

## INTRODUCTION

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The economic crisis we are experiencing is severe, not easy to interpret, and is accelerating a more complex transition process of economic geography and world politics. In 1995 Ben Bernanke defined efforts to understand the causes and mechanisms of the Great Depression of the '30s as the 'Holy Grail of macroeconomics', and while on the one hand in his role as President of the Federal Reserve his knowledge of those difficult years has made it possible to avoid global financial collapse, on the other it has been unable to prevent the force of the crisis from causing significant economic imbalances, particularly in the labor market, with long-term unemployment reaching unprecedented levels. The American crisis, because of its size, has infected the global economy and in particular Japan and Europe, whose economies have increasingly aligned themselves with the process of lending without rules, which is at the root of the economic crisis. We know from historical research that financial crises are long and difficult, and the current crisis, often referred to as the Great Recession, seems to be following a known path: it no longer seems to be a stretch of the imagination to make parallels with the Great Depression, in terms of the problems that are arising. However, there are also differences. The Great Depression resulted in the Second World War, while today the attitude of the governments of the major economies is not opposition and confrontation, but rather a search for common solutions, because searching for cooperative solutions is the only alternative to open conflict. Rather, a reorganization of national systems over large areas can be observed, together with mediated forms of protection of the domestic economy. The crisis is rapidly changing the world economy and in the meantime it is clear that we have not yet reached the lowest point of the cycle. The crisis has now hit Europe and the euro, making what was once unthinkable thinkable: the question of Greek public debt initially, and now the debts of Spain and Italy, have become the new issue in a crisis that has entered its fourth year since the first signs in 2007 in the United States.

For these reasons, the International Journal of Social Sciences has decided to devote three special issues to the global downturn, with the aim of contributing to a cultural debate able to produce new ideas, not unlike what happened in the '30s, when the force of reason and events resulted in new institutions, on which the success of the economic miracle after the Second World War was founded. This issue of the Journal is the first in this series and features republication of the acts of a conference which I organized in November of 2009 with 'Giordano Dell'Amore' Observatory, whose theme was the economic crisis. The contributions seemed to us to be of particular interest due to their quality and depth: in particular we have re-

published the speech delivered by Robert Rubin, Secretary of the Treasury in the Clinton administration, who has played a decisive role in laying the foundations of financial liberalization in the last ten years, and who lucidly identifies the core issues of the current situation. Three articles are transcribed from oral presentations, rather than being presented in the normal form of papers, because this gives the reader a sense of the immediacy of the arguments and debate, which would be lost in a technical presentation. Two contributions are instead presented in the form of papers, both because they touch on technical aspects at a legal and institutional level, and because they represent a necessary integration with European issues. It is indeed interesting and significant to observe how the question of European public debt, as a possible consequence of the crisis and potential source of reverse contagion towards the United States, had never emerged during the debate. It is becoming ever clearer how the current crisis is reshaping not only the world's economic geography, but also the economic categories of how to interpret it.

The next two numbers will be dedicated to a selected collection of articles published in this review, the Italian Journal of Social Sciences (RISS) during the '30s and '50s, translated into English. This initiative has two objectives: firstly that of publicizing in Italy and abroad the ongoing debate among Italian economists during the '30s, selecting those items of the RISS, which in the opinion of the editors, better represent the quality and depth of topics discussed. At the same time the aim is to provide knowledge of the Italian economic situation in that period, which is not as well known as is the case for other countries; as in the United States, it was during those years that some of the institutions which permitted growth after the war were conceived. The aim is to recall, on the historical and intellectual level, that in its history Italy has already been through a similar period of great economic and social difficulty, and been able to overcome these obstacles.

Just as with the special issue on the '50s that will follow, we aim to present a concrete and positive example of how Italy was able to overcome that very difficult time, reconstructing the country using its forces of labor and entrepreneurship, supported by an intelligence and ingeniousness that have always come to the fore in difficult times. Excessive leverage is the origin of the current crisis: financial engineering can help overcome the European crisis, but it should not be forgotten that in the spirit of those who set up the current European institutions, the basic objective was that of a Europe at peace and without conflict, and if this has a price, it is worth paying. However, as soon as one reflects, it is clear that what is lacking in Europe is not a monetary guide: money is not short, but often there is a shortage of ideas; history teaches us that in this aspect Italy has never been seen to be lacking.