

100 insights into the global economic crisis

What set off the global economic crisis? What should be done to get back on track to grow? IESE's Alfredo Pastor tackles these issues in his new book.

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"The crisis is not a problem. The crisis is just part of a process, an episode in the transformation of the Spanish economy into something capable of providing participants with rewarding work and satisfactory wages," says IESE's [Alfredo Pastor](#) in his book titled [La hora del erizo. Economía en tiempos de crisis](#) [literally, *The Hour of the Hedgehog: Economics in Times of Crisis*], published by Editorial Elba in Spain.

The professor of economics and former Secretary of State for Economic Affairs in Spain, who earned the Godó Award in Journalism in 2011, offers a rather broad perspective on the economy.

The book includes over 100 articles published between 2001 and 2014 in various media outlets in Spain — including newspapers such as *La Vanguardia* and *El País*.

Pastor's book offers his reflections on the global economic crisis, Spain's economic policy, the current state and the future of the eurozone, the rocky relations between Spain and Catalonia, and the role of the government in the market economy, among other issues.

Patience is a virtue

Articles appear in chronological order, with a blend of irony, common sense, realism and moderate optimism about the current economic situation in Europe.

"Time is precisely what we have, because this crisis is going to last a while," says the author.

Still, Pastor rejects doomsday scenarios and vehemently defends the euro and the role of the European Union, while acknowledging the questionable economic policy promoted by eurozone politicians.

His deep knowledge of emerging markets, and particularly the Chinese economy, is evident in this book. This is thanks in part to serving as Dean of the China Europe International Business School (CEIBS) in Shanghai between 2001 and 2004.

In the book's appendix, Pastor focuses on China's contrasts, inequalities and challenges. He explains the cultural differences in relation to the West and calls for building bridges that go beyond mere commercial interests.

Contentious issues

With wisdom and solid, well-documented arguments, Pastor traverses terrain that is often a minefield of controversy.

Drawing on his experience as Spain's Secretary of State for Economic Affairs from 1993 to 1995, he calls for restraint in government spending to "sustain activity in times of depressed private demand, and therefore preventing a recession from becoming a depression."

Pastor also advocates combining fiscal stimuli and consolidation, mixing expansionary policies and austerity measures, in order to get back on the path toward stable growth.

He gives his viewpoint on multiple issues affecting the economy — from education to the labor market, pensions, reforms, bailouts, recovery, the shared responsibility of Europe's North and South, the role of Germany, the monetary strategy of the Federal Reserve and the European Central Bank, industrial policy, the role of banks, corruption, the technological revolution, federalism, the controversial situation of Catalonia, and more.

Pastor addresses these issues with tangible, practical examples that paint a picture of the consequences that the economy has on society and on individuals.

According to him, the economy should not be an abstract, theoretical or distant topic and civic values must not be ignored. "Many of us lament living in a time where the depth of one's pocket supersedes the depth of one's spirit," he muses in one of the articles.

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