of different types in a collegial atmosphere, while breaking bread with our friends and colleagues and active judges, who are invited to join us at no charge.

We invite speakers with an Italian or legal theme to make up our program each month, where we typically enjoy an entertaining and informative presentation while sharing our mostaccioli and dinner entrée choices of chicken, sausages and peppers or vegetarian eggplant.

We typically meet on the Third Wednesday of the month at Casa Italiana, the church hall for St. Peter's Italian Catholic Church, at 1051 N. Broadway, Los Angeles, in what was once "Little Italy" downtown.

In addition, IALA contributes to a number of worthwhile causes. Our own scholarship is awarded each year to a worthy law student (last year we had 21 applicants and a \$3,000 scholarship was awarded to Mary Ann Boulton of La Verne Law School). We sponsor or co-sponsor numerous bar events and donate to charitable funds or organizations throughout the year. However, our monthly gatherings and contact with fellow lawyers -- both for social and business referral purposes -- is our primary benefit. The cordial and welcoming atmosphere has made IALA one of the best little bar associations in town.

Your membership dues are important. While we broadcast announcements to an extensive e-mail list and we invite all comers to attend, the membership dues you pay each year are extremely important to sustain the organization, and pay for basic operating costs, like maintaining our website and other social network outreach.

Please join us. See you at the Casa!

Gregory M. Salvato, IALA 2019 President