Editorial Note

The extensive use of IT in financial services, together with policies permitting free movement of capital and the resulting integration of individual countries' financial systems have fueled the perception that the financial system can operate anywhere, regardless of physical location.

Scholars have sought to demonstrate that the geographic context continues to have a role despite the "dematerialization" of financial transactions, noting the dual dynamics of agglomeration and dispersal in the range of services. For instance, in Italy, particular attention has been directed to the localization of banks and the consequences of the mergers and acquisitions that have taken place since the Nineties. The fact that banks' head offices are concentrated in the north of the country has severed the ties of trust between local banks and their business customers, leading to greater information asymmetry that has made it much more difficult for small and medium enterprises to access credit. The close links between finance and the growth of the real economy, as well as the dangers posed by a predominately speculative financial system were brought into sharp relief by the 2007-2008 financial crisis, whose effects were felt by industry, labor and the social structure - albeit in different ways and with varying intensity around the world. Thus, for example, the subprime mortgage meltdown in the United States sparked a sovereign debt crisis in the countries of the European Union. Here, Italy, Greece, Spain, Portugal and Ireland were hit hardest, burdened as they were by a high current account deficit and a level of public debt that did nothing to inspire market confidence.

The papers presented in this issue of *GeoProgress Journal* testify the strategies fielded in response to the crisis brought about changes in geopolitical relationships, an ever-greater tendency towards protectionist policies and re-regulation, and calls for redressing the balance between the financial economy and the real economy. In *Geofinance between market dynamics and political strategies*, Federico Sergiani and Umberto Triulzi explore the impact of finance on political strategies, arguing that Long Term Investment Funds (LTIFs) - and, specifically, Europe's recently introduced ELTIFs - which concentrate on infrastructures, services and education and were heavily penalized by the financial crisis, could put the relationship between the financial system and the real economy back on a better footing in the medium term. Umberto Rosati also looks at finance from a geopolitical policy perspective, analyzing the case of an Optimum Currency Area (OCA) linked to a fixed currency exchange. The author emphasizes the costs and benefits of the monetary union, finding that geopolitics has created a hierarchy in the euro area by forming two different categories of states.

The next papers address the relations between finance and the real estate sector, relationships that - as has oft been remarked - could bring finance back to its traditional function. Francesca Fantuzzi and Claudio Santucci find that capital has once again begun to flow into Italian real estate, both from institutional investors and from non-institutional "private" investors, putting the virtuous circuit between capital, real estate and local development back into action.

Simona Epasto extends the scope of investigation to Europe as a whole, with particular attention to the shifts in real estate investments that are taking place in connection with Brexit. She outlines a possible scenario in which capital flows are drawn to other European countries as British real estate becomes less attractive.

The benefits of investing in the economy can also be seen in the growth of transportation infrastructures and tourism, where demand continues to rise despite the recession resulting from the financial crisis. In this connection, Viviana D'Aponte investigates a particular form of financial outlay in airport facilities, namely, capsule hotels, which provide minimal accommodation for travelers during layovers on long trips. Here again, there is an effective interaction between the airport's attraction potential and the size of the investment flows, which can have positive effects in other areas of this economic sector, tourism in particular.

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(Management Editorial Board)

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