

Original Paper

Thematic Questions on Economic Theory and Sustainability

Vision

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Abstract

The thematic issues on sustainability presented in this article are essentially two: Primus, the classic development line of economies moves in a direct line and with a cautious slop in respect of the least damage of nature. Second, the importance of the community or rather of its majority, at the level of individual countries and at the global level, in the role of holder of responsibility for the survival of life up to a distant future. It follows that the alterations that govern the economy (the economic cycle and its handmaids, inflation, and deflation) are alterations due to errors in the management of human activity. Alterations which are symptoms of diseases but also cures to bring the economic system back to path of linear growth. So, deciding to oppose these anomalies can be a serious mistake like giving up medicine because it is bitter. The function of the majority in a community can be essential for a gradual return to the classic path of development. The majority it is the anticipated perceiver of the state of the cycle, whose evolution, for the better or worse, depends on the moods, favorable or pessimistic, on the prospects. In other words, it is always the majority who anticipate, with the yardstick of consumption and investments in program, the decline or recovery of the cycle, which will be sanctioned later by the statistical data. Having said this, it's not just suggestive the hypothesis that the cyclical and monetary anomalies are connected, according to the anthropic principle, to the laws of nature that allow life on the planet; but they also oversee in some way to development of the economy, that is, of life in our galaxy. On the other hand, how do the disturbances that shake the economy develop? What entities or laws control them? Above all, they have always the usual repetitive shape over time. Tools also for the care of the economy and for the maintenance of life.

1. Introduction

When we bring up the issue of sustainability, the relationship between life and nature comes into play. Nature understood as a place of resources that are needed for life but also as a source of influences that are reflected on life in any case, with a double advantage for both actors. Now regarding the resource report there is general agreement about the limited nature of the amount of resources available. And on the obligation to avoid waste which means depriving future generations of resources available today. In summary, don't throw away but recycle, so that the long season of life can continue. But even more important, although still in the shadows, is the theme of active behaviors of the environment around us, not only therefore of our lovely planet.

It should certainly not come as a surprise if it is stated that there are undoubted relationships between the environment and intelligent beings. We are certainly not dealing with invisible creatures (such as: fairies, gnomes, elves, goblins, characters with secret powers), which can at best be hypothetical images, which idealize the relationship between humanity and nature. Nonetheless, there is no doubt that these relationships exist but, so to speak, they are impalpable. Of course, it can be excluded that nature can dialogue with living beings, but it certainly cannot be denied that over billions of years the conditions suitable for the survival of life up to us have been created in our natural system. And that it must continue up to future generations.

Brander Carter noted that ...even if our situation is not "central" (Note), an apparent obviousness was affirmed about the anthropic principle: "the universe and its laws cannot be incompatible with human existence." This statement claims that the physical laws that govern the universe are the quantum necessary for life to develop. Well, the life of intelligent beings certainly needs resources to survive; however, these resources must be manipulated to allow for the spread of increasing numbers of intelligent beings. So physical and matter laws suitable for life which, as it were, "collaborate" with the physical (and intellectual) resources made available by science and human research. A combination that seems to offer a congenial adaptation to life and its diffusion.

As if to say that the research and science of intelligent beings are necessary requirements, without which not only the survival, but the diffusion of intelligent beings could not take place. The problem that arises, therefore, is the potential relationship between the natural rules that govern life and research and science as co-actors for the survival and development of the human species.

This is to say that, if there is a relationship between the human being and nature for the survival of life, there is no doubt that in the same way there must be a relationship between the tension (instinct) for survival and the tendency of men in research activity. That is, an important chapter of the survival of human beings and of life on the planet in general must be "written" by science and research, in all directions of knowledge. Therefore, if the task for the survival of humanity is entrusted as a natural right to the community (indeed, to its majority), the factor which favors the solution of this task lies in the intelligence proper to the human being.

The community therefore has full responsibility for life but jointly nature is not neutral, but plays the role of natural assistant who cooperates in respecting this commandment. Now since the universe has privileged physical characteristics for life on the planet, as Carter claims, the presence of intelligent beings who look and try to imitate nature can only play a fundamental role. For what? Meanwhile for life. For survival itself, the development of life needs to be in tune with the rhythms and potential of the nature that surrounds us. As if to say that without science and research, which investigates the rules of nature and the potential of life, the very ability to survive, but above all to proliferate, could be compromised.

In other words, research and science hold the key that leads us to investigate the relationship that exists between human beings and nature. In this context of mutual exchange between nature and humanity, research and science have the task of modeling, in the meantime, the theme of the development of human beings, so that development itself moves on the wave of the least possible damage to the environment surrounds us. Furthermore, science and research can always lead us to the condition of total neutrality of our presence on the planet. This distant but not too distant goal gives us an indication of the opportunistic direction of research and science. A medium-long term objective, which captures the mutual and convergent interest of humanity and nature. But this configuration that brings together, in a common sphere of interest, human intelligence, survival of life and nature has a common convergent destiny, which is assumed will be written over time. In other words: Knowledge, but why? We can imagine that the relationship is governed by a mutual interest between nature and intelligent life, on this planet in a remote corner of the Galaxy.

On the other hand, it cannot come as a surprise the thesis that some of the rules that make this universe habitable and livable, and our earth in particular, can also be applied to the economy and in general to events related to human activity. That is, they have a specific importance for promoting the survival and diffusion of life on the planet. According to the Strong Anthropic Principle: "The universe must have properties that at some point in its history allow life to develop within it". The theme of the development of life, however, does not only concern the physical and material conditions of the planet that welcomes life, but can and must also include the theme of the activities that man "economic" carries out to procure the means of subsistence, intended broadly speaking. Therefore, the adverse or concordant phenomena which disturb or push humanity on the wave of a development of its activity on the planet, driven by science and research, could likewise be accompanied - so to speak - by some concordant properties (laws) of the nature.

Now it is clear that some phenomena affecting the economy show that they have not only the character of recurrence, without differences in space and time, while it remains difficult to identify the engine of the phenomenon. Or to put it briefly, the *deus ex machina* of the economic phenomenon, repetitive and often painful, in a community is the management (bad or good) of the government of the economy. And with it, the active participation of the community or its majority in its natural role of being responsible for the survival of life. Yes, that is fine. But why does bad management create anomalies and

uncertainties that last over time? Or do they get worse without a knowable quid having set the change of scenery in motion? That is, it is not enough to say that, when certain conditions occur on the markets, we have the possibility that one or another of the phenomena affecting the economy will arise. There is always the question: “who and how it has selected the alteration of the economic scenario and why?”

2. Method

2.1 The Economic Development Is Compared or Perhaps Photographed by Position That Assumes the Price Line

At this point, we may agree with the thesis that claims that the same rules that govern physics and matter can in turn be laws or rules that can also regulate human activity and always with the purpose of protecting life. Ergo, they are laws and rules that help to make survival possible and, together, not overweight for the mistakes made by the leadership in the management of the economy. So, two almost axioms. These universal constants that play a role in the management of the economy, that is, of our survival, must be considered an advantage and not a detriment for management. This means that it would be appropriate - in general - to let it operate according to natural indications, even if economic phenomena can be the result of multiple situations and equally alterations. Apart from these complexities, we can say that it is inappropriate to take positions in contrast with the natural order, because there is the risk of suffering an incisive worsening of the complex situation in progress.

We have already said in a previous work (Cossiga, 2010) the classic number close to 2% in the price system, considered by central banks to indicate the optimal condition of the economy, must be considered a universal constant of the economy. In the sense that this number on the price scale is both a goal and a utopia. Utopia because it is not reachable in the current state of science and research. In fact, it is the fixed and standard value it assumes in a condition of absolute neutrality of our presence in the natural environment. Not reachable for now but in perspective it is a possible goal, although not yet within reach.

On the scale of prices from zero to even a very large numerical entity, our adventure on the economic level unfolds like in a film, with an eye to neutrality with nature. In fact, on this line that starts from nothing and can reach high value, when the derailment of the economic system is great, our current adventure in the world of economics is essentially transcribed.

In fact, the monetary anomalies of the economic system that often accompany our story are articulated on the price scale essentially between zero or even on negative values, when the economy system is strongly disbanded and travels in “deflation”. That is, when the constant number is close to 2%, we can say that at present we are close to the conditions, optimal for now, which may coincide with constant growth and the least damage to nature. Overcoming this limit, we have fallen into the orbit of “inflation” which - like a comet - accelerates the race in relation to the condition of the economic system at the appearance of the monetary anomaly. As if to say that the deterioration or amelioration of the economy is signaled by the race of prices in an accelerated increase or in a slow decrease. The zero in the

sequence of numbers of the price system is also characteristic and significant. Not only because the health condition of the economy in the hypothesized case of absolute neutrality for now is not marked by zero but by a number close to 2%, generically defined by central banks. In truth, we are not able to measure it, but in the meantime, we can accept that absolute neutrality shall be greeted by a constant and universal number close to 2% and not by the base number (zero).

All this to say that it is certainly not an anomaly or a novelty to call into question the universal constants to orient us in a world that is anything but messy and without direction, but on the contrary well-ordered and with a firm economic direction. Which is defined as optimal and possible, in the current context, by constant growth without monetary alterations and the least damage to the developing nature. When economic systems have lost the compass of the correct direction, nevertheless all the anomalies that the economic system can undergo are recorded on the axis of the price system. To signal the state of alteration and fever that can affect them (inflation or deflation): but not only for the measure of economic anomaly. But as we have said, also to indicate the way out of the maze of difficulties into which weak or too intrusive leadership has led the economy. How?

In general, we can admit that the indications are defined directly by the economic system, which develops along the lines of the conjuncture, when we have derailed from the classical path. In other words, the economic situation and its rising and falling rhythms on the path of development (attenuated) are a sort of path to follow to rediscover the path of classical growth with the necessary gradualness (constant and with less damage to nature). This signal about the path to follow, indicated by the economic cycle, may not be decisive and may require additions; however, it should not be waived, going against the tide. In this last case, all the conditions - indicated in the form of cycles and monetary anomalies - could undergo a heavy and serious alteration. That is, in essence, the line to follow to get out of the derailed path becomes more difficult and very painful, to the point of provoking the absurdities of inflation in Germany in the first post-World War II period and the deflation that suffocated the economy in the thirties of the last century.

As if to say that the line of development of an economic system is compared or perhaps photographed by the position that the system assumes on the price line. So that moving away from the universal constant number close to 2%, with increasing values, signals the run into a theoretically increasing inflation, due to the acceleration, which characterizes inflation. Otherwise go towards values lower than the classic indicator close to 2%. if not negative, it means that the economy is subtracting the value on the price system (deflation).

IF we have passed into deflation, it indeed reacts from a certain point with a quantum of historic inflation. It then begins nibbling down positions on the price scale with a slow initial speed. Giving the feeling that the initial inflation core is decreasing and therefore approaching the classic value close to 2%. To then slip even below. Well, this false improvement in the economic condition of a system is extremely illusory and disjuncting. When did it recently occur? Well, just few years into the second half of the first decade. It is the period during which the subprime mortgage crisis matured, which had a

global evolution and ended with the serious financial crisis of 2008-2010. Well, during the formation of the speculative bubble - at least from the first five years of the last decade and which lasted until the bursting of the bubble in 2007 - prices equivocally remained around the constant number close to 2%, to rise to 3.5% at the peak of the bubble. They then fell, during the financial crisis, becoming sharply negative and then finally manifesting deflation, hidden until the crisis erupted.

All this to say that the apparent weakness in falling prices is a falsehood, an illusion, because deflation, in order to fully manifest itself, must first demolish the historical inflation of the systems and absorb the rise in international prices (such as the increase over \$90 of oil and commodities took off in the phase of iper-speculative excitement). All factors that otherwise stimulate a mont èe of prices. Instead, due to the enforced depressed trend of deflation at the time of the speculative crisis, prices remained teetering around 2%. A classic clin d'oeil or false image that complicated the narcotic condition that seizes during the phases of hyper-speculation.

We have said that the altered paths of development, with the economic cycle and the maids of the cycle, deflation, and inflation, are essentially paths traced by the universal constants of the economy to try to get out of the deviation as well as help the economic systems return on the classic path of growth (constant and less damage to the economy). Well how to justify the alteration of economic life that leads to the narcosis of speculation in systems that tend to be deflated?

Meanwhile, we can say that the errors at the time are to be attributed to economic policy and above all to monetary policy. Central banks did not take the necessary precautions in the face of the inflating speculative bubble. Instead, they were all involved in the vortex of an improbable limitless development, which feeds and narcotizes operators with a speculative attitude on the way to an impossible limitless growth of assets. The natural mechanism does not seem to oppose this collective catharsis and relies on the dreadful ending (the rupture of the speculative bubble), which will lead to the inevitable conclusion of the phenomenon. With damages that once again are poured on the real economy; while the distressed systems move again, unfortunately with increasing difficulties for less fortunate communities, on the path of correcting excesses. And, that is, on the way back to classical growth. After the bizarreness of a collective fantasy without substance, it crashes against the wall of reality.

As if to say that when the economic system reaches the point of maximum distance from the classic value close to 2%, which corresponds to constant growth and with less damage to the economy, there is the risk of the complete dissolution of the economic organization. We are close to an irreversible point of degradation with serious risks for the survival of intelligent beings. At this point, the natural system responds with a return to reality, which corresponds to the financial crisis and the inevitable correction of serious errors.

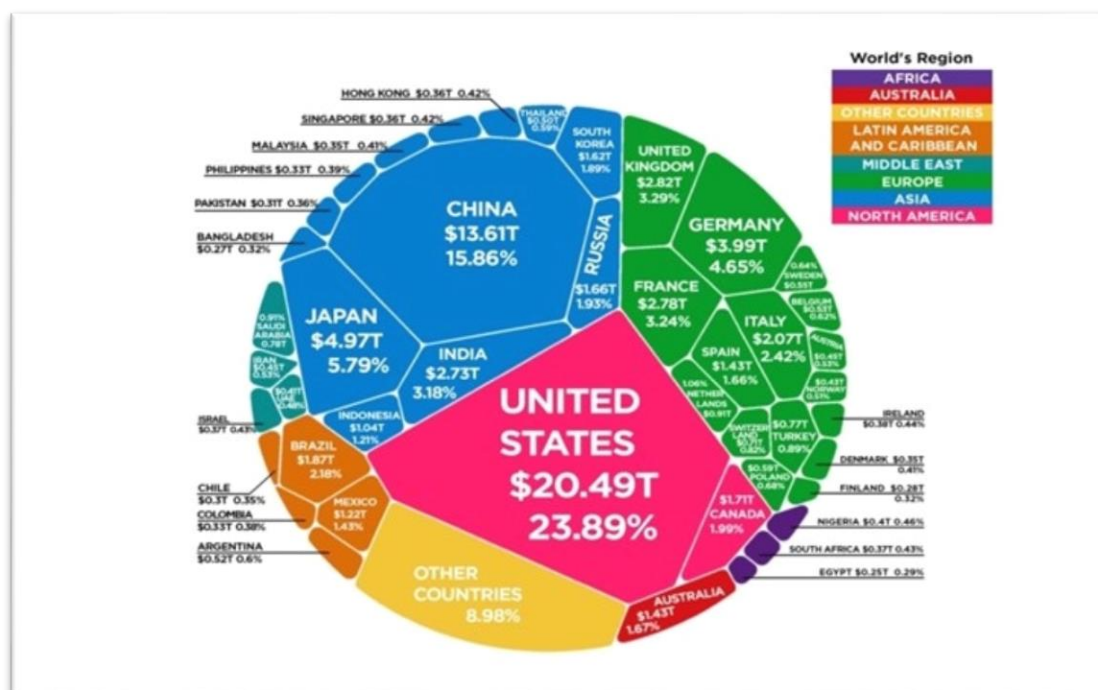


Figure 1. Distribution of Wealth, in \$ and in Percent, among the Main Countries and Areas of the World

Source: [GoBizNext](#)

The question on the extrema ratio of the system in the face of the potential catastrophe takes us almost to the limit of reality. Experience tells us that the engine of hyper-speculation is activated in times of deflation. This is a period of uncertainty, which began at the beginning of the century, after the long battle of inflation of the 60s-70s and 80s, followed by a period of inflation under control and of sustained growth for the USA and some areas of the Asia (China and India). How and why, we moved from a period of widespread inflation to a subsequent and current period of equally widespread deflation was partly adumbrated in a recent article of mine. (Cossiga, 2023). The issue now is not so much the transition from the first to the second monetary anomaly, but the dangers that this condition (deflation) hides.

At the base there is the possible deception for the apparent tranquility of the prices, which we talked about previously. This is the fertile ground during which the antisocial distribution of wealth and incomes is accentuated. Great wealth is accumulated in the hands of a limited number of people to the detriment of the middle classes and the poor (increasing), with a rise in selfishness and social anger. The opposite of solidarity and mutual understanding, a pedestal for constant growth with less damage to nature.

The line of the price system on which all the potential alterations of the development of the economic systems grow, with a rapid numerical datum, offers us a synthesis model of the behavior of the natural

mechanisms, which assist in the survival of life on the planet. It is an index of essential information that communities have about the state of economic activities. An index that with an extreme synthesis provides the community with general information, from a to z, from the almost optimal condition with the approximation of the constant and universal value close to 2%; up to the expansion, from a minimum (over 2% and more) to a maximum, which marks the maximum declination of inflation, and finally the decay of the index close to zero and below, with negative values.

2.1.1 Some Considerations on the Severe Financial Crisis of 2008-2010 and the Intervention of Economic and Monetary Policies

All of this is to say that the community receives short but comprehensive messages on the current scenario and on-going prospects. Indispensable to community for conducting one's role as absolute holder of the reins for the survival of life in every possible condition. Even the most absolute of autocrats cannot govern if the collectivity is against it on all fronts. Democracy is a model in which the emergence of the personal freedoms of individuals and communities is highlighted, which dispose of specific powers in matters of economic governance. There is still work to be done on this road. Especially in relations between states and communities, the matter of relations with foreign countries, even in democratic states, is entrusted to governments and parliaments, without a specific delegation from the community. Being the arbiter of life for subsequent generations, the collectivity must be the sole and non-delegable holder of power in relations with foreign countries. Unfortunately - prey to the variable rhythm of economic cycles and worse to Inflation and Deflation - the economies are cause of heavy economic and social repercussions that incite selfishness and social distance. Against the mutual tolerance and solidarity that must instead regulate the social relations.

But I would say that even in authoritarian regimes, it is to be excluded an adventure of power that takes place in total disagreement with the community. This is to say that its vital functions, even reduced to a minimum, are always and in any case on the head of the community. How, on the other hand, it should be excluded that the control of the press and information by autocratic governments could derail the community from the functions of regulator of survival. Indeed, there is no doubt that a minority of activists, profiteers or simple adherents can be on the side of the dictator and his choices. However, it should be excluded that a majority of a community can be prey to a snake charmer, i.e., a dictator who bends the decisions of the majority group to his advantage and judgment. For the simple reason that a dictator might have no scruples about the death of citizens in war. An eventuality that instead appears implausible from the point of view of a majority which instead is invested with the survival of generations in the future.

The majority is the pivot of democracy, a terrain on which it must make progress in the social and economic fields as well as in the relations between majorities of the different communities. On the assumption that the majority of the community is the spokesperson for nature, with mutual responsibility, in the task of safeguarding the survival of life. Well, let us think for a moment. Well, if we observe the state of the economy, we realize that if the economic cycle changes for the worse, this

deterioration can occur under one condition. That is, that the majority agrees and therefore changes their consumption and investment expectations. This obviously before the synthetic indicators (we talked about it earlier) can show the decline in the economic cycle. In the same way, if things are going better, it will always be the community first to change its prospects and actions for improvement long before the indicators take note of the positive news. As if to say that the attempts of governments to influence the current economic order, with support maneuvers, they have little chance of success unless there is a parallel agreement within the majority.

The majority is the pivot of democracy, a terrain on which it must make progress with authority in the social and economic fields, as well as in the relations between majorities of the different communities. On the assumption that the majority in the community is the spokesperson for nature, with mutual responsibility, in the task of safeguarding the survival of life. Well, let us think for a moment. If we observe the state of the economy, we realize that if the economic cycle changes for the worse, this deterioration can occur under one condition. That is, the majority in the community agrees and therefore changes their consumption and investment expectations. This obviously well before the synthetic indicators (we talked about it earlier) can show the decline in the economic cycle. In the same way, if things are going better, it will always be the community first to change its prospects and actions for improvement long before the indicators take note of the positive news. As if to say that the attempts of governments to influence the current economic order, with support maneuvers, they have little chance of success unless there is a parallel agreement within the majority.

Thus, the United States, at the outbreak of the severe financial crisis of 2008-2010 - a debacle not far from the one that hit America and the world in the 1930s in last century - had relative success in containing the development of the crisis and recovering so the development, for at least two reasons. They let the economic system suffer a cleansing recession for more than two years after the long period of hyper-speculation that preceded it. Recession is in fact the natural tool to correct the economic system, which has undergone deviations from the constant development trend and with less damage to nature. Deviation which in the case under examination was one of the most serious: the deleterious contamination of deflation which had determined the state of progressive narcosis of the operators who, due to this intoxication, abandoned themselves to the improbable confidence of an endless growth.

Secondo motivo. Hanno consentito il ricorso ampio e diffuso alla politica di sostegno dell'economia a cominciare dalle famiglie che per la crisi dei mutui subprime avrebbero potuto perdere la casa per la conclamata incapacità di pagare le rate di mutuo; nonché con l'aiuto finanziario alle grandi compagnie para-pubbliche (Fannie Mae e Freddie Mac) per evitare il potenziale fallimento delle strutture che soprintendevano al mercato dei mutui. Il dispiego di mezzi pubblici per contenere la catena di fallimenti scatenata dalla crisi dei mutui è stata causa dell'aumento del debito pubblico americano di circa il 20% del GDP; aumento in qualche modo consentito dalla consistente riduzione dell'indebitamento USA durante la gestione negli anni Novanta del Presidente B. Clinton.

A case study that shows the possibility of interventions by the public hand, even of unusual dimensions such as the one implemented to contain the heavy effects of the post-2008-2010 financial crisis recession. In the case of the mortgage crisis, however, many Western countries also made extensive use of public money to mitigate the deep risks of the crisis. In the case of the USA, in particular, the recession in the two years following the bursting of the speculative bubble was however sufficient to give breath to the exhausted economy and thus allow recovery. Two years after the financial crisis, the unusually large public intervention did not therefore prevent the recovery of the system, subjected to the stress of a serious hyper-speculative crisis. In any case, a fairly rapid rebirth even though the simultaneous use of costly policies to support the economy seems contradictory - in an economy in deep recession due to the serious damage of the combination of deflation and big speculation. Policies that apparently seem to move in antagonism to each other.

A potential antagonism that has not occurred due to the intervention of supportive policies that have acted as shock absorbers for the economic decline. On the contrary, there has been no easing in the economic consequences of the crisis in the countries that have forcibly limited the breadth of the public purse, inhibited by financial fragility. This is the case of Italy, which suffered a fall in income of more than 5% in 2008 and a new decline in GDP in 2010, followed by a period of weak development. A difference justified precisely by the difference in the public contribution, very limited in Italy due to the heavy burden of public debt accumulated in past years.

What can we deduce from these behaviors? It is necessary to distinguish clearly between the phenomena, which involve a serious or very serious inversion or a normal slowdown of the economic cycle. When the recession is very serious, as well in the case briefly described, there is a double imperative. On the one hand, laissez-faire to the normal downward evolution of the cycle, which ensures adherence to the need for a pause, even a prolonged one, that the economic system requires to recover the damages suffered by the serious derailment of the system. Otherwise, it may become essential to intervene to rescue economic policy when a serious depression of the system derives from the operation of two concomitant phenomena - deflation and hyper-speculation - which feed the financial values irrational upwards. Therefore, it is always necessary to have the availability of substantial resources, in terms of public spending, to stem the deterioration of the economic situation. A support intervention of economic policy, therefore, appears justified and even necessary to avoid a heavy setback of the economic system under the blows of the double phenomenon, deflation, and hyper-speculation. Two interrelated phenomena, which are the symbol of the worst "risk of falling" into the so-called subworld.

It should come as no surprise that the presence of a normal inversion of the economic cycle may be incompatible with an aggressive economic policy in support of the cycle. Why? The reason is quite simple. In fact, in the event of a normal cycle reversal, the attempts by the government of the economy to avoid the period of pause and reflection of the cycle have the purpose of blocking the natural rhythm and not of attenuating the fall in growth. In other words, in the natural cyclical process, the next

recession is the cure that the economic system intends to introduce to remedy the anomalies of the system. A painful cure that can help return to the classic condition of constant development and with less damage to nature. In this rather common case, the defense put in place by the economic policy opposes the natural movement and therefore tends to neutralize it. In other words, the support implemented by the government of the economy in the latter case is far from neutral and substantially opposes the correction implemented by the natural mechanism. The serious drawback of this stalemate between the downturn in the (curative) economic situation and the reaction of the supportive policy is not only the elimination of the cure but an unexpected reaction in peius. That can not only worsen the decline in the cycle but can accelerate inflation or further depress the downward trend in prices (deflation).

This adverse hypothesis does not occur in the event of a severe financial crisis due to a combination of deflation and hyper-speculation, where the intervention of the economic support policy can be aimed, as far as possible, at attenuating but not absorbing the natural movement of the recession of the economy. Also, because the force driving the negative growth of the post-speculation economy is such that it cannot be stemmed by the counteraction of economic policy, even by mobilizing huge public aid resources. For the case of the USA, Germany and France can be seen in Figures 2 and 3. Countries, on the other hand without conspicuous public funds, experienced a sharp decline in economic development and, two or three years later, a relapse into recession followed by an uncertain and weak recovery. Different fate, therefore, for the countries that have implemented strong interventions to support the cycle, in which the recession has been more contained and the recovery more encouraging.

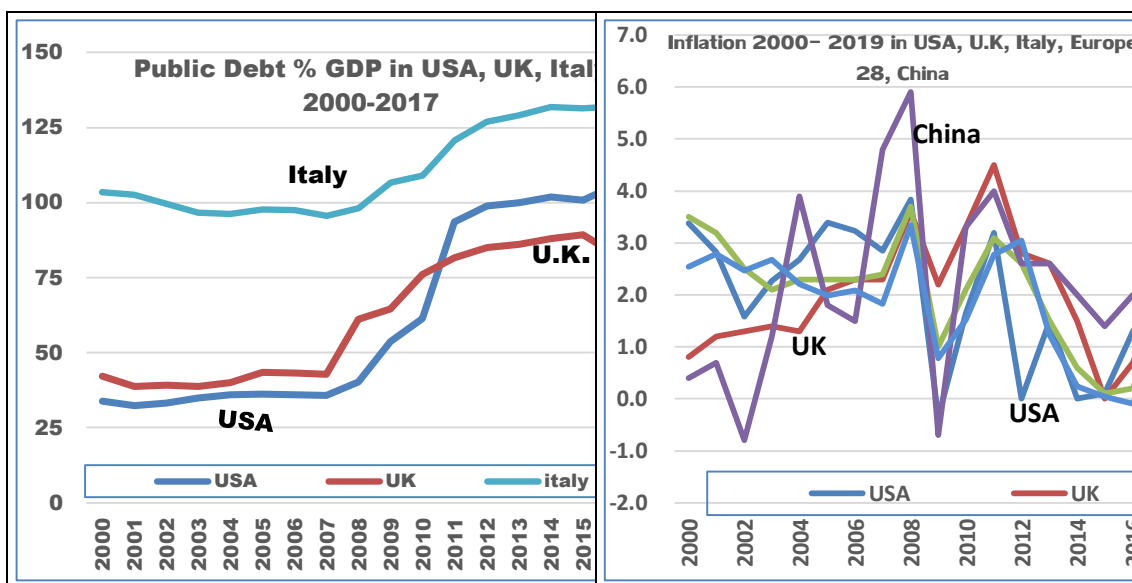


Figure 2. Public Debt in USA, UK, Italy and Inflation in USA, UK, Italy, Europe 28 China 2000-2018

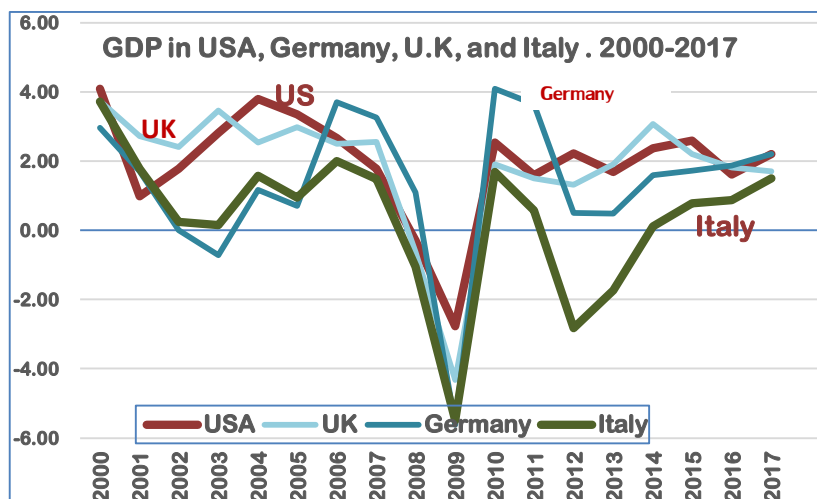


Figure 3. GDP in USA Germany, U.K., Italy 2000-2018

Source: Elaboration on data OCSE

In summary, we therefore say that the possibility of a reaction of policies to the natural movement of the economic situation and to the ongoing process of its handmaids, inflation, and deflation, can have a chance of success if it does not brutally hinder the natural movement of the economic system. And, thus, allows the natural process (recession) to continue unhindered. On the other hand, let us not forget that every change in the situation is the ante litteram daughter of the community's disposition in the mind on the state of the economy. Starting from the assumption that it is only the collective will that decides the motion of the cycle in the economic scenario. And the government of the economy cannot play against its own majority in the community, which, as has been said, is the only spokesperson for natural intervention in the economy. In the case of the formidable crisis caused by the combination of deflation and hyper-speculation, the story of the economic situation is congested by the alterations caused by the bursting of the speculative bubble, which add up to those due to the derailment from natural path of the classic line of development. In this case the deterioration of the economy and therefore the prostration of the activities is such that a timely and adequate support policy becomes necessary and indispensable to mitigate the terrible damage.

The crisis of the thirties of the last century was no different from the one we experienced at the end of the first decade of the 2000s. The substantial difference in the results of the two crises, the first with over a decade of irrepressible fall in production, the more recent after a two-year recession, it is explained by post-Keynesian interventions, still immature in the 1930s and massive in the first decade of the past.



Figure 4. Trend of Dow Jones Industrial to May 2018 to Feb 2023

Source: MarketWatch DJA

The dreaded problems for the economy, due to deflation, are at least equal if not worse than Inflation, although apparently less sensitive. Because the ambiguous scenario hides the danger of inciting the forces of speculation and creating, in a general lack of attention, a narcosis that leads to the dreaded financial crisis. The race of the stock exchanges and of the assets not supported by the market but by speculation, did not stop even during the serious COVID 12 epidemic and fueled the exploit of gas and oil prices and as well as of fundamental foodstuffs. As can be seen from Figure 4, the upward trend in stock market values (in the case of New York) has not stopped, with periodic relapses which for now have eluded the possible run-up to a new episode of speculative and narcotic acceleration.

We just have to cry. Obviously not. Although it is necessary to decide at the highest possible level on the adoption of fiscal measures and control of the credit market to curb the force of speculation. At the same time launching a convergent intervention by the community to put out the flames of deflation.

3. Result

3.1 The Architect of the Universe Before Us Could Be, Even Indirectly, the Regulator of Our Economic Life

The goal is always to achieve and maintain the classic, constant development and with the least damage to nature. At this point we can ask ourselves if we can accept and support that the laws of the universe, concerning physics and matter, are also reflected, and affected on the story of life and therefore on the issue of the economy. Now there is no doubt that the ailments that affect economic activity, and therefore life itself on the planet, are repeated over time and in space with the same characteristics (often negative) in the development path of mankind. At the same time, we cannot go back to a master or inventor who shaped those ailments, even if they manifest themselves due to the irrepressible ego of

leadership in governing the economy. On the other hand, we can also point out that the anomalies concerning the markets are not a damage but an indication, an address that it would be good not to ignore but to pursue *cum grano salis*. In other words, the appearance of alterations in the linearity of development - constant and with less damage to the environment - are above all stimuli for the community to actively take care of economic matters and give the necessary impulses. The same can be said of the two handmaids of the economic cycle, Inflation, and deflation. They are usually stimuli to correct the direction of the economy.

By hypothesis, we could consider them as an economic counter-face, of the same force of gravity. The weakest of the four forces that govern the universe could also have an influence on the development of human beings. On the other hand, the force of gravity - let's say - is the architect of the universe before us. And it could be, even indirectly, the regulator of our economic life. Perhaps we can also indicate similarities between the two forces: the force that shapes the universe and the direction impressed on the economy of human beings. Obviously, this is perhaps an oversimplification. Yet, consider that inflation moves along its path with an acceleration (which depends on the state of the underlying economy) that mimics the acceleration of gravity (9.2 m/s^2). It is not enough. Because the acceleration of inflation can accelerate if economic policy moves against the natural direction. In the same way, with all the necessary reservations, the force of gravity and its acceleration move in the case of proximity to a large celestial body. Even the phenomenon of deflation does not escape some analogy with the gravitational tensions affecting the matter around us. Thus, we can admit that the compression that the price system receives with the evolution of the deflationary phenomenon is none other than the parallel motion, also compressive, which slows down the speed of light due to large gravitational perturbations.

The hypothesis that it is the same properties of the laws of the universe that can also influence the human story of economic exchanges is problematic. As is the thesis that the development and life of humanity follows homogeneous natural orders and laws, but not coinciding with those that govern the universe. However, the problem of the influence of nature on the fate of humanity remains congruent.

It is problematic the principle of the essentiality of the laws of nature and thus the hypothesis that may be the same properties of the laws of the universe that also regulate the human story of economic exchanges. As well as the thesis that the development and life of humanity follows orders and natural laws that are homogeneous but do not coincide with those that govern the universe. However, the problem of the influence of nature on the fate of humanity remains congruent. Their pervasiveness is fascinating but not essential to justify the theme of the survival of mankind from now to the distant future. However, the very characteristics of the main tools for controlling alterations in the economy on the way to development are such as to justify the intervention of constant and universal laws. But as we have said, it is in any case to be excluded that our fate is in the hands other than those of humanity itself.

The idea that we intend to support is that all the actions that in some way articulate the scenario of the global economy have in common the orientation aimed at restoring constant growth and with the least damage to the economy. It can therefore be excluded a priori that the errors that lead to the cycle and, with it, inflation and deflation can drag us towards an unstoppable decline. Even the falls to the bottom of the subworld, such as the dreaded ones linked to the sirens that enchant bettors bewitched by the endless growth of financial assets, inexorably stop when the speculative bubble bursts. It is the ultimate defense that civilization holds to interrupt the speculative hangover that could lead to the unstoppable fall off the rails of the economy.

It is said that J.M. Keynes, on leaving the house, met the doorman of the building who was exulting over the gains on the Stock Exchange. Well, surprised and worried about the popularity of the financial game, Keynes sold all the securities he owned. A little story that would have happened on the eve of the very serious financial crisis of 1929 of the last century. A few days later the fall in the stock market began, until the accursed black Friday that started the long depression of the thirties of the last century. Then a serious and prolonged fall that would last until the Second World War. (Sargent, 1983).

All this to say that even for the grossest mistakes that virtual stock market sirens can create, there is always one ring to wake up from the narcosis of "limitless development", which in any case sounds like the end of anomalous adventure. Albeit with inevitable grave consequences. Thus, deflation and rising values in the financial markets are the result of narcosis among even a large minority of communities. An amazement of many that is finally brought back to reality by the majority in the community, which in such a way opposes irreversible degradation.

Why is the self-powered speculation tourbillon generated? We can argue that even in this case the managers of the whole are always the community and the unbridled ambition of the many in search of wealth; an alienation that arises in the community itself, but which paradoxically has the ultimate goal of solving the malaise that afflicts the economy struggling with deflation. Even if the last available resource is the speculative bubble destined to burst. An extreme remedy that still sees the community as the protagonist; initially due to the unusual supremacy of minorities who speculate and aspire to wealth. Thus, with the return to the field of the majority in the community, which postulates a go-back to reality and therefore to the healthy economy of solidarity and good neighborhood.

One can think of episodes that arise and dissolve by pure chance. But the regular and repeated cadence of the process - speculation/financial-crisis - which leads to the bubble and its bursting cannot be attributed to chance. Instead, we must admit that it is an extreme mechanism, I said, to resolve a deviation that otherwise could lead to the dissolution of the economy and survival. Or again that these mechanisms would not solve the issue of survival, but a last remedy to curb an industrial development that is seriously altering the balance of the planet. And therefore, a long pause in development would be necessary to ease the negative pressure that, as intelligent beings, we exert on the environment.

4. Discussion

In summary, the current global economic and social scenario shows insufficient attention to the dynamics and attributes possessed by the community. In particular, the majority of each community has the primary responsibility for the survival of future generations. Indeed, all the cures and transitional measures available to propel the spaceship of humanity and its economy are essentially attributes interesting the majority of communities to contain the errors of direction of development. Furthermore, the majority itself is the primary source announcing the direction of the cycle, which will then be recorded by the activity statistics. However, this collective entity, at the level of individual countries or globally, currently has only the power of criticism and inspiration for the leaderships in power. A power partially recognized in the democratic area of global society, but still quasi extraneous when it comes to relations with other communities, i.e., in relations with foreign countries. On the other hand, even in the democratic area the power of the communities is concentrated in the choice of leaders called to lead the government and the economy. Even in this case, albeit positive, it must be admitted that the enormous responsibility that rests on the shoulders of the community majorities is partly circumvented. If only because the global scenario shows many economies grappling with problems, such as the business cycle, inflation and deflation. An overview that contemplates situations, which confirm a reckless use of power in economic matters. Also, because it is carried forward, without appealing to the periodic consultation of the communities, which are entrusted with the task of maintaining the course of development on the path of constant growth with the least damage to nature.

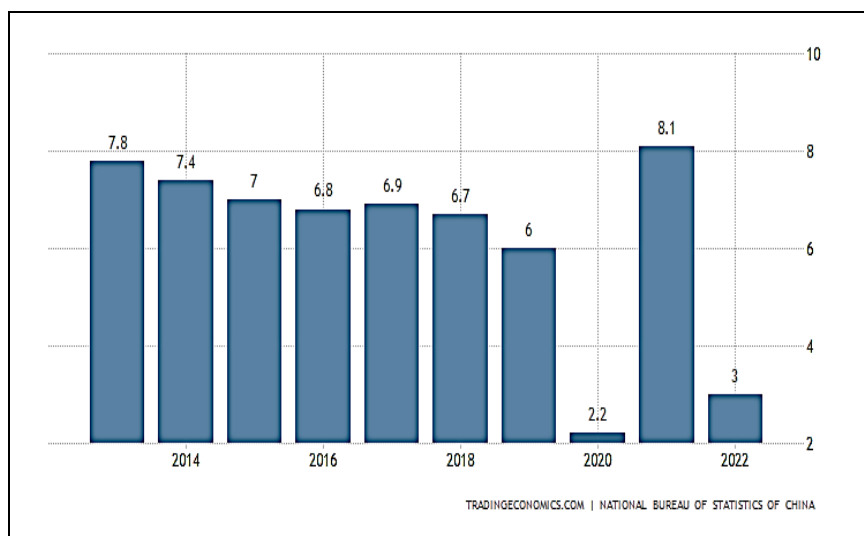


Figure 5. Trend growth GDP in China to 2014 to 2022

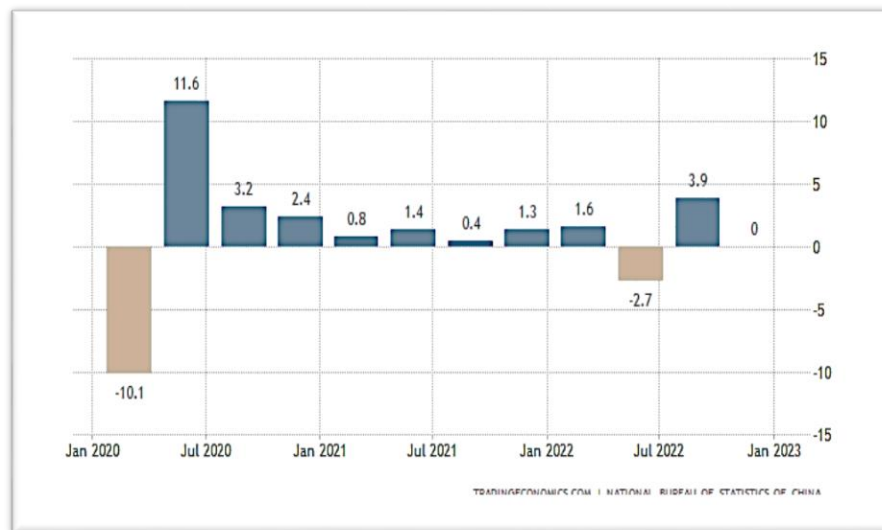


Figure 6. Trend growth GDP in China to Jan 2020 to Jan 2023

Source: Trading Economics

In the non-democratic area, in fact, the centralized power also avoids a periodical by listening to the opinion of the community and seems unfortunately to assert itself where the successful economic conditions have - so to speak - suffocates the demand for freedom of people (as in China). Now to say that these successes (the growth that accelerates at incomparable rates) could be attributed to the ability of autocratic governments is simply false. In addition, in this case we see the demonstration of the general trend of continents towards converging forms of development, with laggard continents and new players in Southeast Asia. In the meantime, the new protagonists appear on the development road for the recovery of levels of growth and knowledge starting from Africa. These are the result of modulated general tendencies - at times other than those of one generation - by the general laws that regulate the development lines of civilizations, according to the universal constants of nature.

The idea that globalization is turning, after having put China and India back on track as well as Southeast Asia, seems to derive both from the excessive duration of the rebound in the Asian area. Above all - I would say - the change of course of a new globalization is demonstrated by the decisive change in the political relations between the USA and the EU towards China. It can also be argued that China's prolonged and exceptional stage of development is in clear contradiction to the report on the environment. In the sense that the rule of classical development (constant and less damage to the environment) undoubtedly postulates exceptions, due to the paradigm of coordinated development between continents. This cannot fail to mean that the long period of rapid expansion of the Asian giant now postulates a pause in the acceleration phase, as a fallout from the environmental damage of an exceptionally long-lasting development. In addition to the economic tensions that are developing in China, such as the trend towards deflation and real estate speculation that has brought a giant in the real

estate sector (Evergrande, the largest Chinese real estate group) to the brink of bankruptcy. Even if the People's Republic has opportunely tried to curb the problems of real estate speculation, it will still not be able to renounce the financing of speculative excesses with public money, in any case not without serious repercussions. Unsurprisingly, centralized decisions about development in China this year are being made at a lower level than the average for the past decade.

The natural orientation towards a coordinated development of the continental areas moves according to long times compared to those of a generation. A time that doesn't seem predictable or measurable; we can only say that it cannot go against the needs of nature and the degree of contamination of the planet. Thus, the acceleration of development meets an inexorable limit due to the degradation of the environment, due to accelerated growth. It is therefore not strange, also because it is partly attributable precisely to the overcoming of that natural limit, the decline in China's development path and, consequently, the change in relations with the USA and the EU. Obviously, it cannot be successful the attempts of the People's Republic to support, in every possible way, the unusually high and incomparable pace of economic growth in the recent past. Furthermore, the natural tendency towards coherence in the path of development of the continents may not allow the leap that took place over the course of forty years to continue in acceleration. For the simple reason that the natural mechanism aims, if anything, to equalize, but not to create new differences in the rhythms of development of the continental areas.

All this to say that the natural movement to the potential homogeneity in the rhythms of development in continents and countries can also influence the great challenge for humanity's survival. These homogenizing tendencies tend, if anything, to reduce the causes of conflict between communities and never to provoke jealousy and interference between them. We could also reflect on the fact that the convergent profile towards studies and research, without geographical and temporal limits, of the different communities on a global level can be at the same time coherent with the convergent profile towards a homogeneous development of the continents. And also, that trends toward consistent homogeneity of territories, guided by constant laws governing the universe, they move together with the universe of intelligent life. Together to survive and investigate, we cannot exclude that they may have the cumulative effect of isolating and even ruling out anti-life behavior (conflicts and wars) instigated by the minorities of the collectivities.

Let us add that the community in democratic countries are gradually assuming powers of intervention, which in fact oppose the possibility of conflicts between different peoples. The democratic principle of majorities thus becomes the strong guardian of the survival of humanity, which has nature and its laws of protection of existence as its active counterpart. It is not inopportune then to note the broad and convergent diffusion of the democratic experience on a global level. While, within the sphere of powers entrusted to the communities, control over the direction of the economy becomes more concrete and active. Not so much and not only due to the greater openness towards the democratic experience, but rather by virtue of the powers of the communities, even if in areas such as China and Russia they have

suffered a prolonged abstinence of freedoms. Powers and properties of communities that cannot be scratched by the passage of time, but are ready to awaken even by emulation and by propagation.

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OECD—OECD Stat Database, various years

IMF—*International Financial Statistics*—Database, various years

Note

Weak anthropic principle (WAP) (Carter): “... our location in the universe is necessarily privileged to the extent of being compatible with our existence as observers.” [20] Note that for Carter, “location” refers to our location in time as well as space.

- **Strong anthropic principle** (SAP) (Carter): “[T]he universe (and hence the fundamental parameters on which it depends) must be such as to admit the creation of observers within it at some stage. To paraphrase Descartes, cogito ergo mundus talis est.”

The Latin tag (“I think, therefore the world is such [as it is]”) makes it clear that “must” indicates a deduction from the fact of our existence; the statement is thus a truism.

In their 1986 book, *The Anthropic Cosmological Principle*, John Barrow and Frank Tipler depart from Carter and define the WAP and SAP as follows:

- **Weak anthropic principle** (WAP) (Barrow and Tipler): “The observed values of all physical and cosmological quantities are not equally probable, but they take on values restricted by the requirement that there exist sites where carbon-based life can evolve and by the requirements that the universe be old enough for it to have already done so.” Unlike Carter they restrict the principle to carbon-based life, rather than just “observers”. A more important difference is that they apply the WAP to the fundamental physical constants, such as the fine-structure constant, the number of spacetime dimensions, and the cosmological constant—topics that fall under Carter’s SAP.

- **Strong anthropic principle** (SAP) (Barrow and Tipler): “The Universe must have those properties which allow life to develop within it at some stage in its history.” This looks very similar to Carter’s SAP, but unlike the case with Carter’s SAP, the “must” is an imperative, as shown by the following three possible elaborations of the SAP, each proposed by Barrow and Tipler: