



## FEDERICO CAFFÈ: THE MAN, THE TEACHING, AND THE INTELLECTUAL PATH

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### ABSTRACT

*The paper sketches some features of Caffè's contribution to the construction, diffusion and applications of economic policy as a discipline, in addition to his personal traits and his qualities as a teacher. Not only was he one of the main proponents in Italy of the study of welfare economics as the 'logic' of economic policy as well as of the 'theory' of economic policy and compounded them into a consistent set of propositions for guiding public action. He also gave important contributions on the proper functioning of international institutions and suggested an idea of economic policy in strategic terms, as the interaction of different social subjects (the Government together with big firms and trade unions). This idea of economic policy as the outcome of such an interaction was later to become the ordinary way of dealing with policy action. More recently, it has been developed to become the core of the new theory of economic policy, exempt from Lucas critiques.*

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