

Italian financial crises and national loans in wartime (1866-1918). Narrative, institutional discourse and crisis perception

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Italy faced from 1861 to 1919 two severe public finance crises, both related to the involvement in two great military conflicts linked to national boundaries definition. These are the case of the Third War of Independence in 1866, which allowed the Italian annexation of the Veneto, and of the First World War, which allowed the completing of Italian Unification with the incorporation of Trieste and Trento into the Kingdom of Italy.

In this paper we intend to study two Italian financial crises in correspondence of Italian Independence warfare periods, in 1866 and in 1915-1918. In both cases, the need for governments to resort to “national loans” entails the support of domestic public opinion in order to increase the share of Italian debt owners and to bolster bonds value, as well. In these cases, the success of underwriting in the presence of serious default risks makes us question about the public's real perception of the crisis and how trust and consensus can be directed and conveyed through narrative and institutional language.

After describing the main characteristics of these two debt crises and their respective impacts on the Italian public finance, the analysis moves drawing on iconographic and qualitative sources to the official language, focusing mostly on the rhetoric and propagandistic use of the terms such as Nation, Homeland, Independence and War, utilized by the Italian Government to extend the subscriptions of the several issues of national public bonds, the “*Prestiti nazionali*” (National Loans).

Furthermore, through the statistical methodologies of text mining, we try to corroborate the findings analysis by examining the functions, characteristics and applications of words that emerge and shape crisis-related discourses in a wide range of political, institutional, and narrative contexts (normative production, newspapers, economists' discourses).

We maintain that thanks to a massive campaign that involved all the communication outlooks and to the foundation of the National Consortium for Public Credit Relief in 1866, the financial crises were overtaken and a quite-reliable public debt market imbued with confidence and cultural attitude was created.