UPF Rome, Italy's The sixth Italian Peace Forum: Competition and Collaboration

Franco Ravaglioli November 28, 2022

Rome, Italy - The sixth Italian Peace Forum was held on the theme "Competition and Collaboration on the Global Path to Sustainability and Social Harmony."

Eleven participants attended the online meeting, which was held on November 28, 2022.

The presentation was given by Dr. Marco Ricceri, the secretary general of the European Institute of Political, Economic and Social Studies (EURISPES). Following are excerpts from his talk:

"Why collaboration and competition? Because we live in an extremely contradictory phase. It is a historical period of great tensions and conflicts destined to widen. ... At the same time, however, we see that all states are organizing policies and plans in relation to the common United Nations Platform for Sustainability and Development Goals and that they are well read in the plans that all states send to the UN review.

"I would like to clarify two important aspects related to the sustainability discourse. ... Sustainability, in the most correct meaning, is the reduction of the risks of failure of a system. So we are outside any moral or economic concept; any system is subject to the risks of breakdown. The more I intervene in reducing these risks of rupture, the more sustainable I make it.

"It means that now we really realize the risk of rupture of our system, whether it is global or regional or national and so on. The basic concept of sustainability is that I have to move from a development model based on quantity to a development model based on the quality of development. That means changing modes of consumption, changing production processes, and so on.

"The UN agenda is very clear and offers a huge and very specific opportunity, because it says that one of the elements on which the construction of sustainability strategies rests is new governance. That is, states are no longer able to do it alone; it takes the public-private relationship; it takes a lot of civil society participation.

"To give an example, UPF should be an active stakeholder that sits at the tables where sustainability plans are drawn; perhaps to discuss aspects regarding social imbalances, the relationship between territories, communities and so on. UPF should ask to carry out this because it has the right to do so, according to the United Nations. ...

"Second point: If people do not participate and clarify their thinking on the strategy of sustainability, as many very authoritative experts tell us, in the end finance and banks design the path. And the social banks only care in being able to say they sponsored ten more hospitals, but they don't care about social cohesion.

"But YOU have to sit at the table because the agenda tells you that you only build it by bringing the experience of organizations, as, for example, UPF can do."

To read the entire speech, <u>click here</u>.

UPF Italia PEACE FORUM – 28 November 2022

"Competition and Collaboration in the global path towards sustainability and Social Harmony"

Rapporteur Dr MARCO RICCERI– General Director EURISPES (Institute for Social, Political and Economic Research and Analysis)

MARCO RICCERI - Why collaboration and competition? Because we are living in an extremely contradictory phase. It is a historical period of great tensions and conflicts destined to widen. They are also shaping up in other parts of the world, not only with the war in Ukraine. At the same time, however, we see that all States organize policies and plans in relation to the common United Nations Platform for the Goals of Sustainability and Development and that they are clearly readable in the plans that all States send to the UN review. If you go to the UN website and click on "national voluntary plans" you will find the type of plans they carry out and the types of results and aspects that most emphasize and so on. So there is this reference to a common platform. In addition there are continuous exchanges, even surprising; The flow of movements triggered by the process of globalization is reorganizing and has not stopped, on the contrary, in certain sectors, it has become even more intense. I was very impressed, and I say this by way of example, by an article that appeared a fortnight ago, which celebrated the number of trains that arrived in Hamburg from China through the entire theatre of war; are the famous long convoys full of goods and containers of goods that go back and forth from the Chinese market to Hamburg. From the beginning of January until the end of August there were 10,000 trains back and forth, passing through Ukraine, Belarus, Russia and so on. This was celebrated as a great achievement, even to be implemented in the near future. What do you mean? It means that there are people who suffer from the tragedies of war and there are those who carry on trade, and so on. This is the contradiction of our time. On the one hand, tensions are increasing and, on the other, we are saying exchanges continue and, above all, the reference to the common platform for sustainability continues. I am struck by a report which is being prepared and which refers to the official Chinese magazines because we have a contributor who speaks Chinese and who is able to read it. China is setting itself the goal of reaching the same naval power as the United States by 2025, so in three years. And it does this by building ships that will use special metals supplied for example by Scandinavia, Norway and so on. Those are the metals that make them invisible to radars and so on. So it's a point of increasing tension. At the same time there are the commercial exchanges of trains that I mentioned earlier. Having made this reference to the contradiction, I would clarify two important aspects related to the discourse of sustainability because we all talk about it but it is good to have clear ideas. Sustainability, in the most correct sense, is the reduction of the risks of breaking a system. So we are outside of any moral or economic concept; Any system is subject to the risk of breakage. The more I intervene in reducing these risks of rupture, the more sustainable I make it. That's the point. Then the risks of rupture can be related to climate, demographic facts and many other factors. But this is the fact and the concept that has been taken as a reference is a concept that circulates today but that has a very ancient history. The first to use, and I say it out of curiosity that may be useful in our future chats, the term sustainability was by a German aristocrat, Von Clausewitz, coined in 1730. He was an industrialist who ran the mines in Saxony. For the mines and tunnels, trees were used and

therefore the forest was cut continuously. At a certain point he realized that going forward with that pace and that intensity of exploitation, in the end there would be no more trees so he coined this expression: "we must proceed in a sustainable way". And he forced that for every cut of a tree corresponds to the planting of another tree. We are in 1730. This very clear concept of sustainability was then taken up by the Club of Rome in the 70s; was developed with the Millennium Goals and became the famous agenda of 2015. It means that we now really realize the risk of our system breaking, be it global, regional or national and so on. The basic concept of sustainability is that I have to move from a development model based on quantity to a development model based on the quality of development. This means changing modes of consumption, changing production processes and so on. Then the UN agenda talks about public and private participation together. The main actors need to identify this path. It means, basically, that I have to intervene on my traditional model that I have followed so far. Reduce the use of natural resources and build a production and consumption model that is more balanced and more focused on qualitative than quantitative consumption. When I open the closet and find inside twenty pairs of shoes and ten jackets and so on, perhaps it is good that I reduce this type of consumption and be more attentive and more committed to what I have outside of me. Then I go out and there's the polluted air that produces cancer, the ecosystem that produces disasters that we know and that we have known these days and so on. So it is a transition to a model that produces profit, but on the basis of a collaboration between public and private oriented on the quality of the system. This discourse of quality is one of the key points. And I'll come back to that later. The other aspect that I am interested in recalling is that in all the major systems of the world we can say, and I summarize it perhaps excessively, that the capitalist system has asserted itself everywhere. But if I apply the institutionalist approach that dates back to the 30s of the last century in America, the school of Wisconsin, Veblen and so on, I realize that many different models of capitalism have been produced. The Chinese model differs from the Russian model, the European model, the African model and so on. Because? Because it is impossible that in a free-market economy there is full rationality and full information in people's choices. Secondly, because people's choices are influenced by many factors: traditions, values, visions, cultural elements. Institutions are also built on the basis of the values of a society. In India we still have castes in force; in Russia we have the culture of mega plants that does not lead to the development of small and medium-sized enterprises; in China we have a strong government and so on. They are all capitalist systems but they adopt very different models. So the second step to take is to be clear that in the international scenario the comparison is between different models of capitalism. The third element is the reference to the commitment of all States to sustainability plans highlights and confirms this fact which is very interesting. That is, each of the major geographical areas of the major countries in the world is interpreting the commitment to sustainable development, therefore to a quality model, according to its own vision and culture. That is, the true background that is the basis of the various economic systems emerges. And if we read precisely the plans that are presented by the States and evaluated and admitted by the United Nations and then subjected to evaluation and certification, we see the emergence of elements of different approaches to sustainable development. And this is a first element of real comparison on which we are not paying much attention. Let's take an example. In the Indian plan I have taken up here some key phrases that can give an idea, it says that India's National Plan to achieve the objectives of Agenda 20 / 30 provides for a great collaboration and participation between public and private and above all between the federation and all national

territories. Per achieve what? How is sustainability interpreted according to Indian culture and capitalist model? To achieve harmony. In the Indian system they use the term harmony, i.e. the ability and quality of development is linked to the element of harmony between social groups and between the various elements that qualify a type of development. Bearing mind that India still has enormous social imbalances, enormous levels of poverty. But in his plan, he has shown that he has achieved the best result in the world in alternative energy. So if tomorrow we need to buy alternative energy plants, India will already be positioned in first place in the world. And this can be the basis not only of competition, but also of cooperation between states. Second example: the Chinese plan highlights the fact that they have maximized the state apparatus. Three new ministries have been organized. Much emphasis is given to the discourse of urban mobility and it is said that the strategic goal has been set, equal to that of the European Union, of having no carbon emissions in 2050. They have expanded time; But they expressly tell you that the Chinese government's commitment to sustainability is to demonstrate the superiority of the socialist system strongly led by the Communist Party of the People's Republic of China. That is, they say that in order to achieve the objectives of sustainability they follow the path of the socialist model, not of the European or American model or others. India pursues harmony; the Chinese system proposes the socialist solution; The European system that is defined by the "green deal" and by all the truly intense consequent acts that have been approved by the Union in the last two years, the key word is that of "competitive sustainability"; therefore the European Union says clearly and expressly in the "green deal" that it goes in the direction of sustainable development to regain competitiveness at international level. So it is a completely different view from the Chinese or the Indian one. The guiding criterion of the European system is to regain competitiveness; reaffirm its competitiveness in the overall system. In Russia we talk about the welfare state, that is, sustainability is used to build the welfare state. In the African plans it is clearly stated that the objective is to implement the program "The Africa we want", the Africa we want, which has objectives to 2063 to try to create at least economic unity of the African continent. The plan that Africa has drawn up to 2063 is therefore linked to the need and the objective of creating an economic union of the African continent by 2063. That's important. Not only do we have different levels, different models of capitalism, but also as we move towards sustainability, the diversity of cultures, values, traditions and sensitivities that underlie the various systems emerges. This path of sustainability needs to be well defined in terms of both the reference assessment models, then I will explain myself with concrete examples, and in practical implementation. Qui problems arise. At the international level, the largest players that are operating are multilateral development banks and each of these has its own model for assessing sustainability plans. There is a convergence, a continuous comparison, but still the models they apply are different and it must be borne in mind that multilateral development banks are those that then have relations with national banks. A Bank Intesa talks to the European Bank or the Indian Bank, the Asian Bank and so on. Where is the difference in assessment and the need to make a fundamental clarification, precisely to affirm the option of the quality of development? It lies in the kind of experience and initiatives that one carries out. And I give concrete examples. When the African Development Bank has to build a corridor, a train, a bridge, if it is in front of a village, it destroys the village, it pays the allowance to all the inhabitants of the village and continues to build. The villagers accept the payment allowance which is sufficient to cover all the damage caused, but for the crop they have, for the fact of remaining without references and so on, it has been shown that they end up squandering this

money unnecessarily. They do not have the ability to organize other communities or let's say alternative initiatives and end up in the slums of the mega cities they all end up emigrating. The bank in Latin America, which has built its own model in close collaboration between universities, think tanks and international organizations, has adopted the opposite model. In building a corridor, a bridge, a railway that crosses a village is obliged to rebuild this village ten kilometers away. I bring to all the people near this village and commit themselves to see what works, that community life starts to function properly again. So it's a bank that makes a village, it's a bank that rebuilds a community. D on one side you see that it destroys it and on the other side you see that it rebuilds it. Both investments are defined as sustainable, but the social effects are completely different. So this is the banking world, this is the world of finance. If we go down to the institutions, we see that we are still a long way from moving in a balanced way in the direction of sustainable development. This is because, as we all know, development must proceed in parallel in three dimensions: economic, environmental and social. For example, the European Union has drawn the overall scheme very well by linking it to a discourse of competitiveness of the entire European system, second it has given rise to the famous nomeid rates, i.e. the classification system of indicators that expresses whether the operator or citizen operates in a sustainable manner. Which is the limit? And this becomes a talking point that connects to what we said at the beginning. The point is that the environmental taxonomy, socalled green, is well defined. Entrepreneurs are told to make sustainable products, i.e. they don't have to use plastic, there are even whole pages of classification of new products and they have to show that not only their own company but the whole value chain in which it is inserted goes in that direction. On social taxonomy, on the other hand, the discourse has run aground. A mega group of experts was formed, which came to make only proposals because the social has no scientific basis. That is, how can the social be measured? This is the really open question for UPF as well. What is social? It is more care, more kindergartens, more schools, more hospitals and so on, or it is instead linked to qualitative factors: more inclusion, less precariousness, existential, more social cohesion; that is, all elements in which the connection, the community spirit of the citizens, is measured. I am an individual but at the same time I participate in a community. You can do and many kindergartens or hospitals but if I feel alone and live isolated we arrive at a disintegrated community. What is serious is that in the European system, precisely the issue of recent months, we have stuck precisely on the definition of the social and therefore the social taxonomy has been sent back to the community and it is not possible to understand if it goes forward or if it goes backwards. The justification given by the experts is that the social is not definable from a scientific point of view. And this is a paradox. Keep in mind that in this period, here is cooperation, meetings, video conferences and analyses are multiplying. Three days ago we were engaged with the Chinese Academy of Social Sciences on this very point. That is, on how the social quality of development must be identified, and here we return to the discourse made on the different capitalist models. That is to say, what are the cultural and ethical values that can justify the fact that I am a single individual but at the same time I am a subject of a community. If you are not clear I love the terms with which social belonging is defined and justified, I risk doing damage. And so we have a very serious risk, namely that the path towards sustainability will be blocked precisely on the quality values that concern the definition of the social. One last note; In walking towards this model of development we all come to terms with the famous megatrends, the cycles of the digital revolution, demographic processes, emigration and climate change and so on. But we also

realize that to face these megatrends, of which we have spoken so many times, we must start from the base, that is, from the guiding principles of reference that are the ethical principles. Then in the digital system we begin to insert ethical codes for digital. But you also see in the migratory processes an enormous diversity of approach emerges precisely because we do not have the same sensitivities and the same ethical heritage between reception and rejection, the barrier to non-barrier and so on. That is, the same effort to move towards sustainability and to face together the risks of disruption linked to mega trends requires an ethical commitment to define what is a community of people. And so on this I register, at least at international level, a great confrontation even if I have registered, especially at European level, a very reductive vision even a block on this point; I talk more to the Chinese, the Russians and the South Africans than to my European colleagues. Sensitivity is really very weak or very different and everyone sees it as he wants. The fact that the European Union has focused everything on regaining the competitiveness of the European system says a lot about why we are not going in this direction. I close by reporting a recommendation of an expert in these days; He says that in the end the whole path will be finance that based on its references, profits, losses and investment opportunities, will define the path. If that were the case, I think we would all have missed a great opportunity.

Answers by MARCO RICCERI to various questions:

[...]

If the Chinese socialist system is a capitalist system or not, is it the subject of a very thorough discussion among economists, scientists, politicians, etc.? What has been pointed out is that it can be defined as a capitalist system because the central issue on which the Chinese government asks for everyone's collaboration is the accumulation of capital. Poi property can be private or public, but the real crux of the capitalist system is to have the guarantee of the accumulation of capital on which the convergent effort of all is demanded. This is the element that gualifies. On the second point, we dispute the fact that the experts of the European Commission have stalled on the definition of social dumping. As the EURISPES institute we have 40 years of research, but I also see the Catholic and universities doing social research with qualitative data as references; that is, we take the qualitative data of social processes. Why does the European Commission not want them to be scientifically qualified? And that's the real point. N not having scientific basis you cannot define a social taxonomy and this is the reasoning that has been made, but they are generic concepts because there is a whole social science. From Ferrarotti onwards, I mean, the world has produced very important qualitative analyses and you have to take them as a basic political choice to build a taxonomy on this discourse. Parliament has approved it today and the business declaration enters into force. In this way, companies are required to make the traditional report and a sustainability report in which they must demonstrate the benefits that their activity brings to the community in which they operate. A very difficult job, we should strengthen all public services in this direction, but it is the obligatory way because the acts have entered as a Regulation, that is, as a law already applicable. Businesses, even small ones, are now required to take stock. The fact that we also had a social taxonomy, in addition to the environmental taxonomy, would make it easier to formulate this budget, the integrated budget that has become mandatory. It is important to help the entrepreneur to do the social one. Why did I put cooperation and competition? I make a very concrete case that we have had the opportunity to deepen thanks to the collaboration with all the experts of ITA, former Alitalia. The Chinese, as I said, who are focusing a lot on qualifying mobility by analyzing here and there in the world situations of excellence, have discovered that Fiumicino airport, which in fact has also had an international award, is the least polluted of all and that some ITA planes use different materials and so on. They rushed to make an agreement to be able to apply it also in China. Therefore, the common commitment, converging on sustainability, can lead not only to exchange best practices but also to formulate agreements to better achieve the strategic results that have been proposed. From Russia, where the largest association of wheat producers operates, they came to Italy to check and control the famous robots that in agriculture go along the fields and tell you if your products are wet, if your soil is salty and so on, led by satellites. At the moment the Russians have satellites, we have robots, especially in Veneto, Lombardy and Emilia, where excellence has been achieved. So in the program they sent to New York on sustainability in the agricultural world, they put this collaboration that was born between the largest agrarian association in the world and Italian operators. These situations are bound to multiply; That's why collaboration and competition, then everyone plays their own game. We dare to give a thousand examples in which, working on sustainability, interweaving and collaboration are created.

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The Americans have made a strong transition even under Trump, who at the beginning was extremely opposed to any form of imposition, regulation and planning in this direction; Then, in recent times, he has moved a lot and even accepted, for example, important laws promoted by him. For example, the United States has adopted the Digital Code of Ethics. Where is the American strategy heading? Sul involvement of people to make citizens aware of the importance of moving in this direction. There is a great deal of effort in information systems, positive psychology, training and education on these issues. Courses have multiplied and the state, even in the White House, has an agency that promotes public awareness. The more informed I am, the more aware I am, the more I adapt my behavior to new needs. If your environmental issues are in the same direction as 2050 for zero emissions and so on. But the key point they have brought out concerns precisely creating awareness in citizens; If the American is aware then he participates.

[...]

In the national plans they have mandated, both Argentina and Brazil, and other states have put as a premise the discourse of reordering public finances, on the assumption that if we do not reorganize public finances, we will not be able to make sustainability policies. This is the leitmotiv that has come and that is common to the four five floors we have examined. Secondly, there is confirmation of the willingness to participate in the new multilateralism. This would need a separate conference. However, the process of globalization is seeing the emergence of regional realities; very strong in Eurasia, South Asia, Africa, Latin America with CELAC and so on. These organizations are becoming increasingly popular; They have a thousand weak sides, but in the meantime the accession and participation of States shows the will to build something different and second to reform the overall global order. I was very impressed, for example, by the fact that in this process the coordination of the BRICS, which we are studying with particular attention, has become the subject of applications for membership from many countries. For example, Mexico. in Latin America not only does Brazil participate in the BRICS as one of the founders, but recently, this summer, the official request of Argentina arrived. So Latin America is moving in this direction. In Europe we have three Mediterranean countries, because there was a request from Turkey, Egypt and twenty days ago there was a request from Algeria. Then perhaps something is wrong at European level in relations with the Mediterranean area, for example. Indonesia is another of those states that hosted the G20 but applied to join the BRICS. What are they doing? This is also very important in relations with South America. The BRICS have, beyond any political assessment that can be made, have identified three truly strategic main projects. The first is to create a common customs union, so we can imagine what tomorrow means if a single custom is created between these five plus the enlarged ones. Secondly, they are well aware that oil and gas are running out, they will be subject to more and more restrictions, so the strategic project is hydrogen nuclear energy for civil purposes. The third is to create an alternative currency to the dollar, that is, an alternative monetary system that uses local currencies. So if I make an investment in Angola I have to use the currency of Angola or vice versa. This is also to recognize the sovereignty and dignity of the few. Vis-à-vis this body BRICS has been formed and is guite beginning to function, I say this as an acronym, MITCA, so Mexico, Indonesia, Turkey, Korea and so on, that is, the intermediate stages that have applied to join the BRICS have meanwhile organized among themselves to have common trade policies, trade and trade investment, apolitical role within, for example, the G20 or other UN bodies, and so on. That is, we are in the midst of an evolution in which trajectories are yet to be defined, both in Latin America and Africa. But the will to create something different, in fact, is getting stronger. I want to say this because it is a fact to be borne in mind; The current order no longer holds, it no longer works. I need to cling to the distinction between West and East. The process of globalization no longer holds up according to the pattern we have had hitherto, and so attempts are multiplying for new organizations, new coordination and so on. Nor should we forget, for example, that Brazil has direct relations with many African states; already an Inter-Atlantic exchange with many African exchanges where, compared to the large investments that the Chinese make, Brazilians make training schools, small businesses; A specific area that is not competitive with the Chinese one has been redesigned. It is all in the process of being formed, but the process has begun; Something new is being born.

[...]

It is one of the question marks that have been put at the top of the BRICS led by China. How to combine Mexico's participation with this or agree mentor NAFTA with entry into the BRICS? In response, Mexico has meanwhile, together with Turkey and the others, promoted the ITCA; So, try to work in both directions.

[...]

At the beginning of the year, the Secretary-General of the United Nations sounded these alarms. We are facing very concrete alarms. Accelerate, accelerate, accelerate. This is the decade of action. This is the expression he used. Therefore, we are at 2022 beginning 23; We are seven years old. Per zero emissions in China and Europe have given themselves 2050, but by 2030 a comprehensive conversion should be made. I mean that the European Union will respect green diesel in 2000-2021. And in this 2022, as far as finance and business are concerned, it has really made a huge package of measures. It risks being an unbalanced

package, as we have seen. But as far as the other aspect of the quality of development and social development is concerned, it has accelerated a lot. The Chinese are accelerating a lot. We should see if a sense of responsibility prevails; That is the point.

[...]

I wanted to go back to what we said earlier; on the system of values, traditions, the type of institutions that define a capitalist model; All elements to be taken into great consideration and analysis because otherwise we do not understand the reactions of the different systems. I was very struck by the words of Vatican Secretary of State Parolin who explained and commented on the renewal of the agreement they made a short time ago with China; it is a two-year agreement that concerns the appointment of bishops, the relations of the Church and so on. Here Parolin explains that these agreements take a long time; To arrive at real agreements it is necessary to enter into the mindset of the other person; We must be careful, for example, to the interpretation of each word, the meaning we give and give them. Beautiful this expression "enter into the mindset of others". So also on sustainability, the fact that the various systems, the various countries bring out the differences in approach in the end makes it clear that behind these things there is their culture, their history that has a value, which has a value on the success or otherwise of a plan. Here we pay attention to the mindset, to the values that are understood; This is important.

[...]

To live the sustainability policy correctly, they tell you that one of the elements to be addressed together with digital processes, environmental and so on there are also social imbalances; If they are not addressed, this tension system remains open. We see, in the widespread surveys of precariousness, that from the economic becomes social precariousness then becomes existential; A young person no longer makes life plans, does not have children, ends up protesting and living populism and so on. Then the agenda of the United Nations is very clear on this discourse. When social issues are tackled, the imbalances between rich and poor are a risk of breaking society. Science, through for example the application of the "Gini" index between rich and poor, says that when you get to certain data there is a risk of breaking up society. A good society is built and taking these parameters that limit situations of rupture. If they are not taken into account because they proceed only on the basis of daily political polls and so on and are not taken as benchmarks, there is still a risk of rupture. That's the point.

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The UN agenda is very clear and offers a huge and very precise opportunity because it says that one of the elements on which the construction of sustainability strategies rests is the new governance. That is, the States are no longer able to do it alone; We need the relationship between public and private, we need a great participation of civil society. So, to give an example, UPF should be an active subject that sits at the tables where sustainability plans are drawn; perhaps to discuss aspects concerning social imbalances, the relationship between territories, communities and so on. UPF should ask to do this because it is entitled to it, according to the United Nations, as well as trade unions, confederations etc. Second point: if you do not participate and your thoughts on the sustainability strategy are not clarified, as many authoritative experts tell us, in the end the path is drawn by finance and banks. And the social

banks only care about being able to say that they have sponsored ten more hospitals, but they don't care about social cohesion. And let me give you a very concrete example. We felt and talk a lot about the famous Smart City, the 1000 investments to be made in electrical cells, fluid traffic etc. Very well when all these investments have been made in which traffic is faster, I know when buses arrive, I have all the precise information, the question to ask is: I Is my community more cohesive, more integrated, or am I more monad, more isolated, more cultured? That is the point which must ultimately be measured. What kind of investment do I make, which makes everything more efficient, what is the social effect it produces? It has created more community, more integration among people, or isolated citizens even more so that in the end quality can be measured on this discourse. But you have to sit at the table because the agenda tells you that you can only build by bringing the experience of organizations like UPF into the table.

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