

Original Paper

The Economic Sustainability and the Good Government

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Abstract

What could be the relationship between economic sustainability and good government depends on the role that the community plays in daily life and in economic relations. The community or rather the community majority is the natural interpreter about the survival issue for the past and future generations. Furthermore, the same majority can speak for the natural world on the economic orientations and on the current guidelines regarding the programs of the current government. Because of its responsibility towards the survival of human beings, it must have also an indisputable role in the economic development. It's therefore called to choose the best ruling class and to express consent or dissent on government members and on their programs. Listening to the voice of the community is an obligatory duty but should be also an opportunity to be exploited, in order to follow the orientation towards a linear development and the least damage to nature. In fact, we have a double possibility in the economic path: that is, to follow the natural trend that leads to the least damage and also to the linear development course. Otherwise, we could fall into the instability circuit, which we can call sub-world, and which brings with it the sinusoidal curve of conjuncture growth together with its accompanying attendants: Inflation and Deflation. Staying on the balance line, therefore, means having the consent of the community which instinctively prefers the option "Tomorrow the same as Today". On the contrary, there is the fall into an unbalanced economic cycle with monetary alterations leading to a widespread dissent from the community. The voice of nature, expressed through the community, can be the prophetic and natural support in order to return to a good relationship with the nature and the economy. The economic issue does not exhaust the whole potential of the communities, which are the true guardians of the survival of human beings and must therefore be the absolute and mandatory owners of the relations between States and communities; this means that the current governments shouldn't have any delegation about conflicting relations in the foreign policy. Only in this way, all the decisions on conflicts and war would fall exclusively within the context of the decisions pertaining to the communities, which, as holders of human survival, can do nothing but exclude the possibility of war as a system of mediation between peoples and nations.

Keywords

economic sustainability, conjuncture cycle, community as responsible, holders of human survival

1. Introduction

The particular attention of public opinion to the economic issues and to the good government has become quite relevant, due to the not so unexpected resumption of war activity made by Russia, this time inside Europe. The naive, incongruous and out of time idea that some territories, including Ukraine, should return under the Russian control just because close to Russia and because they were part of the Russian Empire at the time of Tsars, certainly doesn't appear to be acceptable. Not even among the population of that great Eurasian country, though people seems to show some sympathy towards the Russian dictator. The hypothesis of a prevailing and generalized consent of the Russian people regarding the initiatives of Russian president, like the current aggression war against Ukraine, however, raises many perplexities about its validity. Indeed, this hypothesis seems to be quite far from the thesis advocated during the late Enlightenment period by the great philosopher Immanuel Kant, who carried on his opinion that if we entrust to the people the decision to promote or not a war, then war would disappear from the world. In fact, which community would ever decide in favor of war, well knowing for personal or historical memory the damage, destruction, and deaths that would all fall to their detriment?

To put it another way, we must admit that in any case the communities have no interest to fight a war, but also assuming that a minority of 'warriors' and mercenaries is willing to go to fight a war, this is mainly due to the advantages they hope to obtain by plundering other people's properties under the guise of conflict. As saying that the dictator who decides to attack his neighbors with a war, as the case of war in Europe teaches, must in some way obtain the community's consent. Certainly not relying on the weak reference to territories annexed at the time of Tsars, but rather by awakening the ghosts of a potential enemy aggression to be rejected preventively.

The need for a greater extension of territory (so absurd for the largest country on Earth) and the ghost of an external danger, to be taken as reasons for an invasion, date back to the nineteenth century and were absorbed by the Nazism. In particular, by Hitler in his *Mein Kampf*: "... we must go forward along the road that will lead our people from the current narrow living space towards the possession of new lands and horizons, and thus our people will be led to be free from the danger of disappearing from the world or serving others as a slave nation." Furthermore, let me mention a much older example: going back to the world of ancient Greece, we have the extraordinary adventure of Alexander the Great, who decided to lead his small Army of Macedonian warriors to fight against the powerful Army of the great Persian empire, an opulent and rich civilization. The purpose of acquiring new lands and plundering the immense riches of Persia was the stimulus that moved irresistibly those Macedonian shepherds and warriors (many mercenaries). Nevertheless, it isn't surprising the series of mutinies and revolts affecting the Greek camp when the action was extended towards Afghanistan and India, and the prospects of glory began to fade.

However, the fact remains that the common people and in general the community majority have no interest in the progress of war initiatives that would lead to the death of children and young people called to arms, with the consequence of all the privations caused by war times. We must admit without any doubt that the communities are completely foreign and opposed to the war, for the damage that inevitably falls on them, because they are indifferent to dreams of greatness and to the anxiety of power pervading the dictators and their followers.

That the community is innocent and extraneous to the decisions leading to wars is inscribed in the historical behavior of the communities, which are entrusted with the task, directly inspired by nature, of safeguarding life on the planet as done in the past millennia, for the future of next generations. On the other hand, only if we entrust the community with that arduous task of safeguarding life on the planet, we can understand and justify the abilities that the community shows to possess: first of all, the ability to select the leadership who will manage the economic governance. The leaderships, therefore, together with the task of managing the economy, will lead the life of society according to wishes of the community majority.

Certainly, we cannot exclude that in a population as large as the Russian one, may coexist also a more or less large minority applauding to the dictator. Nevertheless, to say that a whole community agrees with an autocrat about the war and its alleged reasons, is absurd. Because it's simply inadmissible that those who have the task of protecting and safeguarding life can agree with any action extremely dangerous for their own *raison d'être*.

Round the relationship between the community and the economic governance, it is quite significant that in countries with a centralized power, opinion polls on the popularity index of government are now somewhat common, even in cases where the censorship grip is very strong. On the one hand, this research are telling us that it doesn't seem possible to govern a community, even as large as the Russian one, without the support of a consensus clearly expressed by the community, especially when a decision must be taken on war. However, in that case it was just a verification option carried out in the final balance, trying to know the wishes of the community about actions implemented and already in progress. We should say that the opinions of a community or of its majority on issues about the agreement with a government engaged in war actions, as currently in Russia, can best be obtained from information sources other than official ones. In particular, we need to keep this in mind: the trend of the real economy and the real state of social relations within a group are directly influenced by the state of the economy in progress or expected. This is to say that it seems much more significant not so much to test the sensitivity of voters on issues relating to the government and to the economic state, but rather to promote a preliminary survey about the position of voters on important issues such as the cost of living, particularly for certain social groups and especially in the event of a (devastating) conflict.

It is certainly no coincidence that on the issues involved in a conflict not only the real moods of the community about the fight actions are not tested. In addition, the censorship heavily affects and weighs on the freedom of expression, and all the news on war progress are manipulated according to the wishes

of leading group. Now, it's obvious and evident that in these conditions the expected trend of opinion polls is also manipulated, and therefore it's consequent to doubt the veracity of the statements given by users who are certainly influenced by the repression climate. Just to say that those final polls, made a posteriori, can be (and are) completely useless, not only because it's possible to understand the population moods directly from the conditions of the economy, but also because the results of investigations on orientation of the community or its majority are just very little credible attempts to argue that the community agrees with the autocratic government in charge.

1.1 In the Economic World, the "Tomorrow the same as Today" Formula Is Applied

Now, apart from the greater or lesser credibility of the analysis about the community's consent to the decisions made or the results achieved by the government, those analysis could be an exercise absolutely of no interest. In fact, generally the fundamental test for the appreciation of the government performance is the real state of the economy. That is, the state of the economy that is experienced day by day by citizens who express their (free) opinions.

In this regard, it must be premised that each member of a community has the exact perception through various parameters, especially the price trend, on what it may be the state of the economy at a given moment. Well, we can therefore believe that if the majority has a unanimous and shared opinion on the good performance of the real economy, this collective judgment confirms the validity of the current government. For what reason? As I had the opportunity to state in a previous article (Cossiga, 2022), each individual observes and weighs the economic situation in his own territory on the basis of a fundamental parameter, practically inscribed in his DNA. That is, the present and the near future should not be different from the recent past. How to say, each of us imagines that the economy follows a linear constant path that shouldn't be affected by trend reversals or depressions in the economic cycle. So, we expect that tomorrow will be the same as today and if this doesn't happen, then it's the fault of some unexpected reversal: a downward trend due to the economic cycle.

Why do living beings use that kind of measurement? Simply because the ordinary economy should normally follow a linear trend slightly increasing, which is the basic condition for the survival of life and above all for the future existence of next generations. In fact, the formula "tomorrow the same as today" is telling us that this is the essential way to preserve the environment in which we live in the conditions to allow the continuation of life on the planet. In summary, we shouldn't consume the resources offered by the planet but preserve them for the future generations. Formula that also includes the respect for all other conditions allowing the life, and in particular more respect for the atmosphere and the air we all breathe.

The formula "tomorrow the same as today" is very appropriate for the economy. Through this formula it was established that the ordinary development excludes from its horizon the cycle of the conjuncture and the depression, which must be understood as a divergence from the balanced path with a consequent fall into the so-called subworld. We can therefore believe that if we diverge from the right path of linear growth, we not only fall into an ambiguous and unpredictable reality, but we also compromise, with

mistakes and carelessness, the correct relationship with nature and therefore our ability to survive. We must therefore admit that there may be a healthy relationship between linear management of the economy, respect for the environment, and conservation of natural resources. Otherwise, there is a negative relation between the sinusoidal growth of the economic situation, the relationship with the environment, and the preservation of resources.

Starting from this positive or negative relationship, we can say that the appearance of the conjuncture in the economic evolution can be considered in the same way as the potential damage we are inflicting on nature. Therefore, the depression or economic inversion should be understood as a remedy offered by the nature to limit the damage we are causing to the environment. Therefore, the cycle correction and the return to a linear growth are not only an economic but also an environmental necessity. In fact, the depression must be understood as a request for a pause made by the nature, in order to allow the partial removal at least of the pollution excess we have produced. As saying that a good relationship with nature also means an ideal attitude of the community in evaluating the economy and the activity of government in charge.

It shouldn't be forgotten that the alternating trend of the world economy, often afflicted by the conjuncture cycle, essentially underlines that we must give the greatest possible care to the protection of environment, which is suffering from untreated damage, by paying due attention to the disturbances affecting the economic system globally or even in a single territory. It goes without saying that the ordinary economy (which respects the 'today the same as tomorrow' parameter), unlike the subworld economy, doesn't require the alternate management of the conjuncture cycle. For the simple reason that the linear growth of the economy and the correct relationship with nature do not require the economic inversion. This inversion is therefore an anomaly and not a constant of the global or continental economic system. When this anomaly occurs is not comparable to a disease, to a degeneration, but it should be considered simply as a cure that the economic system requires (pause) to return, when possible, to a linear growth.

Now let us consider the whole mechanism set in motion to regulate the economic growth in harmony with the nature around us, which is essential to our livelihood. The relative complexity of this mechanism, which makes use of the sinusoid curve of economic development as a cure for the economic imbalance, remains and has always been in full operation. Basically, it aims to force the resistance and arrogance of the rulers and leaders in order to lighten the development pace and thus to mitigate the stress affecting the environment.

I was talking about complexity because the evolution towards the conjuncture cycle is in turn linked to the primordial ability of human beings to select, as a community, the leaderships that would manage and guide the economy and the government of a country. So basically, there is a continuous link between the broken good relationship with nature (i.e. presence of the economic cycle) and the degradation of the community consensus, or rather of its majority, towards the leadership. In addition, we can say that the evaluation possibilities offered following the divergence from the linear development path (i.e. economic

cycle) certainly will be used by each member of the community to assess the economic state. The fact remains that the economy must be understood as the *major arcane* around which the protective net of life on the planet is created.

It isn't really so strange that the economy is the pivot around which is turning the success of our survival on the planet. It's true that man doesn't live on bread alone... But it's also true that we do not live without bread! As saying that our survival is governed by resources offered to us by the planet. On the other hand, the anthropocentric concept about nature dates back to the Italian Renaissance and in particular to Marsilio Ficino (Note 1) and Pico della Mirandola (Note 2), at the time of the Florence of the Medici and the revival of the Greek philosophers, starting with Socrates, Plato, and Aristotle. On the universe that has the characteristics able to sustain life, the science has made great progress to confirm the uniqueness of the relationship between living beings and environment. As confirmed by the relative fragility of this relationship (Note 3). Therefore it seems inevitable that the survival of humankind on the planet is strongly linked to the evolution of the Universe and there must be a connection between the constant effort of human beings for survival and the care of nature, rightly considered the cradle of humanity.

This doesn't mean that the fate of our survival is linked to the maternal care offered by Mother Earth! In fact, we must strongly reiterate that the fate of our survival as humankind on Earth depends exclusively on humanity itself. Everything that nature offers to support the life, our life, are its messages that are, as we said, closely linked to the economy, so that the conjuncture cycle curves inside the imbalance subworld are nothing but messages that should help us on the path of linear growth research. These messages therefore have a dual function. On the one hand, they advise the community majority that we cannot expect in the near future a scenario similar to the present one, because instead a worsening is to be expected. It is thus evident that it's always the majority that decides through its economic actions if the conjuncture cycle must change and how. On the other hand, the perspective of the changing economy is indeed a reflection of the environment which, with the transition towards the conjunctural cycle, postulates a growth pause in order to try to lighten the burden of pollution produced by our presence on the planet.

Therefore, the exchange of relations between humankind and natural world is enucleated and clarified in messages that essentially are confirming or triggering the change in the economic conditions. The powers that can change the course and the destiny of our presence on the planet are instead strenuously in the hands of humanity, in our hands. However, the search for an ideal relationship between living beings and nature is often somehow difficult. For the simple reason that our presence on the planet tends to destroy and not to preserve the resources that should instead be preserved to bequeath them for the survival of future generations. This relationship difficulty is often the cause of anomalies in the economy, caused by the fall into the imbalance subworld. This imbalance between the trend of our evolution in the world and the trend of the parallel evolution of the planet, carries with it the risks of new alterations due to the pollution surplus that natural systems are unable to bring back to compatibility.

Obviously, the fall into the economic cycle implies a reduction of development capacity and a progressive decrease of our potential. Which is not an useless thing, because it's an essential element of the relationship with nature. In the sense that it can somewhat activate the search for a solution. In fact, research and science are part of human life, due to the innate vocation of human beings to learn about themselves and also about the natural world. Not only for our capacity as intelligent beings but also, and at present I would say above all, because the scientific path is the one that brings us closer to a good relationship with nature. In fact, research and science are the greatest help to get closer to the level of respect, which is due to the nature, and then this also means improving the potential of our economic development. In the sense that the development line minimizing the pollution of nature corresponds to a linear growth with a positive slight inclination. Thus, the ordinary world brings us - albeit with difficulty - on the path of the least damage to nature and linear growth, while the subworld drags us towards the conjuncture cycles due to the growth potential fall and the greater pollution of the natural system.

So, the technological society isn't a simple aspiration leading to some unknown goal but on the contrary, it's a kind of choice leading us on the path of least damage to nature and of linear development of our economic growth capacity. We must therefore imagine that there is a path, certainly not easy, which guarantees to follow the narrow path of possible compatibility and at the same time the linear economic growth. Or alternatively, there is the fall into the subworld that creates 'monsters' in the evolution of our development such as the alternation of economic cycles, the recurrent depression, the alteration in income and wealth distribution, etc.

1.2 The Messages to the Community and the Curative Path to Search the Linear Development

A possible compatibility is the only right choice we can make in the current state of science, that is, a choice reducing to the minimum possible the damage we can cause to nature with our presence as (polluting) human beings. In fact, it's excluded that there is a privileged path that could lead to the full compatibility of our presence on the planet. For the simple reason that we left unsolved some fundamental problems, such as the use of fossil fuels, and that we are witnessing an alteration of solar radiation and a planet suffering for the increased temperature due to the greenhouse effect. The help that science and research can give is to find ways to reduce the planet's fever and thus ensure the survival of humankind on the Earth. They can give us the chance to find the narrow but necessary way that can ensure the minimization of damage to the planet and our return to a linear slow-rising growth model.

Science, therefore, as a fundamental companion for the economic governance, because we are inevitably excited about science, drawn by our innate curiosity and by our destiny as seekers of the right choices to build our road towards the future. There is no alternative, our goal in the nearest future is to reach a condition of complete and total neutrality of our presence on the planet. And there is only one way to reach this ideal condition. We need to follow the narrow path leading to the possible compatibility, which is the only condition that can allow us to obtain the possibility to reach and maintain the full neutrality towards natural world. It's obvious that the path of an economy producing the least damage is the only one that, albeit with difficulty, can anyway open up the expected scenario of a real neutrality towards

nature. There is no escape, no other way, because the path that leads instead to the subworld unfortunately takes us away from the condition of linear growth, of less natural damage, and essentially keeps us away from the balance needed for our survival.

It follows that the leading role to guide us on the natural path of human development must be entrusted to leaders who rely on science to follow the economic growth according to the rule of the least possible damage. As saying that the government of the economy must be allied with science, which through research can offer the most useful options to find and keep the right path for the linear development and the least damage to the environment. Unfortunately, the global economy seems to largely travel in the subworld and therefore is affected by the damage deriving from the treatments that the imbalance conveys to the economy. These treatments are messages and curative pathways received and imposed on the entire economy of the community in an attempt to bring the development line back to the path of a linear growth.

They are in fact messages that the community knows how to read. When the inversion of the economic cycle approaches due to the natural pause aimed at reabsorbing excess pollution of the planet, even before any evidence showing the change of pace, the community slows down all its economic activities, so starting the cyclical inversion. And it wouldn't be possible otherwise, because the cyclical regime, which prevails in the subworld, happens, and is produced because the community feels the need to slow down and thus in this way is adapting its behavior to the natural setting. Obviously, we are talking about the classic cyclical phases, that is, those reverberating the planet's malaise on the economy. Because the troubles for the economy do not come only from the needs expressed by the environment but are also produced by the extended permanence in the subworld.

In any case, the messages sent by the natural system to the community are not exhausted in the change of pace of the conjuncture but are enriched by monetary alterations that have the same task: to give pressing and repetitive messages to the community about the unbalanced condition of economic system. In fact, the conjuncture curve, which transforms the linear rhythm of the ordinary economy, is accompanied by a rhythm also pressing and repetitive of nominal monetary changes, which produce an acceleration of nominal prices (inflation) or a tendency to declining nominal prices (deflation). Both the monetary alterations have no other meaning than to warn the community that we have diverged from the linear course: in fact, we are inside the subworld. I said 'pressing'. Thus, for example, we can compare inflation to a wave in a pond, spreading out but without losing strength, according to a rhythm that is proportional to the imbalance of the economic system. It doesn't lose strength then but continues until the necessary measures are taken to slow down its run.

The appearance of inflation on the economic scenario produces the singular effect of reducing the value of wages and therefore creates a sort of spiral that alters the income and wealth distribution to the detriment of working class. Its appearance, therefore, is a source of deep and severe concern for the less fortunate classes who rightly ask for policies to support their incomes. A similar effect on income distribution is triggered by deflation, with a somewhat convoluted mechanism. The reduction in price

index is generally not an advantage for the popular classes because the cost of basic necessities does not decline while the other goods are affected by stagnation or reduction. A typical deflation context is an alternating trend of the real economy in relation to the financial sector movement, which is more effervescent. In other words, while the real economy remains weak in a deflationary context, the Stock Exchanges and the financial values tend to increase because excited by the low cost of money.

The cost of money generally declines and becomes close to zero, following the falling price trend. A sort of contrast is therefore created between the weak economy and the financial markets that are on the rise under the stimulus of speculation, fueled by the low cost of money. Fighting deflation becomes very difficult because the reduced cost of money, and this is a strategy followed by Central Banks in the case of deflation, does not influence the trend of the market, which remains depressed, while in the financial market -driven by the low cost of money- there is an increase of asset values. Therefore, also in this case the income distribution is quite affected, because the low economic situation depresses the work possibilities while the assets instead may rise. Periodically, during deflation, asset values and stock exchanges undergo some value retracements, also due to negative news on the real economy and on labor market, which are reflected once again on the real economy due to the difficulties of speculators, who are more exposed on the credit market.

In short, inflation and deflation are messages to the community that things are not going well in the economy, so that the community can take its decisions to avoid the fall into the subworld. These warning messages want to somehow respond to the need to restore a balanced economic system. They are suggesting that the right actions are to be carried out in a reasonably short time, but consistent with the request coming from the natural system. In most cases, it's a question of allowing the system to stay for some time in pause, that is, to let the natural engine to work in order to facilitate the return to a linear growth model, thus leaving the conjuncture sinusoidal model.

Therefore, inflation and deflation are messages about the urgency to let the correction system work from within the economic cycle. At the same time, it's a mechanism of the subworld that alters the social relations regarding the wealth distribution, thus becoming a way of continuous alterations of the socio-economic system, if no action is taken to let the natural mechanism work freely. Only over time, therefore, with the guilty delay of corrective action, the monetary message would become a real push towards the balance of social relations and therefore, during the pause in the subworld, the economy will suffer for an increasing damage over time.

The messages are therefore to be considered as warning systems that are aimed at encouraging the community to make actions to reduce the damage of an extended permanence in the unbalanced economy. However, the reaction models available to the community may be poorly incisive and, in any case, partially unsuitable to give an immediate response. This gap between the times required by natural mechanisms and the response of the community, that often comes too late, seems to explain and justify the difficulties we have to face in our relation with the environment and the whole natural world.

2. Method

2.1 *The Good Government Should Follow the Economic Conjuncture Curve, but There Are Exceptions*

The policy of a good government should be therefore to follow the natural indications, that is, to follow the direction indicated by the conjuncture cycle. On the other hand, an efficient and valid signal on how good a government is, can be given by the consensus of the community. Since the consensus of the community on the economic level converges if the development is linear and free from the anomalies of the economic conjuncture, in this case the community will be inspired by the good performance of the economy and would be inclined to confirm the government in charge for the next electoral round. As already mentioned, each member of the community has a long-term scenario of slightly rising linear growth, engraved in his DNA. A future just like the present is presumed, for the simple reason that this kind of trend is consistent with the environmental evolution that must proceed with the “digestion” of the pollutants produced by living beings. Therefore, a linear growth following a slow development process is essentially consistent with the evolution of the planet. Otherwise, we enter into the subworld loop, where the development motion becomes the sinusoidal curve of the conjuncture, which is basically the cure to put the unstable economy back on track.

Apparently, therefore, the task of the government is to follow the polar star of the conjuncture, which is the instrument to gradually restore the good linear trend of economic growth. On the level of real economy, however, the polar star of the conjuncture cycle often doesn't offer an easy understanding, because in the subworld other economic anomalies are added to the natural conjuncture. The result is a picture often somehow intricate and difficult to be interpreted. So, we must say that together with the trends evidently curative of the conjuncture, other anomalies may appear that could be added to the signal of the conjuncture cycle. A composite picture, therefore, which must be interpreted correctly for the decisions concerning the economic governance.

At this point it would be possible and advisable to appeal to the community, that is provided with the basic elements to decide on what to do. This means that a good government, when facing any uncertainty about how to deal with the intricate scenario of the economic conjuncture, can resort to the judgment of the community in order to decide whether to follow the natural push towards the inversion of the economic cycle. Or, instead, could try to contrast as far as possible the maybe excessive decline of negative wave. We have already said that the community is the direct counterpart of nature: the sole recipient of the messages implicitly and explicitly sent by nature on the state of the economy. Or rather, on the distance existing between the economy of the least damage to the environment and the status quo in the real economy.

The economic messages received, from the price trends to the conjuncture curve and the possibility of a cycle involution, are not only immediately perceived but can also precede by some time the full manifestation of the phenomenon. In fact, for there to be a cycle inversion, due to the natural pause of the polluted environment but also for different reasons, the feeling that the things are not going well must first mature within the community. For the simple reason that it's the mood of the whole community that

will then decide whether or not the economic cycle will occur. All this to say that if the community has intimately decided that a break in the economic system is needed, the government must just take note and therefore should avoid taking actions going against the cycle trend. That is, in contrast with the will of the community majority.

This doesn't mean that the governance of the economy must always follow the unspoken will of the community majority, which in any case is clearly showed by the slowdown in economic activity. In fact, many anomalies that occur in the evolution of the economic cycle are not necessarily linked to the direct relationship with nature and its periodic need of a break for self-correction, but to other reasons. Unfortunately, we must note that in the subworld the conjuncture cycle process undergoes negative alterations as a consequence of delayed reaction or worse, of strength trials as reactions to a potential negative involution.

Therefore, in the simplest case where the cyclical trend is not so deep, it's first necessary to assess whether the *laissez-faire* granted to natural action is justified and therefore it's better that the economic governance does not interfere with the normal trend and then tolerates also a potential damage. Therefore, if the cycle profile is relatively cautious, anyway its usefulness for the natural system should be evaluated. In such cases, as a good practice, the good government should listen to the advices of the community through a public opinion poll. In this hypothesis, there is no reason to believe that the public opinion doesn't represent, at least in its majority, the counterpart of the natural system and could therefore offer its willingness to endure a pause period together with its inevitable consequences.

In other words, it's necessary to realize a convergence of interests between the community, the government and the gentle pressure shown by nature. A convergence that allows us to continue to evaluate in the course of economic business whether we are carefully following the natural indications. That is, if with the progress of correction imposed by the conjuncture cycle, there is still a widespread consensus of the community majority. In this case, it's necessary never to give up on the confrontation with the community, which is the most suitable tool to have reliable signs of adhesion or dissent.

Nevertheless, as we have said, often the classical cycle -which should allow us to return to a linear growth- undergoes an alteration in the subworld, due to wrong behaviors. Errors that accentuate the anomalies in financial system and that can be caused by the delay in responding to the natural correction stresses, by tensions triggered by the attempts to resist the alternating motion of the conjuncture, etc. Always in the presumption to be able to bring the economic system back on the linear path, facing the troubles of the economic system.

Thus, the classic formula of following the natural orientation may not be exhaustive, because due to the improper behavior of leadership governing the economy, even the normal cycle can undergo some variations. In the meantime, we can make a rough comparison that highlights a general difference. Considering first the classic cycle, which essentially represents the needs expressed by the environment around us. In this case, the conjuncture reversal is generally cautious, and the imbalance condition is contained. Considering instead the case where the expected reversal is severe or anyway deep, it is worth

understanding that we are facing a composite cycle in which everything adds up in a negative way: the natural movement, the disturbance due to the errors of economic governance, and more. Of course, the political leadership should have a different behavior to contain the serious damage caused by the heavy economic depression.

We know that monetary alterations produce an incorrect income and wealth distribution that tends to gather at the top level of society, obviously to the detriment of wage laborers who cannot find a job, and a growing number of poor people. This is a source of deep social trouble due to the unequal access to income among citizens, and this inequality must somehow be mitigated to avoid the reaction of weaker classes. Not only that. Because the excessive difference in incomes and the lack of primary goods in the poorest classes, which are becoming more numerous, can cause alterations in the formation of majority that has the task of selecting leadership and giving or denying their consent to the government leadership. Since the collectivity majority is essential in the management of economy, acting as a virtual speaker for the nature in the economic management, it's necessary to avoid those problems related to income distribution, which can disturb the good relationship with the community, although unrelated to the relationship with nature. And then what to do? It's clear that the government's economic policy must partially compensate for these anomalies, by providing the most disadvantaged part of society with a 'survival income' that can somewhat alleviate the social tensions. Basically, the economic policy of government in charge should give back to those who have lost their jobs and to the poor part of society, at least the minimum to survive. This is a useful and necessary measure for economic and social reasons, so that the community majority would be able to give a correct answer to the question on the economic cycle issue. In particular, can a limited fall in national income, with the inevitable cut in job opportunities, be accepted?

Essentially, the economic policy assumes again its function of balancing the social relations and the monetary policy must instead resume its character as intervention instrument in the long term. Therefore, not a sort of crutch for the economic policy but instead the long-term guardian of the balance to be kept inside economic system.

Following this point of view, the monetary policy, during its action to control deflation, should prevent and avoid the movement of the cost of money reduction as a direct consequence of the nominal price index fall. The attempt to accommodate the interest rate fall according to the price index fall, leads to a cost of money reduction more or less equal to zero. Doors are open in this way to speculators, who jump into the financial game attracted by the low or very low cost of money. With the unlikely result that the financial world, Stock Exchanges, and asset values will not grow according to the real economy, which remains weak but with an independent motion.

Thus, due to a monetary policy too permissive, a discontinuity is created and even a partial separation between the weak real economy and the financial situation, which instead grows under the speculative pressure. Moreover, the unjustified value increases would have no impact on the real economy. Nevertheless, it should be added that the rising Stock Market and asset values undergo also unexpected

retracements, due to negative news coming from the real economy, with the result that the difficulties affecting some speculators due to growth excesses, have a negative impact also on the real market.



Figure 1. New York Stock Exchange Trend in the Period Jan. 2017-Jan. 2022 and Price Trend in the US Market for the Same Period

Source: Financial information on **MarketWatch** website

In Figure 1 we can observe the behavior of the main New York Stock Exchange during the year 2020, that is the year in which the COVID-19 pandemic broke out and spread. As we can see, the values of the Stock Exchange was going up despite the lockdown imposed in the spring of the year when morbidity has spread. From the highs reached in the spring, then, there had some steps back obviously linked to adverse news coming from the real market. In the meantime, the lockdowns and the chain of deaths due to the virus were affecting the real economy, which at the end of the year marked an average regression of 6% in Europe.

Now, it's evident that the damage suffered by the real economy is in some way correlated to the trend of capital assets, which that time are increasing. Thus, an improper mixture is created which uncouples economy and finance, with the result of accelerating the incorrect and unequal income and wealth distribution, to the advantage of privileged classes and to the detriment of real market and the mass of wage workers.

The financial sector, far from being the facilitating factor of the real market, becomes a factor relatively autonomous, capable of attracting the low-cost credit towards speculative finance. The factor promoting

this improper autonomy is in fact the low-cost credit which favors speculators, who seem to have a favorable position, compared to the commercial and industrial sector, which suffers instead from a typical weakness in a deflation scenario, and also suffers the damage caused by the virus.

2.2 The Value of Universal Constant for the Balanced Economy Is Close to 2%

At this point, seems to be on trial the Central Banks' action to help the economy in crisis, when deflation or the trend towards deflation are coming, by deciding that interest rates would follow the fate of falling prices. Therefore, in an attempt to support the economy, interest rates can also fall below zero (negative rates), in the hope that a decreasing anticipation of rates on the price movement could push depressed prices back up again. With this hypothesis, however unfounded, there would be an intention to follow, but proceeding in the opposite direction, the decision adopted in the years of great world inflation by the Fed governor, Paul Volcker. In 1978 he decided to raise interest rates well above the inflation level (at the time in the USA around 15%), and to support, in agreement with President Ronald Reagan, the reactions of the industrial world to the sudden increase in the cost of money. After a recession that lasted over two years, inflation in the USA at the beginning of 80s, fell to 5% and finally to 2%. A level that accompanied the great country across the Atlantic for some decades and gave a boost to the US economy, which achieved one of its best performances in the 1990s.

The strategy adopted by Volcker, with different nuances has generalized at a global level and has made it possible to eradicate or at least to contain the problem at a global level. Well, the adoption (but on the contrary) of this winning strategy in the case of deflation doesn't give the same positive effects as those obtained in the fight to inflation. Indeed, the idea of accentuating the fall in interest rates, thus looking for to hinder the fall in price index, didn't bring an advantage to the real economy, which rather tends to follow the natural orientation that requires a pause or an economic downturn to mitigate the decline of nominal prices. On the other hand, the decline of cost of money, collapsing until becoming negative, feeds the speculative aspirations on stock market securities or assets, with the result of a behavior duplicity of finance in relation to the market, which at the end causes damage to the condition of real economy.

All this because, as mentioned, when the downward pressure of nominal prices emerges and strengthens, the natural system sends the message that a pause is appropriate for an adjustment of the relationship between humankind and nature. Of course, in order to have that pause, the community majority should have perceived the underlying trend of the economic system even before the natural messages and is already preparing to generally reduce the activity options. Therefore, if the decision of economic governance, with an 'extremist' position, is to oppose the economic situation trend, by doing so the opposition is actually against the manifest will of its community. It follows that for these positions the success chances are unlikely, or anyway without real effects on the declining economic reality.

Ergo the norm for a good and smooth functioning of the community is that there must be similitude of thoughts and actions between government and community, or rather the community majority. Divergent positions cannot lead to any positive results. This is why it is a good practice that, in view of a negative

involution of the conjuncture cycle, the economic policy plays its role of supporting the social categories that are about to be affected by the adverse cycle. In particular the families who have lost their jobs and are in a poverty position. In this case, the economic policy is called upon to play an alternate role that should reduce the errors in the income and wealth redistribution which -as already mentioned- tends to gather at the top of social ladder to the detriment of less fortunate categories.

A valid question could be whether the economic policy of supporting disadvantaged categories is in opposition to the natural request for a pause. In fact, the supportive economic policy is designed to sustain consumption and could act as an obstacle to the natural tension expressed by the economic conjuncture. Nevertheless, this hypothesis seems unlikely. We have already explained how in principle there a tendency must be to coincide between the economic governance and the community. Now, there is no doubt that these measures to support poverty are needed for very valid social reasons and to ensure the normal formation of a majority within the community.

A majority that would otherwise be threatened in its convergence by social objections and by the reaction of the unfortunately large group of citizens who are deprived of their survival means. On the other hand, it must be added that in the subworld the improper and unequal wealth and income distribution to the detriment of unemployed families is an anomaly worsened by the alteration of the economic system. A condition that should never occur in the ordinary economy when the relationship between humanity and nature is positioned at the least possible damage and the economic growth is moving along a linear path and with a slight positive inclination. Thus, the politics of support to the poor section of society is essentially a control and correction mechanism of the wrong distribution of wealth and income, which is an alteration worsened by the subworld.

This means that a more equitable income distribution is possible in a linear growth path for the simple reason that job and activity prospects are adequate and therefore the condition of absolute poverty, which is instead widespread in the subworld, is minimized. In the subworld, on the other hand, the alteration in income distribution becomes deeper, particularly in the case of deflation, due to the overheated speculation excited by the low cost of money. It's clear that applying the rule of ensuring that the fall of interest rates may precede the fall of deflated prices is an incentive to speculations, also because the economy's response to the cost of money fall remains weak. In any case, the cost of money should never drop to zero or even less until it becomes negative. Conversely, the decline of interest rates should never fall below 2% because this value can basically be assimilated to zero (Cossiga, 2022).

The reason for all this can be explained as follows. The Central Banks, based on experience, have defined the value close to 2% of the cost of money as a balanced condition in the economy. However, when an economic system approaches the balance value close to 2% it wouldn't yet have reached the state of least damage to the environment and of linear growth, that is, what should be the perspective of a good economic governance. Rather, only accidentally has been reached a value that instead indicates the tendency towards deflation and therefore the permanence in the subworld. With the prospect that the balance index that should be stabilized, will instead further decrease.

And why is that happening? For the simple reason that the index close to 2% which belongs to balanced economic systems, is to be considered just an ideal value: it's the symbol, for the time being out of reach, of a complete neutrality of the human presence on the planet. The value close to 2% on the index price scale is an ideal value not only because at the current stage of science and research it's unreachable, but also for its characteristic of being a natural constant, exactly like the other great constants of physics. This is what leads us to believe that the relationship between mother nature and humankind is connected to an anthropological principle, according to which not only life exists when particular conditions of the universe occur, but in addition a close relationship between environment and humanity is necessary for our survival, which is coming from the past, is passing through the present and is going towards the future.

Now, since this ideal value is not zero but is close to 2%, we can say that the space between zero and the value close to 2% is a short segment that does not interfere with either the index value scale or with any other measure. For the valid reason that the index close to 2% indicates a state of complete neutrality with nature that doesn't allow, once this ideal standard is reached, any further, even minimal variation made by the economic system deviating from the constant value. Moreover, it should be added that by applying the 'anthropic principle' to the economy we are led to admit that there must be a linear growth path of the economic system that allows us to minimize the damage to the planet, caused by our presence. Outside of this ideal path there is only the subworld; what therefore can explain the difficulty of resisting on the linear growth level after reaching it: once achieved, this level would be perfect to reach in the shortest time the state of absolute neutrality, that is, the situation we must and want to achieve.

Now, returning to the value of space between zero and the ideal value close to 2%, once the ideal point is touched, the economy reaches a lasting stability based on the neutral relationship with nature. Therefore, below the ideal and constant point there can be nothing except the 'background noise' of the constantly moving economic activity. It's therefore a null value, in the case of absolute neutrality. We can therefore indirectly use the 2% value as the maximum threshold beyond which the interest rates should never fall in the case of an economy struggling with deflation. In this space of absolute emptiness, comprised between zero and 2%, there is no value and therefore an interest rate included in this short interval is to be considered as zero. Interest rates set in this limited area become especially attractive, with the dangerous effects we have already seen, for the speculative sharks who swim in the troubled and murky waters of the low-cost money.

This space of emptiness and nullity, in the case (hypothetical for now) of an absolute natural balance of our presence on the planet, is unrestricted and also inextensible. On the other hand, it becomes extensible and non-reducible in the case of inflation while, on the contrary, it becomes non-extendable but reducible in the case of deflation. Basically, with inflation the abnormal growth follows a price acceleration and with the deflation the prices value decreasing and contracting, becomes even negative. However, the ideal and practical value of that short space from zero to 2% doesn't change and always remains the

entity corresponding to the 'background noise' of the economic system which, as such, has no weight in the scale of economic values.

2.3 The Balance of Economic Systems and the Income and Wealth Distribution

Economic policy therefore has the contingent task of containing the growing malaise of the categories exposed to job loss or poverty. Thus becoming antagonist of the wealth and income tendency to accumulate at the top of the social ladder, due to the gap between the trend of real economy and the values of financial assets. Moreover, the monetary policy should never support the economic policy with a view to promote the resumption of activities. On the contrary, monetary policy must follow a long-term perspective, thus becoming the stronghold of the protection of relationship between nature and humankind in search of development according to the good line of least damage to the environment.

This brief dissertation on monetary and economic policy, in the case of economy that is out of the condition of least damage to the environment, leads us to the question about the actions that a good government should implement to try to return to the complex and articulated line of a linear and slow growth. We have already said that in general it would be appropriate for the economic governance to adapt to the natural strength that is shown by the conjuncture curve. I remember that the conjuncture curve is not a damage but rather a cure aimed at dissolving the negative knots created by the permanence in the subworld

Well, in the case of an economy recently fallen into the subworld and then experiencing the start of the conjunctural cycle -therefore, a situation relatively simplified- it is certainly appropriate to follow the natural trend, which is simply and fully expressed by the community majority. It seems therefore useful and propitious that the economic governance proceeds to test the opinion of the community about the expected -perhaps modest- involution of the cycle and about the willingness to endure the expected restrictions of the real economy. In this case of a soft start of the cycle or anyway of modest fluctuations in the economic situation, even the formation of a majority in the community shouldn't have any difficulty; also because the relations between the government and the community should be relatively good and the consensus quite widespread.

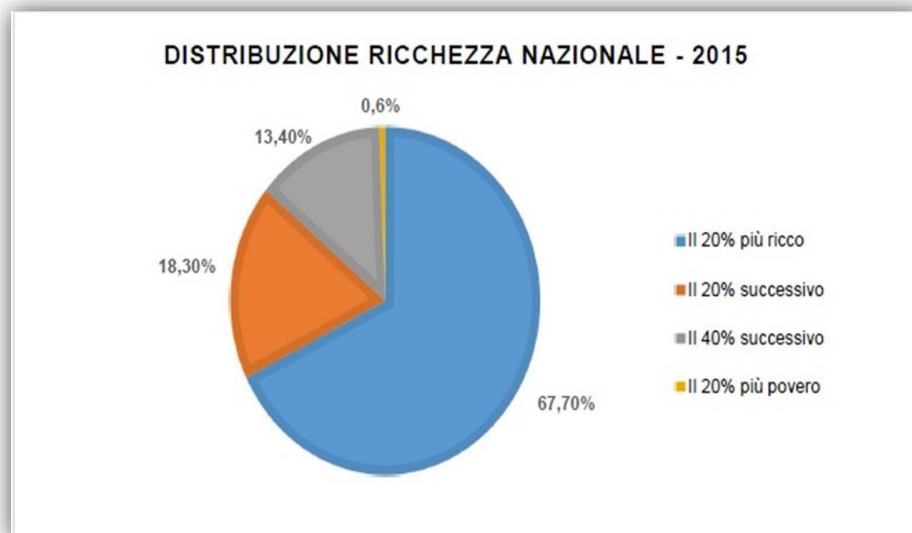
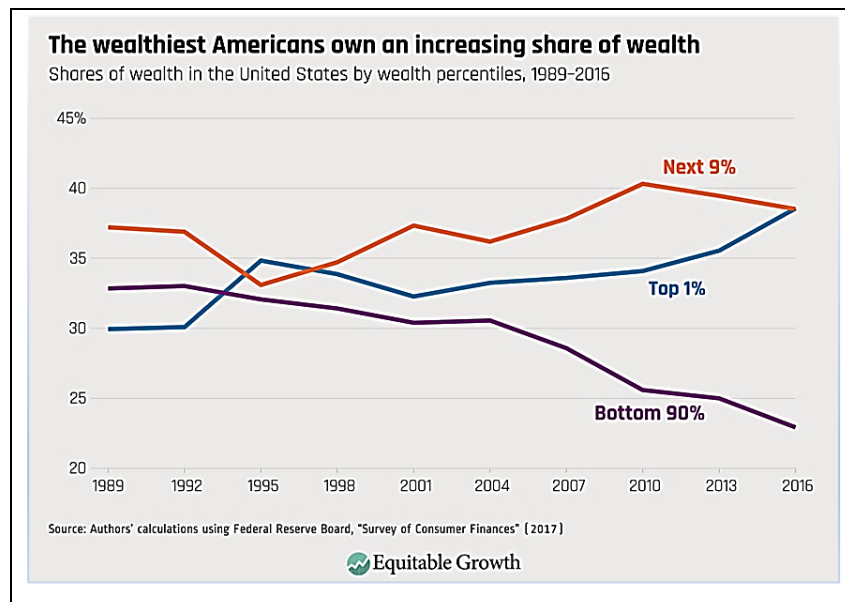


Figure 2. Top Americans with Increasing Share of Wealth 1989-2016—Distribution of national wealth in Italy 2015 from the Richest to the Poorest (from top to bottom)

Source: Oxfam 2022 Report on inequalities in Italy

Quite differently, in the more frequent cases of complex economic developments and concomitant monetary changes (inflation and deflation), it may not be so easy to form a solid community majority to which the good government could refer. In fact, in this hypothesis quite widespread indeed, only the natural pause may not be enough to escape the subworld trap, but a long and difficult maneuver may be needed to cleanse the economy from imbalances.

Remaining on the subject of the majority in a community, a solid majority is a necessary option to harmonize the positions of the economic governance and those of the community. But we must reiterate

that in the search for a good relationship with nature (etiam, linear economic development) there are some difficulties. Due to the presence of probable different positions within the group, to try to get out of difficulties, as I said, the majority must be formed on clear and simple ideas about the direction to take. Thus, omitting to consult the group on complex issues of a scientific, technical and organizational nature. These difficulties, in fact, must fall under the responsibility of the government that is tasked with finding and hiring experts and researchers for the correct setting of programs, which must follow the general indications provided by the community majority.

We must consider the majority as the intermediary of nature for the economic subject: for this reason, on their feelings about the economic trend depends on the alternation of the economic cycle and above all how deep the cycle falls will be. Therefore, the community majority is able to feel the adverse cycle trend and according to this early perception will reduce investments and consumption on the basis of its intuitions. Opposing the adverse cycle with public intervention in deficit through support policies could be contradictory, so let me repeat that it's always advisable to listen to the opinion of community majority about the orientation to be given to the economic policy.

Still remaining on the subject of the majority and its formation, we can say that inside an economy that remained in the subworld for a long time, the convulsions of the conjuncture cycle can be formed by a combination of various negative elements. One of which is certainly the accumulation in the environment of pollutants produced by our presence on the planet: a break is therefore required to let natural system have time to dispose and eliminate the polluting excesses. Other anomalies may be fueled by the phenomenon of the behavior divergence between real (weak) economy and financial activities while Stock Exchanges are rising. A combination that creates a 'castle' of values that has no correspondence with the real economy and that sooner or later will have to be dismantled, in order to return to the real values.

This phenomenon can exacerbate the situation of the economic cycle because the periodic reversal of the movement of Stock Exchanges and financial assets will place burdens on the real economy, due to excess credit that cannot be repaid when there is a sudden drop in prices.

The economic cycle can also be affected by a worsening that can be caused by inertia or actions contrasting the conjuncture movements. Over time, in fact, the conjuncture motion changes for the worse, with a progressive reduction of the recovery phase and a reversal extension, until the recovery disappears completely, followed by a long period of economic depression. In short, economic and monetary policy errors may alter and worsen the usual trend of the economic situation. A trend that in any case doesn't offer any predictable recurrences of ups and downs in the cycle, which instead are indeterminable and anomalous in relation to the alterations in progress.

All this to say that is unavoidable the option of resorting to the 'prophecy' of community, that is the first to possess the basic sensations about the cycle course in the near future. It therefore appears evident that in these cases of extended alteration of the economic cycle, it's always necessary to take into account the amount of disturbance deriving from the relationship with nature. It is therefore confirmed that it's

essential to consider that, in this area of complex alterations, the community majority offers a reliable version to follow. Even if in this case a recourse to the majority may not be enough, because a serious involution of the cycle cannot be left to act without any economic policy interventions. Precisely because of the serious losses that a simple natural *laissez-faire* could induce in the industrial and commercial sectors, with the expulsion from the market of vital and productive companies with a consequent very serious cut in jobs and incomes of the poorest families.

At this point, we must confirm that economic policy must take as a priority action of any economic control measure, the support for unemployed families through the granting of a support income that can mitigate the right reactions of a large part of the community without survival resources. In this way, it's attenuated the reaction caused by the serious social hardship created because of the unequal wealth and income distribution to the detriment of those classes at the bottom of social ladder. The good government is therefore urged to listen to the opinions of majority about the tendency to a natural pause, in order to acquire the widest possible consensus for an expected cycle decline and therefore for the damage to the economy and essentially to the weakest classes.

However, as already mentioned, alongside the natural pressure for a temporary pause of the economic system there are other negative pressures that push down the declining cycle. This is the case of the almost total shutdown of activities during the lockdown decided by governments at a global level to stop the progression of infections due to the COVID-19. In this case, the block with the consequent GDP decline has been required for health reasons and to contain the virus spread. It's evident that in this hypothesis, the system lockdown works like a natural agent that is severely pausing the system to rationalize and minimize the production of polluting factors. Therefore, we can say that despite the serious damage produced by the freezing of economic activities, the imposed inactivity nevertheless acts in harmony with the request for a pause made by the system. At this point, the freezing of productive sectors affects household incomes with great strength and the loss of vital income for many families has worsened.

It's inevitable for the good government to make, as an emergency measure, wide and deep interventions to support families for the loss of income due to the activities blocked to contrast the virus spread.

These measures have not only a character of social solidarity but are also indispensable to maintain an acceptable level of consumption and therefore of incomes, essentially. At this point a question arises: is it appropriate and legitimate in the imbalance condition to approve support measures for companies affected by the lockdown so severely to prospect more than just a fear of a series of business bankruptcies? In general, the answer would be, no. Thus, when a break is required to partially rebalance the relationship with nature, the measures to support the economy could be in contrast with the natural evolution required. However, when the reasons for recession have become quite complicate also because in addition to the question of natural pause there are other causes such as the suspension of activities due to the virus (lockdown), the possibility of support interventions for businesses may be needed. And therefore, appropriate to avoid further extreme damage to the economy.

In fact, the decline in the economic situation during 2020 at a global level, due to the contagion control actions, performed also the function of pausing the economic system, naturally required to allow the reduction of polluting materials. The reason for restricting support economic measures refers to the possible contrast made by those measures to the natural tendency to pause of economic system. When this function (i.e. block of activities) is at least partially fulfilled, there are no reasons against favoring the recovery of the economy post COVID-19. This may explain the strong recovery of the world economy in 2021, which benefited of the positive boost given by the infection control obtained through the diffusion erga omnes of vaccines (at least in advanced industrial areas). Furthermore, the strong economic recovery is also a result of the lockdown itself. The freezing of activities has favorably acted on the relationship with nature, which has given a further boost to the unexpected growth of the economy at a global level. In fact, it is not surprising that an improvement in the relationship between humanity and the environment is rewarded by a clear advantage in terms of global growth, while vice versa a worsening of this relationship would show a progressive decline of the potential at local and global levels. The unexpected rise in the prices of raw materials and intermediate products is also the unexpected result of a robust recovery that has created a strong demand for goods that didn't find a corresponding supply availability. A gap has been therefore created between availability and demand, which is fueling a somewhat unscrupulous and daring speculation on the part of some producers. As I said, this is an uncontrolled speculative excess at international level, which in turn also affects supply, and is the cause of a reappearing forced inflation in the markets. Moreover, it's also an obstacle to development potential due to a prolonged shortage of intermediate production goods. It seems clear that, rather than worrying about the fear for inflation of international pieces, the client countries should coordinate a robust demand to jointly fight the speculation on prices and to regain control of the market.

One might believe that the speculation raging on world markets is not just the unexpected and rancid fruit of the same low-cost money policy spread within the major world markets through the ultra-accommodative policies of the main banks around the world. Because paradoxically, the speculation evil comes from all the countries client of the countries producing raw materials (oil above all, but also cereals): in fact, they granted credit to speculation through the major Western banks. Our banks are generally driven by a legitimate desire to support the world economy but actually they have also financed the great speculation on raw materials and commodities! The main channel that finances speculation is in fact the credit granted at near-to-zero prices by the major banks around the world.

Therefore, the speculation arises from the client countries themselves that constitute the demand for the purchase of raw materials and affects consumers of the same importing countries, who are then the mechanism causing the malfunctioning of the markets. It's interesting to note that the oil and gas prices have doubled their market value from December to June 2022, while they have slightly slipped from the average of 121 dollars last June to about 100 in July 2022. World stock exchanges and capital assets have reversed their run and are moving downwards, halving likewise the values achieved in the past year. The Dow Jones, the largest US stock exchange, moved from March to July from 36,760 to just above 30,000.

Speculation simply follows the market it is offering the greatest chance of a quick and easier profit. The price trend for commodities and oil was therefore in contrast with the Stock Exchanges during the first months of the year (growing oil and falling Stock Exchanges), then both reversed their run from March 2022. A retreat of running speculation is quite uncertain, due to the economic situation which is strong in America or to the inflation which is the 'bad daughter' of the increased commodity prices.



Figure 3. New York Stock Exchange Trend in the Period July 2020 July 2021 and Price Trend in the US Market for the Same Period

Source: Financial information on MarketWatch website

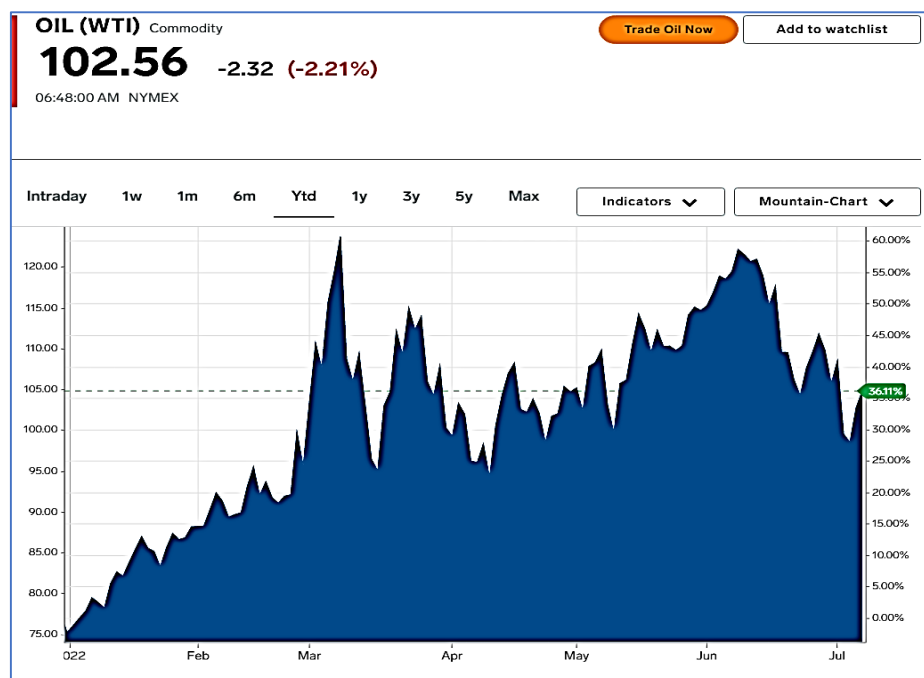


Figure 4. Gas Price Trend in Period Jan. 2022 July 2022

Source: markets.businessinsider.com

The downward trend seems rather related to the Fed's decision to raise the cost of money and to plan and forecast a new rise for the future. A position partly shared also by the European Central Bank which is moving in the direction of tightening the monetary policy. Credit is therefore tightening and the increase of the cost of money should also influence the excessive dimension of speculation, which finds reduced its maneuver space in relation to the greater rigidity in credit availability. We should expect therefore a gradual decline in commodity prices and a stagnation in stock market values. But... How far? We will know it in the coming months.

We should consider anyway that the tensions in international prices, which at first were produced by the unexpected excess of demand, are mainly supported by speculation. So, we are not dealing with inflated values but more simply with speculative values to be controlled. In any case, the tensions on international prices are gradually downloaded on the prices of other goods and the increase process continues until the correct market relationship is restored. Therefore, we should see a gradual slowdown in prices until the return to *ex ante* positions. Otherwise, when the price increase is triggered by an inflation return, the nominal prices expand like a wave caused by a stone thrown into the pond water. But the inflation wave does not end and continues without limit until monetary policies are eventually adopted to control and extinguish the nominal force of prices.

We can add that in the current case of prices moved by international factors, especially the speculative ones, the use of monetary policy to curb the rise strength may not have the desired effects because it cannot influence the international reasons causing the price movements but can only induce a slowdown

of the economic situation due to the increasing cost of money. However, in the current situation it appears urgent a decisive action by the Central Banks to adjust the monetary policy that is too permissive with the cost of money too much low. Not only because the turn towards inflation confirms that the long lockdown of activities seems to have corrected the drift of economies towards deflation. In fact, it allowed the pressure of international prices to spread without delay on domestic prices: a clear symptom that, as a consequence of the economic cycle resumption, deflation was also attenuated. It is not surprising that the global lockdown of all activities has had these consequences and above all that we are finally emerging from the terrible grip of deflation. The relaunch of the economic cycle is in fact a clear signal that we are coming out of the long dark period spent in the subworld. Thus also the deflation, which is otherwise difficult to keep under control, has loosened its constraints on prices; a loosening that allows today to record on the price index the changes that are taking place at an international level, though with some negative reactions of public opinion.

Therefore, the decision by the main Central Banks to tighten the monetary policy appears indispensable, and I would say urgent. Urgent because the speculative strength, which for no further reason is still fueling the prices of raw materials and intermediate materials, is at least partly financed by the cheap credit, which increases the capital accumulated by speculators while the resources of fixed incomes are undermined and weakened by the rising prices. Therefore, the fight against speculation must first of all pass through a full rethinking regarding the Central Bank interventions, followed by an economic policy that downsizes its support for market and businesses, now that the economy seems to have returned to a more favorable course and a period of new global growth seems to be expected.

3. Result

3.1 A New Post-COVID Geopolitics Seem to Emerge in the Old Continent, Perhaps Accelerated by the Unexpected War in Europe

Therefore, we were in a favorable post-COVID period that is now darkening due to the war unexpectedly brought in Europe and the consequent problems that the European countries must face in order to find the right key to obtain a ceasefire and some kind of agreement, which however seems to be moving away. Now, it's clear that between a picture of favorable prospects, as envisaged before the start of conflict in Europe, and the scenario completely altered by the war, the strategies for a benevolent relationship between government and community have also changed...

In fact, if the favorable scenario that could be envisaged after the epidemic was promising, also in perspective, a more positive attitude of the community towards the leadership in power, the unexpected aggression war of Russia with the invasion of Ukrainian territory messes all the cards also on the domestic front regarding the position of communities. It could be thought that all the communities in Europe manifest a clear dissent towards the war initiative against Ukraine, as in fact it happens, also because it's strongly altering the economic scenario for the worse, and not only in Europe.

In the scenario expected before the conflict in Europe, the recovery of development prospects was certainly profitable for the community to improve its relations with government. Moreover, the fight against the pandemic in the previous two years had already corroborated the relationship with a growing consensus of the communities towards the governments, who were generally boasting good successes in the fight against the disease with a widespread vaccination of the population. Thus, we can say that the general *d'élite* and the benevolence of most towards the governments in office had increased and was still increasing in view of the recovery of a strong and healthy economy.

Thus, two different signs, both positive, have been mixed during the pandemic. The fight of the governing leadership against the virus and then the relative success reported in Europe in the fight against infections had increased the mass consensus, although the lockdown had somewhat weakened the economic prospects. In addition, the strong economic recovery at beginning of 2022, which seemed at the time would continue into 2023, had maybe added a large amount of consensus, but this time brought by the economic activity finally going better and therefore by renewed job prospects.

The war in Europe changed the game, both for the economic prospects that are getting worse, and for the summer progress that seems to put in a corner the problem of epidemic infections only apparently forgotten. Well, the fate of the war in Ukraine has created in the majority within Europe and Italy in particular, a strong emotional and suggestive impulse in favor of the brave Ukrainian people. A widespread mood in the majority which is then reflected also in the governments that are solicited by the general consensus to intervene in favor of the attacked and invaded country with all kinds of help.

But not only. Because new geopolitics seems to emerge due to the ongoing conflict in Europe, which pushes most of the old continent to rethink the nineteenth-century motivations on which the national state realities are founded. New geopolitics that can allow a reconfiguration of the European Union with a view to conferring new political powers to the Parliament and to the European Commission. And again, not only. Because the convergence towards the NATO membership of two Nordic European countries, Finland and Sweden, is moving in the same direction and only superficially we could consider this decisive choice of field as just moved by the fear of a possible Russian aggression. That historic choice instead looks like the sign of a new sentiment that is able to see in the aggregation forms of European populations a concrete model to finally repudiate war for real and take it out of the European theater and, therefore, capable to look at the rest of the world with equal sentiments.

Well, the interest that the European communities show towards the realization of greater integration policies can be the basis for concretely starting new Federative forms involving the current members of the European Union. First, through forms of policy centralization in the fields of Defense, Health and Economy. Obviously in harmony with the current natural sustainability requirements of the project, it seems appropriate to immediately start survey research, extended to all communities interested in this kind of integration process. Relying on communities' cooperation, the European Union governments could proceed with a new strength, finally overcoming the too long times of the EU deliberations, taken on the basis of current Treaties.

The communities, as nature's intermediaries about the issue of our survival on the planet, must have the decisive word on war issues in Europe or elsewhere. It is evident that the decision of an Europe that finally abandons the subdivision into 27 states (plus others still waiting) and gets united into a new Federation, though respecting a process inevitably gradual, is a geopolitical decision capable of removing the specter of war from the continent. A perspective that could and should find worthy emulations in the Americas, in Africa, and in perspective also in Asia, based on the principle that on issues concerning human survival on the planet it is necessary to give voice to the communities concerned. In the double assumption that communities, as nature's intermediaries, must be the only ones to have a voice on the issue of life survival and therefore on war. As well as in the same way the communities must be again central in the choice of leaderships in the various economic fields and, therefore, in the basic theme of the relationship of humankind with the planet.

The choice that seems to prevail in Europe, obviously not to humiliate Russia, doesn't refer to the Russian elites who wanted and made that war, but rather to the people of Russian community. A community, largely European and anyway part of European history, which shouldn't be assimilated to the improper wishes of the high hierarchies with their nineteenth-century ravenous desires that guided their war decisions.

The Russian community cannot be held responsible for war because, like any other community, it's the focal point for the balance and continuity of human survival and therefore by its nature cannot have any voice or opinion in favor of war. Therefore, we cannot blame the communities for expressing support for the war in Ukraine, even if appearances may seem to confirm this fact. We should consider that the hard action of censorship (e.g. even Dictionary forced to change, with the word "war" cancelled to become "special operation") and erroneous and misleading information (widespread fake news and "dezinformatzija" дезинформация), as well as the lack of freedom together with the climate of heavy intimidation against dissidents and not only, are certainly responsible for an apparent convergence with the regime. On the contrary, we must admit that communities, without distinction, are immediately ready to spread a climate of democracy and individual and collective freedom, in favor of free press and media. And this could exactly happen also in Russia even if for many generations, from the times of Tsars to the Soviet Union up to the regime imposed by Putin, all freedoms have been denied while the rich aristocracy prevailed, then the pervasive Party, and finally for the last twenty years the oligarchs with their immense and dark wealth.

We may believe that the constitution of an enlarged Federation of European States could represent not a danger as the Russian dictatorship seems to fear, but on the contrary a valid reference to finally rediscover the path of a natural development, which the war in Europe has altered. In fact, we can say that there is a crossing between the economic development, according to the principle of least damage to the environment, and the fundamental principle of the survival of many generations from the past to the future. Thus, an improved relationship with the environment can also imply an improvement of linear growth and therefore of potential survival of humankind. It follows that even war, which is essentially

the opposite and the denial of survival possibility, could be consequently halted due to the refusal of war and weapons that is increasingly popular and widespread within communities, and not only in Europe. A federative project of communities that cannot see Russia against but together and alongside Europe. The old continent can be again an example of great solidarity, a cultural and political model... A positive reference for the rest of the planet.

According to this point of view, the war in Ukraine would slowly tend to be exhausted but not only due to the valor, weapons and financial resources received by the brave Ukrainian people from NATO countries, but also due to the progressive increase in Russia of the popular expression against war: a growing opposition among the Russian people, especially among the most popular social parts, to the aggression war against a neighboring and 'brother' country. A negative war that follows the historical tendency to enlarge the Russian territory, according to the ideology of Tsars, starting from Peter the Great and Catherine II the Great.

The tendency to freedom and democracy is in the soul of peoples together with the innate ability to know how to select the leadership of a group. This is therefore an essential quality, that is, it's unalterable, and it's impossible to delete it even after a secular subjugation to the autarchy forces, because it's still capable of unleashing all its strength to become again free from all forced constraints. That's why we can't overlook the tensions that are developing within the Russian community, though under impulses coming from outside. Impulses represented by a new constructive and innovative energy, which is also represented by the strengthened unity of NATO countries and by the potential process that could lead to the construction of a new EU as a Federation of European States. In addition, a very important impulse is given by the continuous worsening of the living conditions of popular classes, because of the war.

It is therefore legitimate to believe that an inner process of distrust, confusion and perhaps also lack of understanding regarding the ongoing war is taking place within the community of that great country, mainly European and with European traditions much more than Asian. A process that could be independent of the war in Ukraine outcome; moreover, also the members of Russian community could feel distant from the regime bluster which are quite cloying and deceptive not only for the communities of NATO countries. A community cannot uncritically absorb these false truths about war for the simple reason that any community is intimately and strongly linked to the principle of survival to be preserved for future generations.

Following these reflections, it doesn't seem naive to assume that a series of measures deeply felt by national communities in Europe can be very effective:

- 1). Witnessing a direct interest in the process that should lead Europe to give birth to a new Federation of EU States.
- 2). Multiplying popular demonstrations in all European countries, strongly calling for peace and the retreat of the Russian army from the Ukrainian territory.
- 3). Spreading wide demonstrations with a large presence of people who ask governments and European Commission for an iron unity of purposes in promoting democracy and peace inside the continent.

In summary, the popular tension in favor of a Federation of States in Europe and the popular demonstrations of European communities may contribute to increase the feeling of loneliness and distance of a community -the Russian community- which seems to accept (but maybe only apparently) the censorship and partisan truths brought down from above by the powerful of the regime.

3.2 *Communities as Holders of the Life Survival*

A good government is an inseparable ally of its community for the simple reason that, with their mutual agreement, the economy can run on the narrow path of linear growth; an ideal that represents the condition of least possible damage to nature for our presence as human beings.

Unfortunately, this hypothesis of concord is anything but widespread, because most economic systems are subject to the subworld game. That is, in other words, beyond the world of ordinary economics there is the subworld where the sinusoidal curves of the economy and its companions (inflation and deflation) prevail, thus altering the nominal values of the cost of living. *Tertium non datur*.

Hence, good government has little chance of ensuring its stay at the top just by using the linear economic growth credential. Linear growth which unfortunately is not widespread. *Ergo*, the possibility that governments are confirmed is linked to other considerations, shared also by the community. During the pandemic, the success of health policies to defeat the pandemic and the virus infections was somewhat positive, even if the lockdown slowed down the natural development for the long pause imposed. It shouldn't be forgotten that the permanence in the subworld creates the conditions, unfortunately repetitive, for an unjust and unequal income and wealth distribution, which converge at the top of the social ladder to the detriment of the working class and the commercial world. An action for a more correct income redistribution made by governments, may be another good reason why consensus can be maintained. All this, while the good government should try every possible action to get out of the subworld grip, in order to return to a situation that we can identify as the ordinary linear growth. Ordinary, because the linear growth represents the ideal mediation point between humankind and nature, and because is able to minimize the damage to the natural environment that feeds us. Moreover, because it's exactly on the path of linear growth, certainly narrow and difficult, that we can finally achieve the goal searched by the whole of humanity, that is, the complete neutrality of human presence on the planet. Obviously with the unique, indispensable contribution of research, science, technology. But that's a whole other story.

In short, we must strongly affirm that the community is responsible for certain fundamental activities, with an exclusive and non-delegable mandate, in terms of economy and in matters of relations between communities and States. First of all, the economic question entrusted to the communities through the decisive action of appointing and giving consent or dissent to the government in charge. Then follows the no less important and decisive issue of relations with the neighboring States and their related mutual interests. This is a matter that is not only not delegated to the government by citizens, but in general doesn't appear adequately analyzed in a specific way in the government programs, with the specious idea

that this kind of topic is the exclusive domain of the elective institutions, therefore it wouldn't worth giving a detailed report!

The foreign policy matter has profound consequences in the history of humanity, because may generate hostility between neighboring States and can be the object of difficult mediations and related treaties, so becoming also the cause of conflicts and wars. Important and essential decisions therefore, that unfortunately see the communities kept in marginal positions, while people are overwhelmed with fake information on false or real issues, like a presumed possible aggression that could be made by neighboring peoples to justify an invasion and a war to those neighboring territories. As in the case of the war in Europe, justified among other things through the fake and insistent news of an alleged adversity of the NATO peoples towards Russia. Thus, avoiding and omitting to declare that Russia (or rather the Russian leadership) is the invader, dragged into the conflict by the imperial memories dating back to the times of Tsars in the eighteenth century. The price to be paid is absolutely terrible and above all out of time and place, by the way to be considered extraneous to the problems and needs of the Russian community. A price and a cost caused only by the hate and by the inadmissible aspirations and specious demands of the Russian autocrat and his entourage.

In terms of economics, the government is an expression of the will of the community which chooses its representatives on the basis of programs and expressed purposes. The permanence or change of the government in charge is subject to the consent or dissent spreading within the community ranks. Otherwise, in terms of relations between States and relations between communities, the relationship between the current government and the community is much weaker. Decision-making powers in the relations between communities, relations between States, which still follow a nineteenth century and even earlier tradition on the subject, should instead be firmly entrusted to the community. In fact, let's not forget that the community is the only counterpart of natural world on the question of survival of living beings: and this is valid for the past, for the present and for the future. Therefore, in terms of geopolitics at regional and global levels, the holders of the right to life and to survival of human generations are and must be exclusively the regional peoples and communities. Therefore, they and no one else -if not the communities themselves- must be responsible for any crucial decisions.

In the current scenario we certainly cannot accept further potential negative developments of the war in progress in Europe. In the meanwhile, is being potentially formed the "Thucydides Trap" between the present leading nation, the United States, and the rapidly developing Asian nation, China. Because the issue of confrontation between peoples, with the consequent possibility of contrasts in every part of the planet, must be given back -as inalienable duty and task- to peoples and communities. Nevertheless, in all policies between States and communities, the delegation of powers has been and remains weak, although these relationships when mismanaged can give rise to the prodromes of conflicts and wars. All this happens because the responsibility for conflicts and wars falls on a few elite people, but the damage and deaths that are their terrible result fall exclusively on the communities.

In order to give the right impetus to the implementation of a global security, it's absolutely urgent that a regulation is approved, valid "*erga omnes*", that should have the support of the majority of communities at a world level. A text of norms to be adopted within the United Nations and by a world-wide Institution with which all nations renounce conflicts and war as resolution instruments for regulating problems between States. All the States will jointly decide that problems and conflicts will be solved with the consent of communities concerned, with the mediation of the UN or the Institution in charge of global security. This treaty on the security of Nations and communities should also provide all the forms of collective intervention to prevent the violation of its rules for safeguarding against wars and conflicts. In the extreme hypothesis of a violation of these rules with an armed aggression against a neighboring country, the international community will decide on the right forms of immediate intervention in agreement with the general reaction of all communities.

Not so much has changed over time and the responsibilities are always and continue to fall on a few: monarchs, autocrats, dictators, and their entourage, which take over the total control of any decision about invasions and wars. It's certainly no coincidence that Machiavelli (Italian Renaissance), Kautilya (Indian Arthaśāstra, at the time of Alexander the Great), Han Fei (Chinese Han Feizi essay, also at the time of Alexander the Great), all resemble each other so much that Max Weber could note that the Indian work was an example of "radical Machiavellianism". Compared to him, Machiavelli's Prince was just a harmless writing. Well, the goal of both was to somehow instruct dictators and monarchs in their relations with neighboring States, completely regardless of the problems relating on what grounds to act and on the responsibility, they assumed towards the collectivity. We can say that the substantial difference between the Renaissance conceptions and those of India and China before the year thousand, with the current political situation just concerns the scenario that has progressively expanded to include the entire planet. But on the basic question of responsibilities, the princes of the past and the dictators and autocrats in charge today have played and are still playing a role that doesn't appear so distant when it comes to the problem of relations between the States and the problem of foreign policies. All of them, princes or autocrats -from the past to today- move without having any legal and moral title, in the absence of a detailed and precise delegation from the community. An unacceptable condition and conception because the power that can upset the fate of humanity and compromise its survival, cannot be delegated to anyone. The communities are the only holders of the right relationship, suitable for ensuring survival on the planet and therefore should also be the custodians of the decision power regarding regional and world security among the communities.

The Peace of Westphalia in the Europe of 1650 pursued the lasting balance of peace between the States, in order to keep away the prospect of a new war on the continent. A balance of powers between the States that was based on the relative equality of all the contenders, so that Great Britain as the 'Queen of the seas' had to play the role of continent balancer, passing when necessary to the side of the weakest contender. But something new and different was happening in North America, where the United States' founding fathers could count on their knowledge of the power balance of the European States and wanted

to aspire to something different for the constitution of the new Nation, separated by a vast ocean from the old continent. In 1792, a pastor and geographer from Massachusetts, Judidiah Morse, was preaching “that the new country would expand westward, propagate principles of freedom throughout the Americas, and be assumed to be the crowning glory of human civilization throughout that period and beyond ... At that time, America passionately argued that the challenge was not territorial expansion in the traditional sense, but the spread predetermined by the divinity of the principles of freedom.” (Kissinger, 2015)

That new entity, however, you want to judge it, was a great step forward not only on the path of democracy but even more for the establishment of human rights and freedom principles. Focusing on the freedom principles of individuals and communities, finally means focusing on the undoubtedly innate abilities of communities. Communities intended as regulators of the right to survival for future generations and as firm custodians of the non-delegable obligation to decide on relations between States and collectivities. In other words, moving from the balance of powers to the balance of individual and collective freedoms may really open the way to those decision-making powers that are the prerogative of collectivity, in order to assure the survival of future generations and also to regulate and prevent the use of war as a mediation of contrasts and conflicts.

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OECD—OECD Stat Database, various years

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

Notes

Note 1. Marsilio Ficino (Figline Valdarno, 19 October 1433—Careggi, 1 October 1499) was an Italian philosopher, humanist and astrologer, one of the most influential scholars of the early Italian Renaissance.

Note 2. Giovanni Pico dei conti della Mirandola e della Concordia, known as Pico della Mirandola (Mirandola, 24 February 1463—Firenze, 17 November 1494), was an Italian humanist and philosopher. He is the most famed of the noble dynasty of the Pico family, lords of Mirandola.

Note 3. 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 of Carter’s SAP, the “must” here is an imperative, as shown by the following three possible elaborations of the SAP, each proposed by Barrow and Tipler:

“There exists one possible Universe ‘designed’ with the goal of generating and sustaining ‘observers’.”

This can be seen simply as the classic design argument restated in the garb of contemporary cosmology. It implies that the purpose of the Universe is to give rise to intelligent life, with the laws of nature and their fundamental physical constants set to ensure that life as we know it, emerges and evolves.

“Observers are necessary to bring the Universe into being.”

Barrow and Tipler believe that this is a valid conclusion from *quantum mechanics*, as John Archibald Wheeler has suggested, especially via his idea that information is the fundamental reality (see: *It from bit*) and his Participatory anthropic principle (PAP) which is an interpretation of *quantum mechanics* associated with the ideas of John von Neumann and Eugene Wigner.

“An ensemble of other different Universes is necessary for the existence of our Universe.”

By contrast, Carter merely says that an ensemble of universes is necessary for the SAP to count as an explanation.

Source: https://en.wikipedia.org/wiki/Anthropic_principle